

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

No.: 500-11-055622-183

SUPERIOR COURT  
(Commercial Division)

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IN THE MATTER OF THE NOTICE OF INTENTION  
TO MAKE A PROPOSAL OF:

**C & E CANADA INC.**, a legal person having its  
elected domicile at 1000 De La Gauchetière Street  
West, Suite 2100, Montréal, Québec, H3B 4W5

Debtor / Petitioner

-and-

**RICHTER ADVISORY GROUP INC.**, a legal person  
having a place of business at 1981 McGill College  
Avenue, 12<sup>th</sup> floor, Montréal, Québec, H3A 0G6

Trustee

APPLICATION FOR AN ORDER APPROVING A CONSULTING  
AGREEMENT AND SALE GUIDELINES, FOR AN EXTENSION OF  
TIME TO FILE A PROPOSAL AND FOR ANCILLARY RELIEF  
(Sections 50.4(9) and 183 of the *Bankruptcy and Insolvency Act*,  
RSC 1985, c B-3, as amended)

TO ONE OF THE HONOURABLE JUDGES OR TO THE REGISTRAR OF THE  
SUPERIOR COURT, SITTING IN COMMERCIAL DIVISION IN AND FOR THE  
JUDICIAL DISTRICT OF MONTRÉAL, THE DEBTOR / PETITIONER RESPECTFULLY  
SUBMITS AS FOLLOWS:

I. INTRODUCTION

1. On November 28, 2018, the Debtor/Petitioner C & E Canada Inc. ("**C&E**" or the "**Company**") filed a Notice of intention to make a proposal ("**NOI**") under the relevant provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("**BIA**") and Richter Advisory Group Inc. was appointed as trustee thereto (the "**Trustee**"), the whole as appears from a copy of the certificate of filing filed in support hereof as **Exhibit P-1**.

2. C&E respectfully requests that this Honourable Court render the orders sought herein to, *inter alia*:
  - (a) Approve and ratify a Consulting Agreement (as defined below);
  - (b) Authorize C&E, with the assistance of the Consultant (as defined below) to conduct the Sale (as defined below) in the Stores (as defined below) in accordance with the terms of the Order to be rendered in connection with the present Application, the Consulting Agreement and the Sale Guidelines (as defined below); and
  - (c) Grant certain ancillary relief with a goal of facilitating the present proceedings.

## II. COMPANY OVERVIEW

### A. Background and operations

3. C&E is a company governed by the *Business Corporations Act*, RSO 1990, c B.16 (“**OBCA**”), created as a result of an amalgamation in 2001, as appears from a copy of its registration on the *Registre des entreprises*, a copy of which is filed in support hereof as **Exhibit P-2**.
4. C&E is a wholly-owned subsidiary of Crabtree & Evelyn Holdings Limited, a private limited company incorporated under the laws of the United Kingdom, itself a majority-owned indirect subsidiary of Nan Hai Corporation Ltd., a corporation listed on the Hong Kong Stock Exchange.
5. C&E is the Canadian operating entity of the Crabtree & Evelyn group of companies (the “**C&E Group**”), a body, fragrance and home care products retail conglomerate founded in Massachusetts in 1955. The C&E Group has retail and wholesale operations across the United States, Australia, United Kingdom, Germany, Hong Kong, Malaysia, Singapore and Canada.
6. C&E operates its retail business from a total of 19 retail stores in Québec, Ontario, British Columbia and Alberta (the “**Stores**”). In addition, it operates a wholesale business distributing its product lines to other retail stores. The Company does not have a distribution center in Canada and sources its inventory through a related party, Harvey (as defined below).
7. The Company is served by a distribution centre located in the American state of Connecticut.
8. The Company does not own any immovable property. All premises occupied by C&E are leased from third party landlords.

9. The Company's merchandise is sold and marketed under the "Crabtree & Evelyn" brand name. All intellectual property rights in connection with the "Crabtree & Evelyn" brand are owned by other C&E Group entities.
10. As of the date hereof, C&E has approximately 106 full-time and part-time employees. The Company's workforce is not unionized and the Company does not maintain a pension plan.
11. All inventory owned by C&E is supplied by Harvey Supply Chain International LLC ("**Harvey**"), an entity affiliated with the C&E Group based in the United States.
12. Other stakeholder groups include suppliers of services, landlords and other parties.

**B. Financial difficulties and pre-filing restructuring efforts**

13. The C&E Group, including notably the Company, like many other retail companies, fell victim in recent years to adverse macro-trends, including changing consumer preferences, expensive leases and a general shift away from brick-and-mortar to online retail channels.
14. For the years 2016, 2017 and 2018 to the end of October, C&E has incurred cumulative losses in excess of \$10.8 million. Unless otherwise stated, all monetary figures herein are in Canadian dollars.
15. Over the course of the past 12 months, C&E implemented a series of operational turnaround initiatives focused on optimizing and rationalizing store operations and developing strategies to improve profitability to identify potential synergies and cost savings.
16. The turnaround initiatives described above were not sufficient to offset the ongoing decline in sales and margins suffered over the last several years. Despite its efforts to effect an operational turnaround, the Company continues to see a consistent decline in its financial performance.

**III. INDEBTEDNESS AND OBLIGATIONS**

17. C&E does not have any third party lending facilities and instead has relied upon financial support from the C&E Group, in particular C&E US (as defined below) and Harvey, the latter primarily in respect of inventory supply. The C&E Group has advised C&E that it will no longer continue to support C&E in view of the significant balances owing by it.

**A. No Known Secured Indebtedness**

18. C&E does not have any known secured creditors.

19. A search conducted on the Ontario *Personal Property Security Registration System* (“**PPSR**”) reveals a registration by HSBC Bank Canada (“**HSBC**”) of a security interest which it would hold over certain bank accounts associated with C&E (the “**HSBC Registration**”), as appears from an excerpt of the PPSR filed in support hereof as **Exhibit P-3**.
20. The status, existence and nature of any security underlying the HSBC Registration is:
  - (a) Unknown by current C&E personnel, which is not aware of any secured debt;
  - (b) Not documented in C&E’s records; and
  - (c) In any event, unaffected insofar as no order sought affects any security underlying the HSBC Registration.

#### **B. Amounts Due to Unsecured Creditors**

21. As indicated above, C&E sources its inventory exclusively from its affiliate Harvey which, together with Crabtree & Evelyn, Ltd. (US) (“**C&E US**”), are the Company’s largest unsecured creditors. As of November 21, 2018, C&E is indebted to Harvey in the aggregate amount of approximately \$11.7 million (including approximately \$7.5 million of trade payables) and is indebted to C&E US in the net aggregate amount of approximately \$3.1 million (including approximately \$1.5 million of trade payables).
22. As of November 21, 2018, C&E also owed an aggregate amount of approximately \$400,000 to various unsecured creditors including suppliers and landlords.

#### **IV. RESTRUCTURING OBJECTIVES AND RELIEF SOUGHT**

23. Despite its recent out-of-court turnaround efforts and following extensive analysis and consideration, C&E concluded that its best alternative was to engage in a formal restructuring process in order to achieve the best possible outcome for its stakeholders.
24. With the assistance of its management team and its other advisors, the C&E Group determined that the best course of action in the current circumstances is the orderly liquidation and closure of the Stores.
25. In order to achieve its objectives, C&E, with this Court’s approval, is seeking the orders required to implement the initiatives further described below.

#### **A. Liquidation**

26. As indicated above, the Company conducted an analysis of the performance of the Stores and has determined that it would be in the best interest of all of its

stakeholders to proceed with the sale of all the inventory located in the Stores, with the assistance and expertise of the Consultant (as defined below).

27. In order to maximize the value of its inventory and of its furnishings, fixtures and equipment located in the Stores (collectively, the “**FF&E**”), C&E has negotiated and executed an agreement dated November 26, 2018 (the “**Consulting Agreement**”) with Gordon Brothers Canada ULC (the “**Consultant**”), pursuant to which the Consultant will serve as C&E’s exclusive consultant to advise the Company with respect to the liquidation of its inventory and FF&E at the Stores (the “**Sale**”). The Sale is to be conducted in accordance with the Sale Guidelines (defined below).
28. The Consultant has extensive experience in conducting retail liquidations and has led numerous significant inventory dispositions for Canadian retailers, including Target Canada Co., Comark Inc., Ben Moss Jewellers Western Canada Ltd., 3499481 Canada Inc. (PJ’s Pet), Mexx Canada Company, 2473304 Ontario Inc. (Jones NYC), BCBG MaxAzria Canada Inc., 1104045 Canada Inc. (Bowring & Co.) and 11041037 Canada Inc. (Bombay & Co.).
29. The Consulting Agreement provides, *inter alia*, that the Consultant shall be entitled to receive a fee equal to two percent (2%) of the aggregate net proceeds of the Sale and that the Sale shall terminate by no later than December 31, 2018 (the “**Sale Termination Date**”).
30. C&E will be responsible for all expenses of the Sale, including Store level operating expenses and the Consultant’s reasonable, documented out-of-pocket expenses. A copy of the Consulting Agreement is filed in support hereof as **Exhibit P-4**.
31. The Sale shall be subject to the sale guidelines attached to the Consulting Agreement as Exhibit C (the “**Sale Guidelines**”), which guidelines have been approved in the context of multiple court-approved closing sales, notably in Québec. Pursuant to the Consulting Agreement, the Company is seeking Court approval of the Sale Guidelines.
32. As provided under the Consulting Agreement, the Company will be honouring all gift cards and store credits redeemed during the Sale. All sales made in the context of the Sale will be final.
33. It is in C&E’s stakeholders’ best interest that the Consulting Agreement be approved by the Court, in order to proceed with the commencement of the Sale in the briefest of delays with a view to maximizing recoveries for all stakeholders.
34. As will appear from the First Trustee’s Report, to be filed concurrently herewith (the “**Trustee’s Report**”) the Trustee is supportive of the Consulting Agreement and the transactions contemplated therein.

**B. Extension of Time for Filing Proposal**

35. Should the Court grant the relief sought as of the day indicated in the notice of presentation, the delay to file the proposal will expire on December 28, 2018, *i.e.* in the middle of the holiday period.
36. In order to avoid having to seek an extension during the holiday period, and to allow sufficient time for C&E to complete the Sale and work on the possibility of filing a proposal to its creditors, C&E respectfully requests that the time for filing the proposal be extended up to January 15, 2019.
37. This request is made in good faith and with due diligence, in order to give C&E the necessary opportunity to elaborate a proposal. No creditor will be materially prejudiced by the three week extension requested.
38. As appears from the Trustee's Report, C&E projects it will have the necessary cashflow to operate throughout the proposed extension period.

**V. CONCLUSION**

39. The Trustee has indicated that it will be filing the Trustee's Report which shall contain information in respect of the matters addressed in the present Application.
40. As will appear from the Trustee's Report, the Trustee supports the present Application.
41. C&E is of the view that providing the relief requested herein is appropriate in the present circumstances. Accordingly, it respectfully requests that this Honourable Court render the orders sought herein.

**FOR THESE REASONS, MAY IT PLEASE THIS HONOURABLE COURT TO:**

**GRANT** the Application for an order approving a Consulting Agreement and Sale Guidelines, for an extension of time to file a proposal and for ancillary relief (the "**Application**");

**ISSUE** an order substantially in the form of the draft order filed in support of the Application as **Exhibit P-5**;

**THE WHOLE WITHOUT COSTS**, save in the event of contestation.

MONTRÉAL, November 28, 2018

*Osler, Hoskin & Harcourt LLP*

**OSLER, HOSKIN & HARCOURT LLP**

1000 De La Gauchetière Street West  
Suite 2100

Montréal, Québec H3B 4W5

Phone: 514.904.8100

Fax: 514.904.8101

Attorneys for Debtor / Petitioner

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Mtre. Julien Hynes-Gagné

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[jhynesgagne@osler.com](mailto:jhynesgagne@osler.com)

[notificationosler@osler.com](mailto:notificationosler@osler.com)

our file: 1196264

**AFFIDAVIT**

I the undersigned, Maral Bal, domiciled for the purpose hereof at 1000 De La Gauchetière Street West, Suite 2100, Montréal, Québec, H3B 4W5, solemnly declare the following:

1. I am a director of the Debtor / Petitioner C & E Canada Inc. and a duly authorized representative of the Debtor / Petitioner for the purposes hereof;
2. I have taken cognizance of the attached Application for an order approving a Consulting Agreement and Sale Guidelines, for an extension of time to file a proposal and for ancillary relief (the "**Application**");
3. All of the facts alleged in the Application of which I have personal knowledge are true; and
4. In respect of certain facts alleged in the Application, I have relied on information provided to me by C&E Group (as defined in the Application), in which case I believe such information to be true.

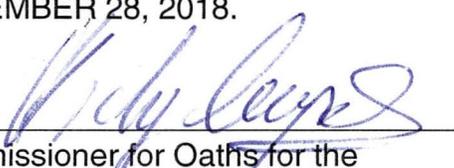
AND I HAVE SIGNED:



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**Maral Bal**

SOLEMNLY DECLARED BEFORE  
ME IN MONTRÉAL, QUÉBEC, ON  
NOVEMBER 28, 2018.



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Commissioner for Oaths for the  
Province of Québec



## NOTICE OF PRESENTATION

- TO: **RICHTER ADVISORY GROUP INC.**  
1981 McGill College Avenue, 12<sup>th</sup> floor  
Montréal, Québec, H3A 0G6
- TO : **VEC Leaseholds Inc.**  
**c/o Linda Galessiere (lgalessiere@clegal.ca)**  
20 Queen Street West  
Toronto, Ontario M5H 3R4
- TO: **Victoria Eaton Centre Management**  
**c/o Linda Galessiere (lgalessiere@clegal.ca)**  
640 Fort Street  
Victoria, B.C. V8W 3V2
- TO: **Pensionfund Realty Limited**  
**c/o Linda Galessiere**  
2929 Barnet Highway, Unit 2201  
Coquitlam, British Columbia V3B 5R5
- TO: **Oakridge Centre Vancouver Holdings Inc.**  
95 Wellington Street West, Suite 300  
Toronto, Ontario M5J 2R2
- TO: **Cadillac Fairview Management Services on behalf of Ontrea Inc.**  
**The Cadillac Fairview Corporation Limited**  
**(Attention: Executive Vice-President, National Property Operations)**  
Fifth Floor, 20 Queen Street West  
Toronto, Ontario M5H 3R4
- TO: **Richmond Centre Management**  
6551 No. 3 Road  
Richmond, British Columbia V6Y 2B6
- TO: **Templeton Doc Limited Partnership**  
**c/o McArthurGlen Designer Outlet Vancouver**  
7899 Templeton Road  
Richmond, British Columbia V7B 1Y7
- TO: **Hillside Centre Holdings Inc.**  
**c/o Bentall Kennedy (Canada) Limited Partnership (Attention: Executive Vice President, National Retail Services)**  
1055 Dunsmuir Street, Suite 1800  
Four Bentall Centre, P.O. Box 49001  
Vancouver, British Columbia V7X 1B1

- TO: **Hillside Centre Management**  
1644 Hillside Avenue, Suite 21  
Victoria, British Columbia V8T 2C5
- TO: **Riocan Management, Inc.**  
**c/o Linda Galessiere (lgalessiere@cglegal.ca)**  
700 Lawrence Avenue West, Suite 315  
Toronto, Ontario M6A 3B4
- TO: **Riocan Management, Inc.**  
**c/o Linda Galessiere (lgalessiere@cglegal.ca)**  
2300 Yonge Street, Suite 500  
P.O. Box 2386  
Toronto, Ontario M4P 1E4
- TO: **Upper Canada Mall Limited**  
**c/o Oxford Properties Group (Attention: Real Estate Management Legal Services Department)**  
Royal Bank Plaza, North Tower  
200 Bay Street, Suite 900  
P.O. Box 100  
Toronto, Ontario M5J 2J2
- TO: **Upper Canada Mall Limited**  
**c/o General Manager**  
95 Wellington Street West, Suite 300  
Toronto, Ontario M5J 2J2
- TO: **White Oaks Mall Holdings Ltd.**  
**c/o Bentall Kennedy (Canada) Limited Partnership (Attention: Vice President, Operations, Eastern Region)**  
65 Port Street East, unit 110  
Mississauga, Ontario L5G 4V3
- TO: **White Oaks Mall Administration Office**  
1105 Wellington Road  
London, Ontario N6E 1V4
- TO: **Falls Management Group L.P.**  
**c/o Falls Management Company (Attention: Chief Executive Officer)**  
20 Eglinton Avenue West, Suite 1901  
P.O. Box 2343  
Toronto, Ontario M4R 1K8

- TO: **Square One Property Corporation and Omers Realty Management Corporation**  
**c/o Oxford Properties Group (Vice President - REM Legal)**  
Royal Bank Plaza, North Tower  
200 Bay Street, Suite 900  
Toronto, Ontario M5J 2J2
- TO: **Square One Property Corporation and Omers Realty Management Corporation**  
**c/o General Manager**  
100 City Centre Drive  
Mississauga, Ontario L5B 2C9
- TO: **Oshawa Centre Holdings Inc.**  
**c/o Linda Galessiere (lgalessiere@clegal.ca)**  
95 Wellington Street West, Suite 300  
Toronto, Ontario M5J 2J2
- TO: **Viking Rideau Corporation**  
**c/o The Cadillac Fairview Corporation Limited (Attention: Executive Vice-President, National Property Operations)**  
Fifth Floor, 20 Queen Street West  
Toronto, Ontario M5H 3R4
- TO: **Rideau Centre Management**  
50 Rideau Street  
Ottawa, Ontario K1N 9J7
- TO: **SP Nominee Inc., KS SP Nominee Inc., ARI SP Nominee Inc., SP1 Nominee Inc., KS SP1 Nominee Inc. and ARI SP1 Nominee Inc.**  
**c/o Scotia Plaza Operations Office (Attention: General Manager)**  
40 King Street West, Management Office  
P.O. Box 101, P-1 Level  
Toronto, Ontario M5H 3Y2
- TO: **Dream Office Management Corp. (Attention: Senior Vice President, Eastern Canada)**  
30 Adelaide Street East, Suite 300  
Toronto, Ontario M5C 3H1
- TO: **Pensionfund Realty Limited**  
**c/o Linda Galessiere (lgalessiere@clegal.ca)**  
55 City Centre Drive, Suite 800  
Mississauga, Ontario L5B 1M3

- TO: **The Colonnade, Management Office**  
**c/o Linda Galessiere (lgalessiere@cglegal.ca)**  
131 Bloor Street West, Suite 437  
Toronto, Ontario M5S 1R1
- TO: **Halton Hills Shopping Centre Partnership**  
**c/o Mary Margiotta (gmargiotta@simon.com) and Helena Moniz**  
**(hmoniz@simon.com)**  
225 West Washington Street  
Indianapolis, Indiana 46204-3438
- TO: **Market Mall Leaseholds Inc.**  
**c/o The Cadillac Fairview Corporation Limited (Attention: Executive Vice-**  
**President, National Property Operations)**  
Fifth Floor, 20 Queen Street West  
Toronto, Ontario M5H 3R4
- TO: **Market Mall Management**  
3625 Shaganappi Tr. N.W.  
Calgary, Alberta T3A 0E2
- TO: **Mirabel Outlet Centre General Partnership**  
**c/o Marie-France Chouinard (marie.chouinard@simon.com)**  
105 Eisenhower Parkway, 1st Floor  
Roseland, New Jersey 07068

**TAKE NOTICE** that the Application for an order approving a Consulting Agreement and Sale Guidelines, for an extension of time to file a proposal and for ancillary relief will be presented for hearing and allowance in the Superior Court (Commercial Division), at the Montréal Courthouse, 1 Notre-Dame Street East, Montréal, Québec, H2Y 1B6 on November 30, 2018, at 8:45 a.m., or so soon thereafter as counsel may be heard, and in room 16.10.

MONTRÉAL, November 28, 2018

  
**OSLER, HOSKIN & HARCOURT LLP**  
Attorneys for Debtor / Petitioner

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

No.: 500-11-055622-183

**SUPERIOR COURT**  
(Commercial Division)

---

**IN THE MATTER OF THE NOTICE OF INTENTION  
TO MAKE A PROPOSAL OF:**

**C & E Canada Inc.**

Debtor / Petitioner

-and-

**Richter Advisory Group Inc.**

Trustee

<b>LIST OF EXHIBITS</b>
-------------------------

<b>Exhibit P-1:</b>	Certificate of filing
<b>Exhibit P-2:</b>	Petitioner's registration on the <i>Registre des entreprises</i> .
<b>Exhibit P-3:</b>	PPSR Registration by HSBC Bank Canada
<b>Exhibit P-4:</b>	Consulting Agreement
<b>Exhibit P-5:</b>	Draft Order

MONTRÉAL, November 28, 2018

*Osler, Hoskin & Harcourt LLP*  
**OSLER, HOSKIN & HARCOURT LLP**  
Attorneys for Debtor / Petitioner

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

No.: 500-11-055622-183

**SUPERIOR COURT**  
(Commercial Division)

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**IN THE MATTER OF THE NOTICE OF INTENTION  
TO MAKE A PROPOSAL OF:**

**C & E Canada Inc.**

Debtor / Petitioner

-and-

**Richter Advisory Group Inc.**

Trustee

**NOTICE OF DISCLOSURE OF EXHIBITS**

TAKE NOTICE that, at the hearing, Petitioner intends to invoke in support of its present Application the following exhibits:

<b>Exhibit P-1:</b>	Certificate of filing
<b>Exhibit P-2:</b>	Petitioner's registration on the <i>Registre des entreprises</i> .
<b>Exhibit P-3:</b>	PPSR Registration by HSBC Bank Canada
<b>Exhibit P-4:</b>	Consulting Agreement
<b>Exhibit P-5:</b>	Draft Order

MONTRÉAL, November 28, 2018

*Osler, Hoskin & Harcourt LLP*  
**OSLER, HOSKIN & HARCOURT LLP**  
Attorneys for Debtor / Petitioner

**SUPERIOR COURT**  
(Commercial Division)

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

No.: 500-11-055622-183

DATE: November 30, 2018

---

**BEFORE \_\_\_\_\_, REGISTRAR**

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***IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF:***

**C & E CANADA INC.**

Debtor / Petitioner

and

**RICHTER ADVISORY GROUP INC.**

Trustee

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**ORDER APPROVING A CONSULTING AGREEMENT AND SALE GUIDELINES,  
EXTENDING THE TIME TO FILE A PROPOSAL AND GRANTING ANCILLARY  
RELIEF**

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- [1] **CONSIDERING** the Application for an order approving a Consulting Agreement and Sale Guidelines, for an extension of time to file a proposal and for ancillary relief pursuant to sections 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, (“**BIA**”), as well as the exhibits and the affidavit of Ms. Maral Bal, filed in support thereof (the “**Application**”) by the Debtor / Petitioner C & E Canada Inc. (the “**Petitioner**”);

[2] **CONSIDERING** the Notice of intention to make a proposal filed by the Petitioner on November 28, 2018 in accordance with the BIA (the “**NOI**”);

[3] **CONSIDERING** the representations of counsel;

[4] **CONSIDERING** the provisions of the BIA;

**THE COURT HEREBY:**

[5] **GRANTS** the Application.

*Definitions*

[6] **DECLARES** that, unless otherwise defined, all capitalized terms in this Order shall have the meaning ascribed thereto in the Application.

*Service*

[7] **ORDERS** that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly presentable and **DISPENSES** with further service thereof.

*Consulting Agreement and Sale of Inventory*

[8] **APPROVES** and **RATIFIES** the Letter Agreement Governing Inventory Disposition dated as of November 26, 2018 between Gordon Brothers Canada ULC (the “**Consultant**”) and the Petitioner (with such minor amendments to the Consulting Agreement (but not the Sale Guidelines) as the Petitioner (with the consent of the Trustee) and the Consultant may agree to in writing, the “**Consulting Agreement**”), including the Sale Guidelines attached hereto as Schedule I (the “**Sale Guidelines**”), and **APPROVES** the transactions contemplated thereunder.

[9] **AUTHORIZES** and **DIRECTS** the Petitioner to take any and all actions, including, without limitation, execute and deliver such additional documents, as may be necessary or desirable to implement the Consulting Agreement and each of the transactions contemplated thereunder.

[10] **DECLARES** that the Petitioner, with the assistance of the Consultant, is authorized to conduct the Sale in accordance with this Order, the Consulting Agreement and the Sale Guidelines and to advertise and promote the Sale within the Stores in accordance with the Sale Guidelines.

- [11] **DECLARES** that if there is a conflict between this Order, the Consulting Agreement and the Sale Guidelines, the order of priority of documents to resolve such conflicts is as follows:
- (a) First, this Order;
  - (b) Second, the Sale Guidelines; and
  - (c) Third, the Consulting Agreement.
- [12] **ORDERS** and **DECLARES** that the Petitioner, with the assistance of the Consultant, is authorized to market and sell the Merchandise and the FF&E (as both defined in the Consulting Agreement) free and clear of all security, hypothecs, liens, claims, encumbrances, security interests, mortgages, charges, trusts, deemed trusts, executions, levies, financial, monetary or other claims, whether or not such claims have attached or been registered, perfected or filed and whether secured, unsecured, quantified or unquantified, contingent or otherwise, whensoever and howsoever arising, and whether such claims arose or came into existence prior to the date of this Order or came into existence following the date of this Order (in each case, whether contractual, statutory, arising by operation of law or otherwise), including any other charges hereafter granted by the Court in these proceedings (all of the foregoing, collectively "**Encumbrances**"), which Encumbrances will attach instead to the proceeds of sale of the Merchandise and FF&E other than amounts specified at paragraph [23] of this Order, in the same order and priority as they existed on the Sale Commencement Date (as defined in the Consulting Agreement).
- [13] **ORDERS** and **DECLARES** that subject to the terms of this Order, the Sale Guidelines and the Consulting Agreement, the Consultant shall have the right to enter and use the Stores and all related Store services and all facilities and all furniture, trade fixtures and equipment, including the FF&E, located at the Stores, and other assets of the Petitioner as designated under the Consulting Agreement, for the purpose of conducting the Sale and for such purposes, the Consultant shall be entitled to the benefit of the stay of proceedings in place in the present proceedings, as such stay of proceedings may be extended by further order of the Court.
- [14] **ORDERS** and **DECLARES** that until the applicable Sale Termination Date (as defined in the Consulting Agreement) for each Store (which shall in no event be later than December 31, 2018), the Consultant shall have access to the Stores in accordance with the applicable leases and the Sale Guidelines on the basis that the Consultant is assisting the Petitioner and the Petitioner has granted the right of access to the applicable Store to the Consultant.

- [15] **DECLARES** that, to the extent that the terms of the applicable leases are in conflict with any term of this Order or the Sale Guidelines, the terms of this Order and the Sale Guidelines shall govern.
- [16] **DECLARES** that nothing contained in this Order or the Sale Guidelines shall be construed to create or impose upon the Petitioner or the Consultant any additional restrictions not contained in the applicable lease or other occupancy agreement.
- [17] **ORDERS** and **DECLARES** that except as provided for in section [10] of this Order in respect of the advertising and promotion of the Sale within the Stores, subject to, and in accordance with this Order, the Consulting Agreement and the Sale Guidelines, the Consultant is authorized to advertise and promote the Sale, without further consent of any person other than the Petitioner and the Trustee as provided under the Consulting Agreement or a Landlord (as defined in the Consulting Agreement) as provided under the Sale Guidelines.
- [18] **ORDERS** and **DECLARES** that the Consultant shall have the right to use, without interference by any intellectual property licensor, the Petitioner's trademarks and logos, as well as all licenses and rights granted to the Petitioner to use the trade names, trademarks, and logos of third parties, relating to and used in connection with the operation of the Stores solely for the purpose of advertising and conducting the Sale of the Merchandise and FF&E in accordance with the terms of the Consulting Agreement, the Sale Guidelines and this Order, provided that the Consultant provides the Petitioner with a copy of any advertising prior to its use in the Sale.
- [19] **DECLARES** that the Consultant shall act solely as an independent consultant to the Petitioner and that it shall not be liable for any claims against the Petitioner other than as expressly provided in the Consulting Agreement (including the Consultant's indemnity obligations thereunder) or the Sale Guidelines and, for greater certainty:
- (a) The Consultant shall not be deemed to be an owner or in possession, care, control or management of the Stores, of the assets located therein or associated therewith or of the Petitioner's employees located at the Stores or any other property of Petitioner;
  - (b) The Consultant shall not be deemed to be an employer, or a joint or successor employer or a related or common employer or payer within the meaning of any legislation governing employment or labour standards or pension benefits or health and safety or other statute, regulation or rule of law for any purpose whatsoever, and shall not incur any successor liabilities whatsoever; and

- (c) The Petitioner shall bear all responsibility for any liability whatsoever (including without limitation losses, costs, damages, fines or awards) relating to claims of customers, employees and any other persons arising from events occurring at the Stores during and after the Sale Term (as defined in the Consulting Agreement) in connection with the Sale, except to the extent such claims are the result of events or circumstances caused or contributed to by the gross negligence or wilful misconduct of the Consultant, its employees, agents or other representatives, or otherwise in accordance with the Consulting Agreement;

(sub-paragraphs (a), (b) and (c) above collectively, the “**Liability Limitations**”).

- [20] **DECLARES** that to the extent the Landlords (or any of them) may have a claim against the Petitioner arising solely out of the conduct of the Consultant in conducting the Sale for which the Petitioner has claims against the Consultant under the Consulting Agreement, the Petitioner shall be deemed to have assigned such claims free and clear to the applicable Landlord (the “**Assigned Landlord Rights**”); provided that each such Landlord shall only be permitted to advance each such claims against the Consultant if written notice, including the reasonable details of such claims, is provided by such Landlord to the Consultant, the Petitioner and the Trustee during the period from the Sale Commencement Date to the date that is thirty (30) days following the Sale Termination Date.
- [21] **ORDERS** and **DECLARES** that the Consulting Agreement shall not be repudiated, resiliated or disclaimed by the Petitioner, nor shall the claims of the Consultant pursuant to the Consulting Agreement be compromised or arranged pursuant to a Proposal and, for greater certainty, that the Consultant shall be treated as an unaffected creditor in these proceedings and under any Proposal.
- [22] **AUTHORIZES** the Petitioner to remit, in accordance with the Consulting Agreement, all amounts that become due to the Consultant thereunder.
- [23] **DECLARES** that no Encumbrances shall attach to any amounts payable or to be credited or reimbursed to, or retained by, the Consultant pursuant to the Consulting Agreement and, at all times, the Consultant will retain such amounts, free and clear of all Encumbrances, notwithstanding any enforcement or other process, all in accordance with the Consulting Agreement.
- [24] **ORDERS** and **DECLARES** that notwithstanding:
  - (a) The pendency of these proceedings, including any bankruptcy that may result from these proceedings;
  - (b) Any application for a bankruptcy order pursuant to the BIA or any bankruptcy order made pursuant to such an application;

- (c) The filing of any assignment for the general benefit of creditors made pursuant to the BIA;
- (d) The provisions of any federal or provincial statute; or
- (e) Any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of the Encumbrances contained in any existing loan documents, lease, sublease, offer to lease or other agreement to which the Petitioner is a party;

the Consulting Agreement and the transactions and actions provided for and contemplated therein, including without limitation, the payment of amounts due to the Consultant and the Assigned Landlord Rights, shall be binding on any trustee in bankruptcy that may be appointed in respect to the Petitioner and shall not be void or voidable by any person, including any creditor of the Petitioner, nor shall they, or any of them, constitute or be deemed to be a preference, fraudulent conveyance, transfer at undervalue or other challengeable or reviewable transaction, under the BIA or any applicable law, nor shall they constitute oppressive or unfairly prejudicial conduct under any applicable law.

- [25] **DECLARES** that the transactions contemplated under the Consulting Agreement shall be exempt from the application of the *Bulk Sales Act* (Ontario) and any other equivalent federal or provincial legislation.

*Extension of Time to File a Proposal*

- [26] **EXTENDS** the period for the Petitioner to file a Proposal to and including January 15, 2019, in accordance with subsection 50.4(9) of the BIA.

*General*

- [27] **ORDERS** that no person shall commence, proceed with or enforce any proceedings against the Trustee or any of the directors and officers, employees, legal counsel or financial advisors of the Petitioner or of the Trustee in relation to the business of the Petitioner or on all assets, rights, undertakings and properties of the Petitioner, of every nature and kind whatsoever, and wherever situated, regardless of whose possession it may be in and including all proceeds thereof, without first obtaining leave of this Court, upon five (5) business days' written notice to the Petitioner's counsel, the Trustee and to all those referred to in this paragraph whom it is proposed be named in such proceedings.
- [28] **DECLARES** that the NOI, this Order and any proceeding or affidavit leading to this Order, shall not, in and of themselves, constitute a default or failure to comply by the Petitioner under any statute, regulation, licence, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.

- [29] **DECLARES** that, except as otherwise specified herein or in the BIA, the Petitioner and the Trustee are at liberty to serve any notice, proof of claim form, proxy, circular or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to persons or other appropriate parties at their respective given addresses as last shown on the records of the Petitioner and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if by ordinary mail.
- [30] **DECLARES** that the Petitioner and any party to these proceedings may serve any court materials in these proceedings on all represented parties electronically, by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that the Petitioner shall deliver "hard copies" of such materials upon request to any party as soon as practicable thereafter.
- [31] **DECLARES** that, except as otherwise specified herein or in the BIA, or ordered by this Court, no document, order or other material need be served on any person in respect of these proceedings, unless such person has served a response on the Petitioner's counsel and the Trustee and has filed such response with this Court, or appears on the service list prepared by the Petitioner, the Trustee or their counsel, save and except when an order is sought against a person not previously involved in these proceedings.
- [32] **DECLARES** that the Petitioner and the Trustee shall be entitled to seek leave to vary this Order upon such terms and such notice as this Court deems just.
- [33] **ORDERS** and **DECLARES** that any interested Person may apply to this Court to vary or rescind this Order or seek other relief upon five (5) business days' notice to the Petitioner, the Trustee and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
- [34] **DECLARES** that the Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.
- [35] **REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or elsewhere, to give effect to this Order and to assist, the Petitioner, the Trustee and their respective agents in carrying out the terms of this Order.
- [36] **ORDERS** provisional execution of this Order notwithstanding any appeal and without the necessity of furnishing any security.
- [37] **THE WHOLE** without costs.

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, Registrar

MTRE. JULIEN MORISSETTE  
MTRE. JULIEN HYNES-GAGNÉ  
(OSLER HOSKIN & HARCOURT LLP)  
COUNSEL TO THE PETITIONER

Hearing date: November 30, 2018

**SCHEDULE I**  
**SALE GUIDELINES**

The following procedures shall apply to the Sale to be conducted at the Stores of C&E Canada Inc. (the "Merchant"). All terms not herein defined shall have the meaning set forth in the Consulting Agreement by and between Gordon Brothers Canada ULC, an affiliate of Gordon Brothers Retail Partners, LLC (the "Consultant") and the Merchant dated as of November 26, 2018 (the "Consulting Agreement").

1. Except as otherwise expressly set out herein, and subject to: (i) the Order dated November 30, 2018 approving the Consulting Agreement (the "Approval Order") or any further Order of the Superior Court of Quebec (the "Court"); or (ii) any subsequent written agreement between the Merchant and the applicable landlord(s) (individually, a "Landlord" and, collectively, the "Landlords") and approved by the Consultant, or (iii) as otherwise set forth herein, the Sale shall be conducted in accordance with the terms of the applicable leases/or other occupancy agreements to which the affected Landlords are privy for each of the affected Stores (individually, a "Lease" and, collectively, the "Leases"). However, nothing contained herein shall be construed to create or impose upon the Merchant or the Consultant any additional restrictions not contained in the applicable Lease or other occupancy agreement.
2. The Sale shall be conducted so that each of the Stores remains open during its normal hours of operation provided for in its respective Lease until the respective Sale Termination Date for such Store. The Sale at the Stores shall end by no later than December 31, 2018. Rent payable under the respective Leases shall be paid in accordance with the terms of the Approval Order. The Merchant shall not purchase any additional inventory for Sale at the Stores as and from November 28, 2018.
3. The Sale shall be conducted in accordance with applicable federal, provincial and municipal laws and regulations, unless otherwise ordered by the Court.
4. All display and hanging signs used by the Consultant in connection with the Sale shall be professionally produced and all hanging signs shall be hung in a professional manner. Notwithstanding anything to the contrary contained in the Leases, the Consultant may advertise the Sale at the Stores as an "everything on sale", an "everything must go", a "store closing" or similar theme sale at the Stores (provided however that no signs shall advertise the Sale as a "bankruptcy", a "going out of business" or a "liquidation" sale it being understood that the French equivalent of "clearance" is "liquidation" and is permitted to be used). Forthwith upon request from a Landlord, the Landlord's counsel, the Merchant or the

Proposal Trustee, the Consultant shall provide the proposed signage packages along with the proposed dimensions and number of signs (as approved by the Merchant pursuant to the Consulting Agreement) by e-mail or facsimile to the applicable Landlords or to their counsel of record. Where the provisions of the Lease conflict with these Sale Guidelines, these Sale Guidelines shall govern. The Consultant shall not use neon or day-glow or handwritten signage (unless otherwise contained in the sign package, including "you pay" or "topper" signs). In addition, the Consultant shall be permitted to utilize exterior banners/signs at stand alone or strip mall Stores or enclosed mall Stores with a separate entrance from the exterior of the enclosed mall, provided, however, that where such banners are not explicitly permitted by the applicable Lease and the Landlord requests in writing that the banners are not to be used, no banners shall be used absent further Order of the Court, which may be sought on an expedited basis on notice to the service list in the NOI proceedings (the "Service List"). Any banners used shall be located or hung so as to make clear that the Sale is being conducted only at the affected Store and shall not be wider than the premises occupied by the affected Store. All exterior banners shall be professionally hung and to the extent that there is any damage to the façade of the premises of a Store as a result of the hanging or removal of the exterior banner, such damage shall be professionally repaired at the expense of the Consultant. If a Landlord is concerned with "store closing" signs being placed in the front window of a Store or with the number or size of the signs in the front window, the Consultant and the Landlord will discuss the Landlord's concerns and work to resolve the dispute.

5. The Consultant shall be permitted to utilize sign walkers and street signage; provided, however, such sign walkers and street signage shall not be located on the shopping centre or mall premises.
6. The Consultant shall not make any alterations to interior or exterior Store lighting, except as authorized pursuant to the applicable Lease. The hanging of exterior banners or other signage, where permitted in accordance with the terms of these guidelines, shall not constitute an alteration to a Store.
7. Conspicuous signs shall be posted in the cash register areas of each Store to the effect that all sales are "final".
8. The Consultant shall not distribute handbills, leaflets or other written materials to customers outside of any of the Stores on any Landlord's property, unless permitted by the applicable Lease or, if distribution is customary in the shopping centre in which the Store is located. Otherwise, the Consultant may solicit customers in the Stores themselves. The Consultant shall not use any giant balloons, flashing lights or amplified sound to advertise the Sale or solicit customers, except as permitted under the applicable Lease, or agreed to by the Landlord.

9. At the conclusion of the Sale in each Store, the Consultant shall arrange that the premises for each Store are in "broom-swept" and clean condition, and shall arrange that the Stores are in the same condition as on the commencement of the Sale, ordinary wear and tear excepted. No property of any Landlord of a Store shall be removed or sold during the Sale. No permanent fixtures (other than FF&E which for clarity is owned by the Merchant) may be removed without the applicable Landlord's written consent unless otherwise provided by the applicable Lease. Any fixtures or personal property left in a Store after the Sale Termination Date in respect of which the applicable Lease has been disclaimed by the Merchant shall be deemed abandoned, with the applicable Landlord having the right to dispose of the same as the Landlord chooses, without any liability whatsoever on the part of the Landlord.
10. Subject to the terms of paragraph 9 above, the Consultant may sell FF&E which is located in the Stores during the Sale. The Merchant and the Consultant may advertise the sale of FF&E consistent with these guidelines on the understanding that any applicable Landlord may require that such signs be placed in discreet locations acceptable to the applicable Landlord, acting reasonably. Additionally, the purchasers of any FF&E sold during the Sale shall only be permitted to remove the FF&E either through the back shipping areas designated by the applicable Landlord, or through other areas after regular store business hours, or through the front door of the Store during store business hours if the FF&E can fit in a shopping bag, with applicable Landlord's supervision as required by the applicable Landlord. The Consultant shall repair any damage to the Stores resulting from the removal of any FF&E by Consultant or by third party purchasers of FF&E from Consultant.
11. The Merchant hereby provides notice to the Landlords of the Merchant and the Consultant's intention to sell and remove FF&E from the Stores. The Consultant will arrange with each Landlord represented by counsel on the Service List and with any other applicable Landlord that so requests, a walk through with the Consultant to identify the FF&E subject to the sale. The relevant Landlord shall be entitled to have a representative present in the Store to observe such removal. If the Landlord disputes the Consultant's entitlement to sell or remove any FF&E under the provisions of the Lease, such FF&E shall remain on the premises and shall be dealt with as agreed between the Merchant, the Consultant and such Landlord, or by further Order of the Court upon application by the Merchant on at least two (2) days' notice to such Landlord. If the Merchant has disclaimed or resiliated the Lease governing such Store in accordance with the BIA, it shall not be required to pay rent under such Lease pending resolution of any such dispute (other than rent payable for the notice period provided for in the BIA), and the disclaimer or resiliation of the Lease shall be without prejudice to the Merchant's or Consultant's claim to the FF&E in dispute.

12. If a notice of disclaimer or resiliation is delivered pursuant to the BIA to a Landlord while the Sale is ongoing and the Store in question has not yet been vacated, then: (a) during the notice period prior to the effective time of the disclaimer or resiliation, the applicable Landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Merchant and the Consultant 24 hours' prior written notice; and (b) at the effective time of the disclaimer or resiliation, the relevant Landlord shall be entitled to take possession of any such Store without waiver of or prejudice to any claims or rights such Landlord may have against the Merchant in respect of such Lease or Store, provided that nothing herein shall relieve such Landlord of its obligation to mitigate any damages claimed in connection therewith.
13. The Consultant and its agents and representatives shall have the same access rights to the Stores as the Merchant under the terms of the applicable Lease, and the applicable Landlords shall have the rights of access to the Stores during the Sale provided for in the applicable Lease (subject, for greater certainty, to any applicable stay of proceedings).
14. The Merchant and the Consultant shall not conduct any auctions of Merchandise or FF&E at any of the Stores.
15. The Consultant shall designate a party to be contacted by the Landlords should a dispute arise concerning the conduct of the Sale. The initial contact person for Consultant shall be Mackenzie Shea who may be reached by phone at 1-617-422-6519 or email at mshea@gordonbrothers.com. If the parties are unable to resolve the dispute between themselves, the Landlord or Merchant shall have the right to schedule a "status hearing" before the Court on no less than two (2) days written notice to the other party or parties, during which time the Consultant shall cease all activity in dispute other than activity expressly permitted herein, pending the determination of the matter by the Court; provided, however, that if a banner has been hung in accordance with these Sale Guidelines and is thereafter the subject of a dispute, the Consultant shall not be required to take any such banner down pending determination of the dispute.
16. Nothing herein is, or shall be deemed to be a consent by any Landlord to the sale, assignment or transfer of any Lease, or to grant to the Landlord any greater rights than already exist under the terms of any applicable Lease.
17. These Sale Guidelines may be amended by written agreement between the Merchant, the Consultant and any applicable Landlord (provided that such amended Sale Guidelines shall not affect or bind any other Landlord not privy thereto without further Order of the Court approving the amended Sale Guidelines).



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Québec  
Division No. 01 - Montreal  
Court No. 500-11-055622-183  
Estate No. 41-2448488

In the Matter of the Notice of Intention to make a  
proposal of:

**C & E Canada Inc.**  
Insolvent Person

**RICHTER ADVISORY GROUP INC / RICHTER GROUPE  
CONSEI**  
Licensed Insolvency Trustee

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Date of the Notice of Intention: November 28, 2018

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

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Date: November 28, 2018, 09:42

E-File/Dépôt Electronique

Official Receiver

Sun Life Building, 1155 Metcalfe Street, Suite 950, Montréal, Québec, Canada, H3B2V6, (877)376-9902

**Canada**



## Rechercher une entreprise au registre

### État de renseignements d'une personne morale au registre des entreprises

Renseignements en date du 2018-11-28 08:22:28

#### État des informations

##### Identification de l'entreprise

Numéro d'entreprise du Québec (NEQ)	1160571064
Nom	C & E CANADA INC.

##### Adresse du domicile

Adresse	102 Peake Brook Rd Woodstock CT 06281 États-Unis
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##### Adresse du domicile élu

Nom de l'entreprise	Osler, Hoskin & Harcourt LLP
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Adresse	2100-1000 rue De La Gauchetière O Montréal (Québec) H3B4W5 Canada
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##### Immatriculation

Date d'immatriculation	2002-01-29
Statut	Immatriculée
Date de mise à jour du statut	2002-01-29
Date de fin de l'existence	Aucune date de fin d'existence n'est déclarée au registre.

##### Forme juridique

Forme juridique	Société par actions ou compagnie
Date de la constitution	2001-10-01 Fusion

Régime constitutif	ONTARIO : Loi sur les sociétés par actions, L.R.O. c. B.16
Régime courant	ONTARIO : Loi sur les sociétés par actions, L.R.O. c. B.16

**Dates des mises à jour**

Date de mise à jour de l'état de renseignements	2018-11-26
Date de la dernière déclaration de mise à jour annuelle	2018-01-05 2017
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2018	2019-07-01
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2017	2018-07-01

**Faillite**

L'entreprise n'est pas en faillite.

**Fusion et scission**

La personne morale a fait l'objet de fusion(s).

Type	Loi applicable	Date	Nom et domicile de la personne morale	Composante	Résultante
Fusion simplifiée	ONTARIO : Loi sur les sociétés par actions, L.R.O. c. B.16	2012-10-01	C&E(YORKDALE) LIMITED		1160571064
Fusion ordinaire	ONTARIO : Loi sur les sociétés par actions, L.R.O. c. B.16	2001-10-01	911792 ONTARIO LIMITED 1010, ADELAIDE STREET SOUTH LONDON ONTARIO N6E1R6	1140645327	1160571064
			1000409 ONTARIO LIMITED 1010, ADELAIDE STREET SOUTH LONDON ONTARIO N6E1R6	1140645673	
			C & E (CLAIRE) LIMITED 1010, ADELAIDE ST. SOUTH LONDON ON N6E1R6	1142864702	
			598708 ONTARIO LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (BANKERS HALL) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (BAYSHORE) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (CENTRE) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (DON MILLS) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		

Type	Loi applicable	Date	Nom et domicile de la personne morale	Composante	Résultante
			C & E (EAST) INC. 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (GARDENS) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (KITCHENER) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (LIME RIDGE) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (LONDON) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (MAPLEVIEW) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (MASONVILLE PLACE) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (OAKRIDGE) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (PACIFIC CENTRE) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (RICHMOND) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (RIDEAU) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (SCARBOROUGH) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (SOUTHCENTRE) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (SOUTHGATE) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (ST. LAURENT) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (UPPER CANADA) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (VAUGHAN) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (WEM) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		

Type	Loi applicable	Date	Nom et domicile de la personne morale	Composante	Résultante
			C & E (YONGE STREET) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		
			C & E (YORKVILLE) LIMITED 1010 ADELAIDE STREET SOUTH LONDON ON N6E1R6		

#### Continuation et autre transformation

Aucune continuation ou autre transformation n'a été déclarée.

#### Liquidation ou dissolution

Aucune intention de liquidation ou de dissolution n'a été déclarée.

#### Activités économiques et nombre de salariés

##### 1<sup>er</sup> secteur d'activité

Code d'activité économique (CAE)	6599
Activité	Autres types de commerce de détail
Précisions (facultatives)	RETAIL TRADE

##### 2<sup>e</sup> secteur d'activité

Aucun renseignement n'a été déclaré.

##### Nombre de salariés

Nombre de salariés au Québec  
De 26 à 49

#### Convention unanime, actionnaires, administrateurs, dirigeants et fondé de pouvoir

##### Actionnaires

###### Premier actionnaire

Le premier actionnaire est majoritaire.

Nom	CRABTREE & EVELYN HOLDINGS LIMITED
Adresse	27 KELSO PLACE KENSINGTON LONDON W25QG ENGLAND

##### Convention unanime des actionnaires

Il n'existe pas de convention unanime des actionnaires.

##### Liste des administrateurs

Nom de famille	BAL
Prénom	MARAL
Date du début de la charge	2016-09-30
Date de fin de la charge	
Fonctions actuelles	Administrateur
Adresse	2100-1000 rue De La Gauchetière O Montréal (Québec) H3B4W5 Canada

Nom de famille	XIN
Prénom	YU
Date du début de la charge	2016-09-30
Date de fin de la charge	
Fonctions actuelles	Administrateur
Adresse	102 Peake Brook Rd Woodstock CT 06281 États-Unis

Nom de famille	LEI
Prénom	ZHAO
Date du début de la charge	2016-09-30
Date de fin de la charge	
Fonctions actuelles	Administrateur
Adresse	102 Peake Brook Rd Woodstock CT 06281 États-Unis

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#### Dirigeants non membres du conseil d'administration

Nom de famille	BLINDER
Prénom	STUART M.
Fonctions actuelles	Secrétaire
Adresse	102 Peake Brook Rd Woodstock CT 06281 États-Unis

Nom de famille	BONALDO
Prénom	GUY
Fonctions actuelles	Principal dirigeant: Trésorier
Adresse	102 Peake Brook Rd Woodstock CT 06281 États-Unis

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#### Fondé de pouvoir

Aucun fondé de pouvoir n'a été déclaré.
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**Administrateurs du bien d'autrui**

Aucun administrateur du bien d'autrui n'a été déclaré.

**Établissements**

Numéro et nom de l'établissement	Adresse	Activités économiques (CAE)
0008 - C & E CANADA INC. (Établissement principal)	639-8025 ST Notre Dame Mirabel Québec J7J0A1 Canada	Autres types de commerce de détail (6599)

**Documents en traitement**

Aucun document n'est actuellement traité par le Registraire des entreprises.

**Index des documents****Documents conservés**

Type de document	Date de dépôt au registre
Déclaration de mise à jour courante	2018-11-26
DÉCLARATION DE MISE À JOUR ANNUELLE 2017	2018-01-05
DÉCLARATION DE MISE À JOUR ANNUELLE 2016	2016-09-12
DÉCLARATION DE MISE À JOUR ANNUELLE 2015	2015-05-15
DÉCLARATION DE MISE À JOUR ANNUELLE 2014	2014-09-30
Déclaration de mise à jour courante	2014-05-12
DÉCLARATION DE MISE À JOUR ANNUELLE 2013	2014-04-01
Déclaration de mise à jour courante	2013-10-01
Déclaration de mise à jour courante	2013-04-02
DÉCLARATION DE MISE À JOUR ANNUELLE 2012	2012-11-05
Déclaration de mise à jour courante	2012-08-22
Déclaration de mise à jour courante	2012-04-24
DÉCLARATION DE MISE À JOUR ANNUELLE 2011	2011-11-04
Déclaration de mise à jour courante	2011-09-09
Déclaration annuelle 2010	2010-09-23
Déclaration modificative	2009-11-09
État et déclaration de renseignements 2009	2009-11-05
Déclaration annuelle 2008	2009-06-11
Déclaration annuelle 2007	2008-12-17
Avis de défaut	2008-07-08
Déclaration annuelle 2006	2008-02-19
Déclaration annuelle 2005	2005-12-08
Déclaration annuelle 2004	2005-03-09
Déclaration annuelle 2003	2003-12-01
Déclaration d'immatriculation	2002-01-29

**Index des noms**

Date de mise à jour de l'index des noms 2002-01-29

## Nom

Nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
C & E CANADA INC.		2001-10-01		En vigueur

## Autres noms utilisés au Québec

Autre nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
CRABTREE & EVELYN		2002-01-29		En vigueur



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RUN NUMBER : 325  
RUN DATE : 2018/11/21  
ID : 20181121173520.67

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

REPORT : PSSR060  
PAGE : 4  
( 8938)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : C & E CANADA INC.  
FILE CURRENCY : 20NOV 2018

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
720738666

CAUTION FILING PAGE NO. OF TOTAL PAGES MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER REGISTRATION PERIOD  
01 01 004 20160919 1935 1531 5756 P PPSA 5

DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME BUSINESS NAME C & E CANADA INC.

ADDRESS 102 PEAKE BROOK ROAD WOODSTOCK ONTARIO CORPORATION NO. CT 06281

DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME BUSINESS NAME

ADDRESS

SECURED PARTY / LIEN CLAIMANT HSBC BANK CANADA

ADDRESS 285 KING STREET LONDON ON N6B 3M6

COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE  
10 X X

MOTOR YEAR MAKE MODEL V.I.N.  
VEHICLE

GENERAL SECURITY OVER CASH, CREDIT BALANCES AND DEPOSIT INSTRUMENTS BY  
COLLATERAL CUSTOMER  
DESCRIPTION THE ENTIRE RIGHT, TITLE, CLAIM AND INTEREST OF THE DEBTOR IN AND TO-

REGISTERING D+H LIMITED PARTNERSHIP  
AGENT

ADDRESS SUITE 200, 4126 NORLAND AVENUE BURNABY BC V5G 3S8

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR  
*Barbara Ackett*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(crj/ft 11/2017)



RUN NUMBER : 325  
RUN DATE : 2018/11/21  
ID : 20181121173520.67

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

REPORT : PSSR060  
PAGE : 5  
( 8939)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : C & E CANADA INC.  
FILE CURRENCY : 20NOV 2018

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
720738666

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CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	02	004		20160919 1935 1531 5756		

01

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
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02

DEBTOR NAME	BUSINESS NAME
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03

ADDRESS

04

ONTARIO CORPORATION NO.

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
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05

DEBTOR NAME	BUSINESS NAME
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06

ADDRESS

07

ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT	ADDRESS
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08

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COLLATERAL CLASSIFICATION

CONSUMER GOODS	MOTOR VEHICLE	AMOUNT	DATE OF MATURITY	OR	NO. FIXED MATURITY DATE
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10

MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
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VEHICLE

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GENERAL COLLATERAL DESCRIPTION: ALL MONEYS WHICH ARE NOW OR WHICH MAY FROM TIME TO TIME IN THE FUTURE STAND TO THE CREDIT OF THE DEBTOR IN ANY ACCOUNTS AT THE BRANCH OF THE SECURED PARTY LOCATED AT 285 KING STREET, LONDON, ON

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REGISTERING AGENT	ADDRESS
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ADDRESS

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED...

6

CERTIFIED BY/CERTIFIÉES PAR  
*Barbara Duckitt*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(ej1ft 11/2017)



RUN NUMBER : 325  
RUN DATE : 2018/11/21  
ID : 20181121173520.67

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

REPORT : PSSR060  
PAGE : 6  
( 8940)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : C & E CANADA INC.  
FILE CURRENCY : 20NOV 2018

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
720738666

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CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	03	004		20160919 1935 1531 5756		

01

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
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02

DEBTOR NAME	BUSINESS NAME
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03

ADDRESS
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04

ONTARIO CORPORATION NO.

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
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05

DEBTOR NAME	BUSINESS NAME
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ADDRESS
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07

ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT	ADDRESS
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COLLATERAL CLASSIFICATION

CONSUMER GOODS	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
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MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
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GENERAL COLLATERAL DESCRIPTION	DESCRIPTION
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REGISTERING AGENT	ADDRESS
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\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED...

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CERTIFIED BY/CERTIFIÉES PAR  
*Barbara Buckitt*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(ej1ft 11/2017)



RUN NUMBER : 325  
RUN DATE : 2018/11/21  
ID : 20181121173520.67

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

REPORT : PSSR060  
PAGE : 7  
( 8941)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : C & E CANADA INC.  
FILE CURRENCY : 20NOV 2018

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
720738666

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
04 004 20160919 1935 1531 5756

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME

04 ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY /  
09 LIEN CLAIMANT ADDRESS

10 COLLATERAL CLASSIFICATION  
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.  
12 VEHICLE

13 GENERAL SECURITY ACT, ANY REGULATIONS THERETO AND ANY AMENDMENTS THERETO).  
14 COLLATERAL  
15 DESCRIPTION

16 REGISTERING  
17 AGENT ADDRESS

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED...

8

CERTIFIED BY/CERTIFIÉES PAR  
*Barbara Duckitt*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(crj1t 11/2017)



# GORDON BROTHERS CANADA ULC

## VIA EMAIL

Mr. David Stern  
C & E Canada Inc.  
c/o Crabtree & Evelyn Holdings Ltd.  
15 Bonhill Street  
London EC2A 4DN  
United Kingdom

Re: Letter Agreement Governing Inventory Disposition

Dear David:

This letter shall serve as an agreement (“Consulting Agreement”) between Gordon Brothers Canada ULC, an affiliate of Gordon Brothers Retail Partners, LLC, on the one hand (“Consultant” or a “Party”), and C&E Canada Inc., on the other hand (“Merchant” or a “Party” and together with the Consultant, the “Parties”), under which Consultant shall act as exclusive consultant to Merchant for the purpose of advising with respect to a sale of certain Merchandise (as defined below) at the Merchant’s stores set forth on Exhibit A (each a “Store” and collectively, the “Stores”) through a “Store Closing”, “Everything Must Go”, “Everything on Sale” or similar themed sale as approved in writing by Merchant (the “Sale”). The Merchant may elect to increase or decrease the number of Stores included in the Sale and/or transfer Merchandise to/from the non-closing stores during the Sale, at its discretion. Only Merchant-approved Sale terminology will be utilized at each Store.

The Merchant intends to file a Notice of Intention to Make a Proposal (“NOI”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3. (“BIA”) and file an application with the Superior Court of Quebec (Commercial Division) (the “Court”) seeking an order, in form and substance acceptable to the Consultant, approving, among other things, this Agreement and the conduct of the Sale, in accordance with the terms hereof and the Sale Guidelines (the “Order”).

In connection with the NOI, Richter Advisory Group Inc. shall be appointed as the Proposal Trustee of the Merchant (the “Proposal Trustee”).

The Consultant and the Merchant agree and acknowledge that the entering into of this Agreement by the Merchant is subject to the issuance of the Order approving, among other things, this Agreement and the conduct of the Sale and that should the Order not be obtained, this Agreement shall have no force or effect.

## **A. Merchandise**

For purposes hereof, “Merchandise” shall mean all goods, saleable in the ordinary course, located in the Stores on the Sale Commencement Date which Merchant requires to be sold through the Sale. “Merchandise” does not mean and shall not include: (1) goods that belong to sublessees, licensees or concessionaires of Merchant; (2) owned furnishings, trade fixtures, equipment and

improvements to real property that are located in the Stores (collectively, “FF&E”); or (3) damaged or defective merchandise that cannot be sold.

## **B. Sale Term**

For each Store, the Sale shall commence on the first calendar day after issuance of the Order (the “Sale Commencement Date”) and conclude by no later than December 31, 2018 (the “Sale Termination Date”); provided, however, that the Parties, with the prior approval of the Trustee, may mutually agree in writing to extend, or Merchant, with the prior approval of the Trustee, may in writing elect to terminate the Sale at any Store prior to the Sale Termination Date. The Consultant acknowledges that, pursuant to Section 65.11 of the BIA, it is the intention of the Merchant to give thirty (30) days’ notice of disclaimer of the lease agreement for each Store by no later than thirty (30) days prior to the Sale Termination Date, so that the effective date of the disclaimer of the lease coincides with the Sale Termination Date. If the Consultant recommends the termination of the Sale at any Store prior to the Sale Termination Date, the Consultant shall provide the Merchant with notice of that recommendation no less than thirty-five (35) days prior to the revised Sale Termination Date applicable to such Store in order to allow the Merchant to give notice of disclaimer of the lease thirty (30) days prior to the revised Sale Termination Date applicable to such Store. The period between the Sale Commencement Date and the Sale Termination Date shall be referred to as the “Sale Term.” At the conclusion of the Sale, Consultant shall arrange that the premises for each Store are in “broom swept” and clean condition; provided, however, Merchant shall bear all costs and expenses associated with surrendering the premises to the landlords according to the budget to be established by Merchant and Consultant. At the conclusion of the Sale at each Store, Consultant shall photographically document the condition of each such Store.

## **C. Project Management**

### **(i) Consultant’s Undertakings**

During the Sale Term, Consultant shall (a) provide a qualified supervisor (the “Supervisor”) engaged by Consultant to oversee the management of the Stores; (b) recommend appropriate point-of-sale and external advertising for the Stores, for approval in writing by Merchant; (c) recommend appropriate pricing and discounts of Merchandise and staffing levels for the Stores and appropriate bonus and incentive programs, if any, for the Stores’ employees, for approval in writing by Merchant; (d) oversee display of Merchandise for the Stores; (e) to the extent that information is available, evaluate sales of Merchandise by category, provide sales reporting and monitor expenses; (f) maintain the confidentiality of all proprietary or non-public information regarding Merchant in accordance with the provisions of the confidentiality agreement signed by the Parties; (g) assist Merchant in connection with managing and controlling loss prevention and employee relations matters; (h) advise on the appropriate Sale Termination Date of each Store and inventory consolidation matters; and (i) provide such other related services deemed necessary or appropriate by Merchant and Consultant.

The Parties expressly acknowledge and agree that Merchant shall have no liability to the Supervisor for wages, benefits, severance pay, termination pay, vacation pay, pay in lieu of notice of termination or any other liability arising from Consultant’s hiring or engagement of the Supervisor, and the Supervisor shall not be considered or deemed to be employees or consultants of Merchant.

In consideration of Consultant's engagement of the Supervisor, the Merchant agrees to pay the Consultant, as a Sale Expense, the Supervisor-related costs, expenses and deferred compensation,

in accordance with and subject to the Budget (collectively, the “Supervisor Costs”). The Merchant shall reimburse the Consultant for all Supervisor Costs weekly, based upon invoices or other documentation reasonably satisfactory to the Merchant.

(ii) Merchant’s Undertakings

All sales of Merchandise during the Sale Term shall be made by Merchant for its own account. Accordingly, during the Sale Term, Merchant shall (a) be the employer of the Stores’ employees, other than the Supervisor; (b) pay all taxes, costs, expenses, accounts payable, and other liabilities relating to the Stores, the Stores’ employees and other representatives of Merchant; (c) prepare and process all tax forms and other documentation; (d) collect all HST/GST and other applicable taxes assessed on the sale of the Merchandise and pay them to the appropriate taxing authorities for the Stores; (e) use reasonable efforts to cause Merchant’s employees to cooperate with Consultant and the Supervisor; (f) execute all agreements determined by the Merchant to be necessary or desirable for the operation of the Stores during the Sale; (g) arrange for the ordinary maintenance of all point-of-sale equipment required for the Stores; and (h) provide throughout the Sale Term central administrative services necessary for the Sale, including (without limitation) customary POS administration, sales audit, cash reconciliation, accounting, and payroll processing, all at Merchant’s cost and expense.

The Parties expressly acknowledge and agree that Consultant shall have no liability to Merchant’s employees for wages, benefits, severance pay, termination pay, vacation pay, pay in lieu of notice of termination or any other liability arising from Merchant’s employment, hiring or retention of its employees, and such employees shall not be considered employees of Consultant.

**D. The Sale**

The Merchant and the Consultant agree that the procedure for conducting the Sale for each Store shall be in accordance with the sale guidelines set forth at Exhibit C (the “Sale Guidelines”). Consultant does not have, nor shall it have, any right, title or interest in the Merchandise. All sales of Merchandise shall be by cash, gift card, gift certificate, merchandise credit, or credit or debit card and, at Merchant’s discretion, by check or otherwise in accordance with Merchant’s policies, and shall be “final” with no returns accepted or allowed, unless otherwise directed by Merchant.

**E. Consultant Fee and Expenses in Connection with the Sale**

As used in this Consulting Agreement, the following terms shall have the following meanings:

(i) “Gross Proceeds” shall mean the sum of the gross proceeds of all sales of Merchandise made in the Stores during the Sale Term using the “gross rings” method, net of applicable HST/GST.

(ii) “Net Proceeds” shall mean aggregate Gross Proceeds, less Consultant’s actual expenses incurred pursuant to the Expense Budget.

In consideration of its services hereunder, Consultant shall earn a fee equal to two percent (2%) of the aggregate Net Proceeds.

Merchant shall be responsible for all expenses of the Sale, including (without limitation) all Store level operating expenses, all costs and expenses related to Merchant's other retail store operations, and Consultant's other reasonable, documented out of pocket expenses. To control expenses of the Sale, Merchant has established a budget (the "Expense Budget") for certain delineated expenses, including (without limitation) payment of the costs of supervision (including (without limitation) Supervisor wages, fees, travel, and deferred compensation) and advertising costs. The Expense Budget for the Sale is attached hereto as Exhibit B. The Expense Budget may only be modified by mutual written agreement of Consultant and Merchant, with the consent of the Proposal Trustee, and Merchant may review, verify, and/or audit the expenses at any time. The Merchant and the Consultant shall meet weekly in order to review the proposed "spend" for the following week, which amount shall be subject to the approval of the Merchant. The costs of supervision set forth on Exhibit B include, among other things, industry standard deferred compensation. Notwithstanding anything herein to the contrary, unless otherwise agreed to by Merchant, Merchant shall not be obligated to pay costs of supervision and advertising costs that have not been included, or provided for, in the Expense Budget, as may be amended in accordance with this Consulting Agreement.

All accounting matters (including, without limitation, all fees, expenses, or other amounts reimbursable or payable to Consultant) shall be reconciled on every Wednesday for the prior week and shall be paid within seven (7) days after each such weekly reconciliation. The Parties shall complete a final reconciliation and settlement of all amounts payable to Consultant and contemplated by this Consulting Agreement (including, without limitation, Expense Budget items, and fees earned hereunder) no later than forty five (45) days following the Sale Termination Date for the last Store.

#### **F. Indemnification**

##### **(i) Merchant's Indemnification**

Merchant shall indemnify, defend, and hold Consultant and its consultants, members, managers, partners, officers, directors, employees, attorneys, advisors, representatives, lenders, potential co-investors, principals, affiliates, and Supervisor (collectively, "Consultant Indemnified Parties") harmless from and against all liabilities, claims, demands, damages, costs and expenses (including reasonable attorneys' fees) arising from or related to: (a) the willful or negligent acts or omissions of Merchant or the Merchant Indemnified Parties (as defined below); (b) the material breach of any provision of this Consulting Agreement by Merchant; (c) any liability or other claims, including, without limitation, product liability claims, asserted by customers, any Store employees (under a collective bargaining agreement or otherwise), or any other person (excluding Consultant Indemnified Parties) against Consultant or a Consultant Indemnified Party, except claims arising from Consultant's negligence, willful misconduct or unlawful behavior; (d) any harassment, discrimination or violation of any laws or regulations or any other unlawful, tortious or otherwise actionable treatment of Consultant's Indemnified Parties or Merchant's customers by Merchant or Merchant's Indemnified Parties; and (e) Merchant's failure to pay over to the appropriate taxing authority any taxes required to be paid by Merchant during the Sale Term in accordance with applicable law.

##### **(ii) Consultant's Indemnification**

Consultant shall indemnify, defend and hold Merchant and its consultants, members, managers, partners, officers, directors, employees, attorneys, advisors, representatives, lenders, potential co-investors, principals, and affiliates (other than the Consultant or the Consultant Indemnified Parties) (collectively, "Merchant Indemnified Parties") harmless from and against all

liabilities, claims, demands, damages, costs and expenses (including reasonable attorneys' fees) arising from or related to (a) the willful or negligent acts or omissions of Consultant or the Consultant Indemnified Parties; (b) the breach of any provision of, or the failure to perform any obligation under, this Consulting Agreement by Consultant; (c) any liability or other claims made by Consultant's Indemnified Parties or any other person (excluding Merchant Indemnified Parties) against a Merchant Indemnified Party arising out of or related to Consultant's services hereunder, except claims arising from Merchant's negligence, willful misconduct, or unlawful behavior; (d) any harassment, discrimination or violation of any laws or regulations or any other unlawful, tortious or otherwise actionable treatment of Merchant Indemnified Parties, or Merchant's customers by Consultant or any of the Consultant Indemnified Parties and (e) any claims made by any party engaged by Consultant as an employee, agent, representative or independent contractor arising out of such engagement.

## **G. Insurance**

### **(i) Merchant's Insurance Obligations**

Merchant shall maintain throughout the Sale Term, liability insurance policies (including, without limitation, products liability (to the extent currently provided), comprehensive public liability insurance and auto liability insurance) covering injuries to persons and property in or in connection with the Stores, and shall cause Consultant to be named an additional insured with respect to all such policies. At Consultant's request, Merchant shall provide Consultant with a certificate or certificates evidencing the insurance coverage required hereunder and that Consultant is an additional insured thereunder. In addition, Merchant shall maintain throughout the Sale Term, in such amounts as it currently has in effect, workers compensation insurance in compliance with all statutory requirements.

### **(ii) Consultant's Insurance Obligations**

As an expense of the Sale, Consultant shall maintain throughout the Sale Term, liability insurance policies (including, without limitation, products liability/completed operations, contractual liability, comprehensive public liability and auto liability insurance) on an occurrence basis in an amount of at least Two Million dollars (\$2,000,000) and an aggregate basis of at least five million dollars (\$5,000,000) covering injuries to persons and property in or in connection with Consultant's provision of services at the Stores. Consultant shall name Merchant as an additional insured and loss payee under such policy, and upon execution of this Consulting Agreement provide Merchant with a certificate or certificates evidencing the insurance coverage required hereunder. In addition, Consultant shall maintain throughout the Sale Term, workers compensation insurance compliance with all statutory requirements. Further, should Consultant employ or engage third parties to perform any of Consultant's undertakings with regard to this Consulting Agreement, Consultant will ensure that such third parties are covered by Consultant's insurance or maintain all of the same insurance as Consultant is required to maintain pursuant to this paragraph and name Merchant as an additional insured and loss payee under the policy for each such insurance.

## **H. Representations, Warranties, Covenants and Agreements**

(i) Merchant warrants, represents, covenants and agrees that (a) Merchant is a company duly organized, validly existing and in good standing under the laws of its province of organization, with full power and authority to execute and deliver this Consulting Agreement and to perform its obligations hereunder, and maintains its principal executive office at the address set forth herein, (b)

subject to the issuance of the Order, the execution, delivery and performance of this Consulting Agreement has been duly authorized by all necessary actions of Merchant and this Consulting Agreement constitutes a valid and binding obligation of Merchant enforceable against Merchant in accordance with its terms and conditions, and the consent of no other entity or person is required for Merchant to fully perform all of its obligations herein, (c) all ticketing of Merchandise at the Stores has been and will be done in accordance with Merchant's customary ticketing practices, and (d) the Stores will be operated in the ordinary course of business in all respects, except as determined by Merchant in writing.

(ii) Each party comprising the Consultant warrants, represents, covenants and agrees that (a) Consultant is a company duly organized, validly existing and in good standing under the laws of its province of organization, with full power and authority to execute and deliver this Consulting Agreement and to perform the Consultant's obligations hereunder, and maintains its principal executive office at the addresses set forth herein, (b) the execution, delivery and performance of this Consulting Agreement has been duly authorized by all necessary actions of Consultant and this Consulting Agreement constitutes a valid and binding obligation of Consultant enforceable against Consultant in accordance with its terms and conditions, and the consent of no other entity or person is required for Consultant to fully perform all of its obligations herein, (c) Consultant shall comply with and act in accordance with any and all applicable federal, provincial and local laws, rules, and regulations, and other legal obligations of all governmental authorities, (d) Consultant will not take any disciplinary action against any employee of Merchant; and (e) Consultant is not a non-resident of Canada pursuant to the *Income Tax Act* and shall provide the Merchant with its relevant sales tax numbers prior to the Sale.

#### **I. Furniture, Fixtures and Equipment**

Consultant shall advise in connection with the sale of the FF&E in the Stores from the Stores themselves. Merchant shall be responsible for all reasonable costs and expenses incurred by Consultant in connection with such advice, which costs and expenses shall be incurred pursuant to a budget or budgets to be established from time to time by mutual agreement of the Parties, with the consent of the Proposal Trustee. All sales of FF&E during the Sale Term shall be made by Merchant for its account, at prices, payable in cash, and upon such other terms determined by Merchant. Any unsold FF&E shall be disposed of as Merchant may, in its discretion, determine.

In consideration for providing the services set forth in this section I, Consultant shall be entitled to a fee equal to twenty percent (20%) of the Gross Proceeds of the sale of the FF&E.

During each weekly reconciliation described in section E above, Consultant's FF&E fee shall be calculated, and Consultant's calculated FF&E fee and all reasonable, documented out of pocket costs and expenses then incurred pursuant to this Section I shall be paid within seven (7) days after each such weekly reconciliation.

#### **J. Termination**

The following shall constitute "Termination Events" hereunder:

- (a) Merchant's or Consultant's failure to perform any of their respective material obligations hereunder, which failure shall continue uncured seven (7) days after receipt of written notice thereof to the defaulting Party;

- (b) any representation or warranty made by Merchant or Consultant is untrue in any material respect as of the date made or at any time and throughout the Sale Term; or
- (c) the Sale is terminated or materially interrupted or impaired for any reason other than an event of default by Consultant or Merchant.

If a Termination Event occurs, the non-defaulting Party (in the case of an event of default) or either Party (if the Sale is otherwise terminated or materially interrupted or impaired) may, in its discretion, elect to terminate the term of this Consulting Agreement by providing seven (7) business days' written notice thereof to the other Party and, in the case of an event of default, in addition to terminating the term of this Consulting Agreement, pursue any and all rights and remedies and damages resulting from such default. If the term of this Consulting Agreement is terminated, Merchant shall be obligated to pay Consultant all amounts due under this Consulting Agreement through and including the termination date.

#### **K. Notices**

All notices, certificates, approvals, and payments provided for herein shall be sent by fax or by recognized overnight delivery service as follows: (a) To Merchant: at the address listed above and by e-mail to Katie Power (kpower@crabtree-evelyn.co.uk), with a copy to Osler, Hoskin and Harcourt LLP, Attn: Sandra Abitan (sabitana@osler.com); (b) To the Trustee: Richter Advisory Group Inc., Attn: Gilles Benchaya (gbenchaya@richterconsulting.com) and Andrew Adessky (aadessky@richter.ca) (c) To Consultant: c/o Gordon Brothers Retail Partners, LLC, 800 Boylston Street, 27<sup>th</sup> Floor, Boston, MA 02199, fax: 617-531-7906, Attn: Mackenzie Shea; or (d) such other address as may be designated in writing by Merchant, Consultant or other applicable person.

#### **L. Independent Consultant**

Consultant's relationship to Merchant is that of an independent contractor without the capacity to bind Merchant in any respect. No employer/employee, principal/agent, joint venture or other such relationship is created by this Consulting Agreement. Merchant shall have no control over the hours that Consultant or its employees or assistants or the Supervisor work or the means or manner in which the services that will be provided are performed and Consultant is not authorized to enter into any contracts or agreements on behalf of Merchant or to otherwise create any obligations of Merchant to third parties, unless authorized in writing to do so by Merchant.

#### **M. Non-Assignment**

Neither this Consulting Agreement nor any of the rights hereunder may be transferred or assigned by either Party without the prior written consent of the other Party. No modification, amendment or waiver of any of the provisions contained in this Consulting Agreement, or any future representation, promise or condition in connection with the subject matter of this Consulting Agreement, shall be binding upon any Party to this Consulting Agreement unless made in writing and signed by a duly authorized representative or agent of such Party. This Consulting Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors and permitted assigns.

**N. Severability**

If any term or provision of this Consulting Agreement, as applied to either Party or any circumstance, for any reason shall be declared by a court of competent jurisdiction to be invalid, illegal, unenforceable, inoperative or otherwise ineffective, that provision shall be limited or eliminated to the minimum extent necessary so that this Consulting Agreement shall otherwise remain in full force and effect and enforceable. If the surviving portions of the Consulting Agreement fail to retain the essential understanding of the Parties, the Consulting Agreement may be terminated by mutual consent of the Parties.

**O. Governing Law and Jury Waiver**

This Consulting Agreement, and its validity, construction and effect, shall be governed by and enforced in accordance with the internal laws of the Province of Quebec (without reference to the conflicts of laws provisions therein). Merchant and Consultant waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either Consultant against Merchant or Merchant against Consultant on any matter whatsoever arising out of, or in any way connected with, this Consulting Agreement, the relationship between Merchant and Consultant, any claim of injury or damage or the enforcement of any remedy under any law, statute or regulation, emergency or otherwise, now or hereafter in effect.

**P. Entire Agreement**

This Consulting Agreement, together with all additional schedules and exhibits attached hereto, constitutes a single, integrated written contract expressing the entire agreement of the Parties concerning the subject matter hereof. No covenants, agreements, representations or warranties of any kind whatsoever have been made by any Party except as specifically set forth in this Consulting Agreement. All prior agreements, discussions and negotiations are entirely superseded by this Consulting Agreement.

**Q. Execution**

This Consulting Agreement may be executed simultaneously in counterparts (including by means of electronic mail, facsimile or portable document format (pdf) signature pages), any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same instrument. This Consulting Agreement, and any amendments hereto, to the extent signed and delivered by means of electronic mail, a facsimile machine or electronic transmission in portable document format (pdf), shall be treated in all manner and respects as an original thereof and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person.

**R. Court Approval**

The Merchant shall seek Court approval of this Consulting Agreement pursuant to the Order. The Parties expressly acknowledge and agree that the entering into of this Consulting Agreement by the Merchant is subject to the issuance of the Order approving, among other things, this Consulting Agreement and the conduct of the Sale and the Sale Guidelines and that should the Order or Court approval of this Consulting Agreement and the Sale Guidelines not be obtained, this Consulting Agreement shall have no force or effect.

**S. Language**

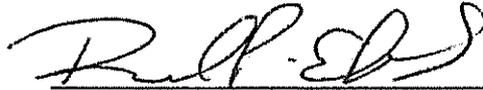
The Parties do hereby agree that this Agreement and related documents be drawn up in the English language only. Les Parties aux présentes ont convenu que cette convention et les documents s'y rattachant soient rédigés en langue anglaise seulement.

*[Signatures on next page.]*

If this Consulting Agreement is acceptable to you, kindly execute a copy in the space provided, and return a countersigned version to the undersigned. Thank you again for this opportunity -- we look forward to working with you.

Very truly yours,

Gordon Brothers Canada ULC



By: *Richard Edwards*  
Its: *CO- President- Reth. 1*

**AGREED AND ACCEPTED as of the 26<sup>th</sup> day  
of November, 2018:**

**C&E CANADA INC.**

---

**By: David Stern**  
**Title: Authorized signatory**

If this Consulting Agreement is acceptable to you, kindly execute a copy in the space provided, and return a countersigned version to the undersigned. Thank you again for this opportunity -- we look forward to working with you.

Very truly yours,

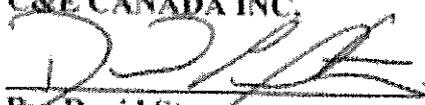
Gordon Brothers Canada ULC

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By:  
Its:

**AGREED AND ACCEPTED** as of the 26<sup>th</sup> day  
of November, 2018:

**C&E CANADA INC.**



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By: **David Stern**

Title: **Authorized signatory**

Exhibit A  
Stores

# Crabtree & Evelyn (Canada)

## Store List

Store No.	Banner	Store	Address	Address 2	City	State	Zip Code	Square Ft
1	Full Line	Oakridge Centre	650 West 41st Avenue	Unit 439	Vancouver	BC	V5Z 2M9	999
4	Full Line	Richmond Centre	6551 No. 3 Road	Unit 1916	Richmond	BC	V6Y 2B6	527
6	Full Line	Victoria Bay Centre	640 Fort Street		Victoria	BC	V8W 3V2	887
8	Outlet	McArthurGlen Designer Outlets	7899 Templeton Station Rd	Unit 1103	Richmond	BC	V7B 0B7	998
9	Full Line	Coquitlam Centre	2929 Barnet Highway	Unit #2512	Coquitlam	BC	V3B 5R5	744
10	Full Line	Market Mall	3625 Shaganappi Trail NW	Unit M011	Calgary	AB	T3A 0E2	909
47	Outlet	Premium Outlets Montreal	19001 Chemin Notre Dame	#639	Mirabel	QC	J7J 0A1	766
79	Full Line	Upper Canada Mall	17600 Yonge Street	# 96	Newmarket	ON	L3Y 4Z1	762
80	Outlet	Cookstown Tanger Outlets	3311 County Rd 89	Space C12	Cookstown	ON	L0L 1L0	1 683
81	Outlet	Tanger Outlets Ottawa	8555 Campeau Drive	Space #927	Ottawa	ON	K2T 1B7	1 333
84	Full Line	Niagara Fallsview Casino Resort	6380 Fallsview Boulevard	Unit #236	Niagara Falls	ON	L2G 7X5	902
85	Full Line	Square One Shopping Centre	100 City Centre Drive	Space 2-921	Mississauga	ON	L5B 4M2	804
86	Full Line	White Oaks Mall	1105 Wellington Road	Unit #189	London	ON	N6E 1V4	700
87	Full Line	Oshawa Centre	50 Rideau Street	Unit 0355B	Ottawa	ON	L1J 2K5	645
88	Full Line	Rideau Centre	419 King Street West	Unit 4001B	Oshawa	ON	K1N 9J7	821
89	Full Line	Scotia Plaza	40 King Street West	Unit 114	Toronto	ON	M5H 3Y2	555
102	Full Line	The Holt Renfrew Centre	50 Bloor Street West	Unit C06	Toronto	ON	M4W 3L8	1 415
105	Full Line	Hillside Centre	1644 Hillside Avenue	Unit 124 A	Victoria	BC	V8T 2C5	753
106	Outlet	Toronto Premium Outlets	13850 Steeles Avenue W	Unit #1002	Halton Hills	ON	L7G 0J1	860

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Exhibit B  
Expense Budget

**Crabtree & Evelyn (Canada)**  
**Expense Budget**  
**Exhibit B**

Start Date	11/30/2018
End Date	12/30/2018
# of Stores	19
# of Weeks	4.4

**Total Dollars**

**Advertising Budget**

Signs and Banners	6,291
Sign walkers/Media/Digital	0
<b>Total Advertising</b>	<b>6,291</b>

<b>Supervision</b>	<b>41,037</b>
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<b>Miscellaneous</b>	<b>10,000</b>
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<b>Total Expense Budget</b>	<b>57,327</b>
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Notes:

- 1) This expense budget is based upon the above Sale Term. Any changes to the Sale Term may result in adjustments to the expense budget, which will be agreed upon by Merchant and GBRP.
- 2) Supervision assumes that we will leverage the company's DMs to supervise the store closing project. This expense is not included in this budget.
- 3) Legal expenses are included in the miscellaneous line. Any legal expenses associated with landlord and side letters shall be in addition to and not part of miscellaneous above.
- 4) Budget is in Cdn \$

Exhibit C  
Sale Guidelines

## EXHIBIT C

### SALE GUIDELINES

The following procedures shall apply to the Sale to be conducted at the Stores of C&E Canada Inc., (the "Merchant"). All terms not herein defined shall have the meaning set forth in the Consulting Agreement by and between Gordon Brothers Canada ULC, an affiliate of Gordon Brothers Retail Partners, LLC (the "Consultant") and the Merchant dated as of November 26, 2018 (the "Consulting Agreement").

1. Except as otherwise expressly set out herein, and subject to: (i) the Order dated November ●, 2018 approving the Consulting Agreement (the "Approval Order") or any further Order of the Superior Court of Quebec (the "Court"); or (ii) any subsequent written agreement between the Merchant and the applicable landlord(s) (individually, a "Landlord" and, collectively, the "Landlords") and approved by the Consultant, or (iii) as otherwise set forth herein, the Sale shall be conducted in accordance with the terms of the applicable leases/or other occupancy agreements to which the affected Landlords are privy for each of the affected Stores (individually, a "Lease" and, collectively, the "Leases"). However, nothing contained herein shall be construed to create or impose upon the Merchant or the Consultant any additional restrictions not contained in the applicable Lease or other occupancy agreement.
2. The Sale shall be conducted so that each of the Stores remains open during its normal hours of operation provided for in its respective Lease until the respective Sale Termination Date for such Store. The Sale at the Stores shall end by no later than December 31, 2018 . Rent payable under the respective Leases shall be paid in accordance with the terms of the Approval Order. The Merchant shall not purchase any additional inventory for Sale at the Stores as and from November 28, 2018.
3. The Sale shall be conducted in accordance with applicable federal, provincial and municipal laws and regulations, unless otherwise ordered by the Court.
4. All display and hanging signs used by the Consultant in connection with the Sale shall be professionally produced and all hanging signs shall be hung in a professional manner. Notwithstanding anything to the contrary contained in the Leases, the Consultant may advertise the Sale at the Stores as an "everything on sale", an "everything must go", a "store closing" or similar theme sale at the Stores (provided however that no signs shall advertise the Sale as a "bankruptcy", a "going out of business" or a "liquidation" sale it being understood that the French equivalent of "clearance" is "liquidation" and is permitted to be used). Forthwith upon request from a Landlord, the Landlord's counsel, the Merchant or the Proposal Trustee, the Consultant shall provide the proposed signage packages along with the proposed dimensions and number of signs (as approved by the Merchant pursuant to the Consulting Agreement) by e-mail or facsimile to the applicable Landlords or to their counsel of record. Where the provisions of the Lease conflict with these Sale Guidelines, these Sale Guidelines shall govern. The Consultant shall not use neon or day-glow or handwritten signage (unless otherwise contained in the sign package, including "you pay" or "topper" signs). In addition, the Consultant shall be permitted to utilize exterior banners/signs at stand alone or strip mall Stores or enclosed mall Stores with a separate entrance from the exterior of the enclosed mall, provided, however, that where such

banners are not explicitly permitted by the applicable Lease and the Landlord requests in writing that the banners are not to be used, no banners shall be used absent further Order of the Court, which may be sought on an expedited basis on notice to the service list in the NOI proceedings (the "Service List"). Any banners used shall be located or hung so as to make clear that the Sale is being conducted only at the affected Store and shall not be wider than the premises occupied by the affected Store. All exterior banners shall be professionally hung and to the extent that there is any damage to the façade of the premises of a Store as a result of the hanging or removal of the exterior banner, such damage shall be professionally repaired at the expense of the Consultant. If a Landlord is concerned with "store closing" signs being placed in the front window of a Store or with the number or size of the signs in the front window, the Consultant and the Landlord will discuss the Landlord's concerns and work to resolve the dispute.

5. The Consultant shall be permitted to utilize sign walkers and street signage; provided, however, such sign walkers and street signage shall not be located on the shopping centre or mall premises.
6. The Consultant shall not make any alterations to interior or exterior Store lighting, except as authorized pursuant to the applicable Lease. The hanging of exterior banners or other signage, where permitted in accordance with the terms of these guidelines, shall not constitute an alteration to a Store.
7. Conspicuous signs shall be posted in the cash register areas of each Store to the effect that all sales are "final".
8. The Consultant shall not distribute handbills, leaflets or other written materials to customers outside of any of the Stores on any Landlord's property, unless permitted by the applicable Lease or, if distribution is customary in the shopping centre in which the Store is located. Otherwise, the Consultant may solicit customers in the Stores themselves. The Consultant shall not use any giant balloons, flashing lights or amplified sound to advertise the Sale or solicit customers, except as permitted under the applicable Lease, or agreed to by the Landlord.
9. At the conclusion of the Sale in each Store, the Consultant shall arrange that the premises for each Store are in "broom-swept" and clean condition, and shall arrange that the Stores are in the same condition as on the commencement of the Sale, ordinary wear and tear excepted. No property of any Landlord of a Store shall be removed or sold during the Sale. No permanent fixtures (other than FF&E which for clarity is owned by the Merchant) may be removed without the applicable Landlord's written consent unless otherwise provided by the applicable Lease. Any fixtures or personal property left in a Store after the Sale Termination Date in respect of which the applicable Lease has been disclaimed by the Merchant shall be deemed abandoned, with the applicable Landlord having the right to dispose of the same as the Landlord chooses, without any liability whatsoever on the part of the Landlord.
10. Subject to the terms of paragraph 9 above, the Consultant may sell FF&E which is located in the Stores during the Sale. The Merchant and the Consultant may advertise the sale of FF&E consistent with these guidelines on the understanding that any applicable Landlord may require that such signs be placed in discreet locations acceptable to the applicable

Landlord, acting reasonably. Additionally, the purchasers of any FF&E sold during the Sale shall only be permitted to remove the FF&E either through the back shipping areas designated by the applicable Landlord, or through other areas after regular store business hours, or through the front door of the Store during store business hours if the FF&E can fit in a shopping bag, with applicable Landlord's supervision as required by the applicable Landlord. The Consultant shall repair any damage to the Stores resulting from the removal of any FF&E by Consultant or by third party purchasers of FF&E from Consultant.

11. The Merchant hereby provides notice to the Landlords of the Merchant and the Consultant's intention to sell and remove FF&E from the Stores. The Consultant will arrange with each Landlord represented by counsel on the Service List and with any other applicable Landlord that so requests, a walk through with the Consultant to identify the FF&E subject to the sale. The relevant Landlord shall be entitled to have a representative present in the Store to observe such removal. If the Landlord disputes the Consultant's entitlement to sell or remove any FF&E under the provisions of the Lease, such FF&E shall remain on the premises and shall be dealt with as agreed between the Merchant, the Consultant and such Landlord, or by further Order of the Court upon application by the Merchant on at least two (2) days' notice to such Landlord. If the Merchant has disclaimed or resiliated the Lease governing such Store in accordance with the BIA, it shall not be required to pay rent under such Lease pending resolution of any such dispute (other than rent payable for the notice period provided for in the BIA), and the disclaimer or resiliation of the Lease shall be without prejudice to the Merchant's or Consultant's claim to the FF&E in dispute.
12. If a notice of disclaimer or resiliation is delivered pursuant to the BIA to a Landlord while the Sale is ongoing and the Store in question has not yet been vacated, then: (a) during the notice period prior to the effective time of the disclaimer or resiliation, the applicable Landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Merchant and the Consultant 24 hours' prior written notice; and (b) at the effective time of the disclaimer or resiliation, the relevant Landlord shall be entitled to take possession of any such Store without waiver of or prejudice to any claims or rights such Landlord may have against the Merchant in respect of such Lease or Store, provided that nothing herein shall relieve such Landlord of its obligation to mitigate any damages claimed in connection therewith.
13. The Consultant and its agents and representatives shall have the same access rights to the Stores as the Merchant under the terms of the applicable Lease, and the applicable Landlords shall have the rights of access to the Stores during the Sale provided for in the applicable Lease (subject, for greater certainty, to any applicable stay of proceedings).
14. The Merchant and the Consultant shall not conduct any auctions of Merchandise or FF&E at any of the Stores.
15. The Consultant shall designate a party to be contacted by the Landlords should a dispute arise concerning the conduct of the Sale. The initial contact person for Consultant shall be Mackenzie Shea who may be reached by phone at 1-617-422-6519 or email at mshea@gordonbrothers.com. If the parties are unable to resolve the dispute between themselves, the Landlord or Merchant shall have the right to schedule a "status hearing" before the Court on no less than two (2) days written notice to the other party or parties,

during which time the Consultant shall cease all activity in dispute other than activity expressly permitted herein, pending the determination of the matter by the Court; provided, however, that if a banner has been hung in accordance with these Sale Guidelines and is thereafter the subject of a dispute, the Consultant shall not be required to take any such banner down pending determination of the dispute.

16. Nothing herein is, or shall be deemed to be a consent by any Landlord to the sale, assignment or transfer of any Lease, or to grant to the Landlord any greater rights than already exist under the terms of any applicable Lease.
17. These Sale Guidelines may be amended by written agreement between the Merchant, the Consultant and any applicable Landlord (provided that such amended Sale Guidelines shall not affect or bind any other Landlord not privy thereto without further Order of the Court approving the amended Sale Guidelines).

**SUPERIOR COURT**  
(Commercial Division)

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

No.: 500-11-055622-183

DATE: November 30, 2018

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**BEFORE \_\_\_\_\_, REGISTRAR**

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***IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF:***

**C & E CANADA INC.**

Debtor / Petitioner

and

**RICHTER ADVISORY GROUP INC.**

Trustee

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**ORDER APPROVING A CONSULTING AGREEMENT AND SALE GUIDELINES,  
EXTENDING THE TIME TO FILE A PROPOSAL AND GRANTING ANCILLARY  
RELIEF**

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- [1] **CONSIDERING** the Application for an order approving a Consulting Agreement and Sale Guidelines, for an extension of time to file a proposal and for ancillary relief pursuant to sections 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, (“**BIA**”), as well as the exhibits and the affidavit of Ms. Maral Bal, filed in support thereof (the “**Application**”) by the Debtor / Petitioner C & E Canada Inc. (the “**Petitioner**”);

[2] **CONSIDERING** the Notice of intention to make a proposal filed by the Petitioner on November 28, 2018 in accordance with the BIA (the “**NOI**”);

[3] **CONSIDERING** the representations of counsel;

[4] **CONSIDERING** the provisions of the BIA;

**THE COURT HEREBY:**

[5] **GRANTS** the Application.

*Definitions*

[6] **DECLARES** that, unless otherwise defined, all capitalized terms in this Order shall have the meaning ascribed thereto in the Application.

*Service*

[7] **ORDERS** that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly presentable and **DISPENSES** with further service thereof.

*Consulting Agreement and Sale of Inventory*

[8] **APPROVES** and **RATIFIES** the Letter Agreement Governing Inventory Disposition dated as of November 26, 2018 between Gordon Brothers Canada ULC (the “**Consultant**”) and the Petitioner (with such minor amendments to the Consulting Agreement (but not the Sale Guidelines) as the Petitioner (with the consent of the Trustee) and the Consultant may agree to in writing, the “**Consulting Agreement**”), including the Sale Guidelines attached hereto as Schedule I (the “**Sale Guidelines**”), and **APPROVES** the transactions contemplated thereunder.

[9] **AUTHORIZES** and **DIRECTS** the Petitioner to take any and all actions, including, without limitation, execute and deliver such additional documents, as may be necessary or desirable to implement the Consulting Agreement and each of the transactions contemplated thereunder.

[10] **DECLARES** that the Petitioner, with the assistance of the Consultant, is authorized to conduct the Sale in accordance with this Order, the Consulting Agreement and the Sale Guidelines and to advertise and promote the Sale within the Stores in accordance with the Sale Guidelines.

- [11] **DECLARES** that if there is a conflict between this Order, the Consulting Agreement and the Sale Guidelines, the order of priority of documents to resolve such conflicts is as follows:
- (a) First, this Order;
  - (b) Second, the Sale Guidelines; and
  - (c) Third, the Consulting Agreement.
- [12] **ORDERS** and **DECLARES** that the Petitioner, with the assistance of the Consultant, is authorized to market and sell the Merchandise and the FF&E (as both defined in the Consulting Agreement) free and clear of all security, hypothecs, liens, claims, encumbrances, security interests, mortgages, charges, trusts, deemed trusts, executions, levies, financial, monetary or other claims, whether or not such claims have attached or been registered, perfected or filed and whether secured, unsecured, quantified or unquantified, contingent or otherwise, whensoever and howsoever arising, and whether such claims arose or came into existence prior to the date of this Order or came into existence following the date of this Order (in each case, whether contractual, statutory, arising by operation of law or otherwise), including any other charges hereafter granted by the Court in these proceedings (all of the foregoing, collectively "**Encumbrances**"), which Encumbrances will attach instead to the proceeds of sale of the Merchandise and FF&E other than amounts specified at paragraph [23] of this Order, in the same order and priority as they existed on the Sale Commencement Date (as defined in the Consulting Agreement).
- [13] **ORDERS** and **DECLARES** that subject to the terms of this Order, the Sale Guidelines and the Consulting Agreement, the Consultant shall have the right to enter and use the Stores and all related Store services and all facilities and all furniture, trade fixtures and equipment, including the FF&E, located at the Stores, and other assets of the Petitioner as designated under the Consulting Agreement, for the purpose of conducting the Sale and for such purposes, the Consultant shall be entitled to the benefit of the stay of proceedings in place in the present proceedings, as such stay of proceedings may be extended by further order of the Court.
- [14] **ORDERS** and **DECLARES** that until the applicable Sale Termination Date (as defined in the Consulting Agreement) for each Store (which shall in no event be later than December 31, 2018), the Consultant shall have access to the Stores in accordance with the applicable leases and the Sale Guidelines on the basis that the Consultant is assisting the Petitioner and the Petitioner has granted the right of access to the applicable Store to the Consultant.

- [15] **DECLARES** that, to the extent that the terms of the applicable leases are in conflict with any term of this Order or the Sale Guidelines, the terms of this Order and the Sale Guidelines shall govern.
- [16] **DECLARES** that nothing contained in this Order or the Sale Guidelines shall be construed to create or impose upon the Petitioner or the Consultant any additional restrictions not contained in the applicable lease or other occupancy agreement.
- [17] **ORDERS** and **DECLARES** that except as provided for in section [10] of this Order in respect of the advertising and promotion of the Sale within the Stores, subject to, and in accordance with this Order, the Consulting Agreement and the Sale Guidelines, the Consultant is authorized to advertise and promote the Sale, without further consent of any person other than the Petitioner and the Trustee as provided under the Consulting Agreement or a Landlord (as defined in the Consulting Agreement) as provided under the Sale Guidelines.
- [18] **ORDERS** and **DECLARES** that the Consultant shall have the right to use, without interference by any intellectual property licensor, the Petitioner's trademarks and logos, as well as all licenses and rights granted to the Petitioner to use the trade names, trademarks, and logos of third parties, relating to and used in connection with the operation of the Stores solely for the purpose of advertising and conducting the Sale of the Merchandise and FF&E in accordance with the terms of the Consulting Agreement, the Sale Guidelines and this Order, provided that the Consultant provides the Petitioner with a copy of any advertising prior to its use in the Sale.
- [19] **DECLARES** that the Consultant shall act solely as an independent consultant to the Petitioner and that it shall not be liable for any claims against the Petitioner other than as expressly provided in the Consulting Agreement (including the Consultant's indemnity obligations thereunder) or the Sale Guidelines and, for greater certainty:
- (a) The Consultant shall not be deemed to be an owner or in possession, care, control or management of the Stores, of the assets located therein or associated therewith or of the Petitioner's employees located at the Stores or any other property of Petitioner;
  - (b) The Consultant shall not be deemed to be an employer, or a joint or successor employer or a related or common employer or payer within the meaning of any legislation governing employment or labour standards or pension benefits or health and safety or other statute, regulation or rule of law for any purpose whatsoever, and shall not incur any successor liabilities whatsoever; and

- (c) The Petitioner shall bear all responsibility for any liability whatsoever (including without limitation losses, costs, damages, fines or awards) relating to claims of customers, employees and any other persons arising from events occurring at the Stores during and after the Sale Term (as defined in the Consulting Agreement) in connection with the Sale, except to the extent such claims are the result of events or circumstances caused or contributed to by the gross negligence or wilful misconduct of the Consultant, its employees, agents or other representatives, or otherwise in accordance with the Consulting Agreement;

(sub-paragraphs (a), (b) and (c) above collectively, the “**Liability Limitations**”).

- [20] **DECLARES** that to the extent the Landlords (or any of them) may have a claim against the Petitioner arising solely out of the conduct of the Consultant in conducting the Sale for which the Petitioner has claims against the Consultant under the Consulting Agreement, the Petitioner shall be deemed to have assigned such claims free and clear to the applicable Landlord (the “**Assigned Landlord Rights**”); provided that each such Landlord shall only be permitted to advance each such claims against the Consultant if written notice, including the reasonable details of such claims, is provided by such Landlord to the Consultant, the Petitioner and the Trustee during the period from the Sale Commencement Date to the date that is thirty (30) days following the Sale Termination Date.
- [21] **ORDERS** and **DECLARES** that the Consulting Agreement shall not be repudiated, resiliated or disclaimed by the Petitioner, nor shall the claims of the Consultant pursuant to the Consulting Agreement be compromised or arranged pursuant to a Proposal and, for greater certainty, that the Consultant shall be treated as an unaffected creditor in these proceedings and under any Proposal.
- [22] **AUTHORIZES** the Petitioner to remit, in accordance with the Consulting Agreement, all amounts that become due to the Consultant thereunder.
- [23] **DECLARES** that no Encumbrances shall attach to any amounts payable or to be credited or reimbursed to, or retained by, the Consultant pursuant to the Consulting Agreement and, at all times, the Consultant will retain such amounts, free and clear of all Encumbrances, notwithstanding any enforcement or other process, all in accordance with the Consulting Agreement.
- [24] **ORDERS** and **DECLARES** that notwithstanding:
- (a) The pendency of these proceedings, including any bankruptcy that may result from these proceedings;
- (b) Any application for a bankruptcy order pursuant to the BIA or any bankruptcy order made pursuant to such an application;

- (c) The filing of any assignment for the general benefit of creditors made pursuant to the BIA;
- (d) The provisions of any federal or provincial statute; or
- (e) Any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of the Encumbrances contained in any existing loan documents, lease, sublease, offer to lease or other agreement to which the Petitioner is a party;

the Consulting Agreement and the transactions and actions provided for and contemplated therein, including without limitation, the payment of amounts due to the Consultant and the Assigned Landlord Rights, shall be binding on any trustee in bankruptcy that may be appointed in respect to the Petitioner and shall not be void or voidable by any person, including any creditor of the Petitioner, nor shall they, or any of them, constitute or be deemed to be a preference, fraudulent conveyance, transfer at undervalue or other challengeable or reviewable transaction, under the BIA or any applicable law, nor shall they constitute oppressive or unfairly prejudicial conduct under any applicable law.

- [25] **DECLARES** that the transactions contemplated under the Consulting Agreement shall be exempt from the application of the *Bulk Sales Act* (Ontario) and any other equivalent federal or provincial legislation.

*Extension of Time to File a Proposal*

- [26] **EXTENDS** the period for the Petitioner to file a Proposal to and including January 15, 2019, in accordance with subsection 50.4(9) of the BIA.

*General*

- [27] **ORDERS** that no person shall commence, proceed with or enforce any proceedings against the Trustee or any of the directors and officers, employees, legal counsel or financial advisors of the Petitioner or of the Trustee in relation to the business of the Petitioner or on all assets, rights, undertakings and properties of the Petitioner, of every nature and kind whatsoever, and wherever situated, regardless of whose possession it may be in and including all proceeds thereof, without first obtaining leave of this Court, upon five (5) business days' written notice to the Petitioner's counsel, the Trustee and to all those referred to in this paragraph whom it is proposed be named in such proceedings.
- [28] **DECLARES** that the NOI, this Order and any proceeding or affidavit leading to this Order, shall not, in and of themselves, constitute a default or failure to comply by the Petitioner under any statute, regulation, licence, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.

- [29] **DECLARES** that, except as otherwise specified herein or in the BIA, the Petitioner and the Trustee are at liberty to serve any notice, proof of claim form, proxy, circular or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to persons or other appropriate parties at their respective given addresses as last shown on the records of the Petitioner and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if by ordinary mail.
- [30] **DECLARES** that the Petitioner and any party to these proceedings may serve any court materials in these proceedings on all represented parties electronically, by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that the Petitioner shall deliver "hard copies" of such materials upon request to any party as soon as practicable thereafter.
- [31] **DECLARES** that, except as otherwise specified herein or in the BIA, or ordered by this Court, no document, order or other material need be served on any person in respect of these proceedings, unless such person has served a response on the Petitioner's counsel and the Trustee and has filed such response with this Court, or appears on the service list prepared by the Petitioner, the Trustee or their counsel, save and except when an order is sought against a person not previously involved in these proceedings.
- [32] **DECLARES** that the Petitioner and the Trustee shall be entitled to seek leave to vary this Order upon such terms and such notice as this Court deems just.
- [33] **ORDERS** and **DECLARES** that any interested Person may apply to this Court to vary or rescind this Order or seek other relief upon five (5) business days' notice to the Petitioner, the Trustee and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
- [34] **DECLARES** that the Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.
- [35] **REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or elsewhere, to give effect to this Order and to assist, the Petitioner, the Trustee and their respective agents in carrying out the terms of this Order.
- [36] **ORDERS** provisional execution of this Order notwithstanding any appeal and without the necessity of furnishing any security.
- [37] **THE WHOLE** without costs.

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, Registrar

MTRE. JULIEN MORISSETTE  
MTRE. JULIEN HYNES-GAGNÉ  
(OSLER HOSKIN & HARCOURT LLP)  
COUNSEL TO THE PETITIONER

Hearing date: November 30, 2018

**SCHEDULE I**  
**SALE GUIDELINES**

The following procedures shall apply to the Sale to be conducted at the Stores of C&E Canada Inc. (the "Merchant"). All terms not herein defined shall have the meaning set forth in the Consulting Agreement by and between Gordon Brothers Canada ULC, an affiliate of Gordon Brothers Retail Partners, LLC (the "Consultant") and the Merchant dated as of November 26, 2018 (the "Consulting Agreement").

1. Except as otherwise expressly set out herein, and subject to: (i) the Order dated November 30, 2018 approving the Consulting Agreement (the "Approval Order") or any further Order of the Superior Court of Quebec (the "Court"); or (ii) any subsequent written agreement between the Merchant and the applicable landlord(s) (individually, a "Landlord" and, collectively, the "Landlords") and approved by the Consultant, or (iii) as otherwise set forth herein, the Sale shall be conducted in accordance with the terms of the applicable leases/or other occupancy agreements to which the affected Landlords are privy for each of the affected Stores (individually, a "Lease" and, collectively, the "Leases"). However, nothing contained herein shall be construed to create or impose upon the Merchant or the Consultant any additional restrictions not contained in the applicable Lease or other occupancy agreement.
2. The Sale shall be conducted so that each of the Stores remains open during its normal hours of operation provided for in its respective Lease until the respective Sale Termination Date for such Store. The Sale at the Stores shall end by no later than December 31, 2018. Rent payable under the respective Leases shall be paid in accordance with the terms of the Approval Order. The Merchant shall not purchase any additional inventory for Sale at the Stores as and from November 28, 2018.
3. The Sale shall be conducted in accordance with applicable federal, provincial and municipal laws and regulations, unless otherwise ordered by the Court.
4. All display and hanging signs used by the Consultant in connection with the Sale shall be professionally produced and all hanging signs shall be hung in a professional manner. Notwithstanding anything to the contrary contained in the Leases, the Consultant may advertise the Sale at the Stores as an "everything on sale", an "everything must go", a "store closing" or similar theme sale at the Stores (provided however that no signs shall advertise the Sale as a "bankruptcy", a "going out of business" or a "liquidation" sale it being understood that the French equivalent of "clearance" is "liquidation" and is permitted to be used). Forthwith upon request from a Landlord, the Landlord's counsel, the Merchant or the

Proposal Trustee, the Consultant shall provide the proposed signage packages along with the proposed dimensions and number of signs (as approved by the Merchant pursuant to the Consulting Agreement) by e-mail or facsimile to the applicable Landlords or to their counsel of record. Where the provisions of the Lease conflict with these Sale Guidelines, these Sale Guidelines shall govern. The Consultant shall not use neon or day-glow or handwritten signage (unless otherwise contained in the sign package, including "you pay" or "topper" signs). In addition, the Consultant shall be permitted to utilize exterior banners/signs at stand alone or strip mall Stores or enclosed mall Stores with a separate entrance from the exterior of the enclosed mall, provided, however, that where such banners are not explicitly permitted by the applicable Lease and the Landlord requests in writing that the banners are not to be used, no banners shall be used absent further Order of the Court, which may be sought on an expedited basis on notice to the service list in the NOI proceedings (the "Service List"). Any banners used shall be located or hung so as to make clear that the Sale is being conducted only at the affected Store and shall not be wider than the premises occupied by the affected Store. All exterior banners shall be professionally hung and to the extent that there is any damage to the façade of the premises of a Store as a result of the hanging or removal of the exterior banner, such damage shall be professionally repaired at the expense of the Consultant. If a Landlord is concerned with "store closing" signs being placed in the front window of a Store or with the number or size of the signs in the front window, the Consultant and the Landlord will discuss the Landlord's concerns and work to resolve the dispute.

5. The Consultant shall be permitted to utilize sign walkers and street signage; provided, however, such sign walkers and street signage shall not be located on the shopping centre or mall premises.
6. The Consultant shall not make any alterations to interior or exterior Store lighting, except as authorized pursuant to the applicable Lease. The hanging of exterior banners or other signage, where permitted in accordance with the terms of these guidelines, shall not constitute an alteration to a Store.
7. Conspicuous signs shall be posted in the cash register areas of each Store to the effect that all sales are "final".
8. The Consultant shall not distribute handbills, leaflets or other written materials to customers outside of any of the Stores on any Landlord's property, unless permitted by the applicable Lease or, if distribution is customary in the shopping centre in which the Store is located. Otherwise, the Consultant may solicit customers in the Stores themselves. The Consultant shall not use any giant balloons, flashing lights or amplified sound to advertise the Sale or solicit customers, except as permitted under the applicable Lease, or agreed to by the Landlord.

9. At the conclusion of the Sale in each Store, the Consultant shall arrange that the premises for each Store are in "broom-swept" and clean condition, and shall arrange that the Stores are in the same condition as on the commencement of the Sale, ordinary wear and tear excepted. No property of any Landlord of a Store shall be removed or sold during the Sale. No permanent fixtures (other than FF&E which for clarity is owned by the Merchant) may be removed without the applicable Landlord's written consent unless otherwise provided by the applicable Lease. Any fixtures or personal property left in a Store after the Sale Termination Date in respect of which the applicable Lease has been disclaimed by the Merchant shall be deemed abandoned, with the applicable Landlord having the right to dispose of the same as the Landlord chooses, without any liability whatsoever on the part of the Landlord.
10. Subject to the terms of paragraph 9 above, the Consultant may sell FF&E which is located in the Stores during the Sale. The Merchant and the Consultant may advertise the sale of FF&E consistent with these guidelines on the understanding that any applicable Landlord may require that such signs be placed in discreet locations acceptable to the applicable Landlord, acting reasonably. Additionally, the purchasers of any FF&E sold during the Sale shall only be permitted to remove the FF&E either through the back shipping areas designated by the applicable Landlord, or through other areas after regular store business hours, or through the front door of the Store during store business hours if the FF&E can fit in a shopping bag, with applicable Landlord's supervision as required by the applicable Landlord. The Consultant shall repair any damage to the Stores resulting from the removal of any FF&E by Consultant or by third party purchasers of FF&E from Consultant.
11. The Merchant hereby provides notice to the Landlords of the Merchant and the Consultant's intention to sell and remove FF&E from the Stores. The Consultant will arrange with each Landlord represented by counsel on the Service List and with any other applicable Landlord that so requests, a walk through with the Consultant to identify the FF&E subject to the sale. The relevant Landlord shall be entitled to have a representative present in the Store to observe such removal. If the Landlord disputes the Consultant's entitlement to sell or remove any FF&E under the provisions of the Lease, such FF&E shall remain on the premises and shall be dealt with as agreed between the Merchant, the Consultant and such Landlord, or by further Order of the Court upon application by the Merchant on at least two (2) days' notice to such Landlord. If the Merchant has disclaimed or resiliated the Lease governing such Store in accordance with the BIA, it shall not be required to pay rent under such Lease pending resolution of any such dispute (other than rent payable for the notice period provided for in the BIA), and the disclaimer or resiliation of the Lease shall be without prejudice to the Merchant's or Consultant's claim to the FF&E in dispute.

12. If a notice of disclaimer or resiliation is delivered pursuant to the BIA to a Landlord while the Sale is ongoing and the Store in question has not yet been vacated, then: (a) during the notice period prior to the effective time of the disclaimer or resiliation, the applicable Landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Merchant and the Consultant 24 hours' prior written notice; and (b) at the effective time of the disclaimer or resiliation, the relevant Landlord shall be entitled to take possession of any such Store without waiver of or prejudice to any claims or rights such Landlord may have against the Merchant in respect of such Lease or Store, provided that nothing herein shall relieve such Landlord of its obligation to mitigate any damages claimed in connection therewith.
13. The Consultant and its agents and representatives shall have the same access rights to the Stores as the Merchant under the terms of the applicable Lease, and the applicable Landlords shall have the rights of access to the Stores during the Sale provided for in the applicable Lease (subject, for greater certainty, to any applicable stay of proceedings).
14. The Merchant and the Consultant shall not conduct any auctions of Merchandise or FF&E at any of the Stores.
15. The Consultant shall designate a party to be contacted by the Landlords should a dispute arise concerning the conduct of the Sale. The initial contact person for Consultant shall be Mackenzie Shea who may be reached by phone at 1-617-422-6519 or email at mshea@gordonbrothers.com. If the parties are unable to resolve the dispute between themselves, the Landlord or Merchant shall have the right to schedule a "status hearing" before the Court on no less than two (2) days written notice to the other party or parties, during which time the Consultant shall cease all activity in dispute other than activity expressly permitted herein, pending the determination of the matter by the Court; provided, however, that if a banner has been hung in accordance with these Sale Guidelines and is thereafter the subject of a dispute, the Consultant shall not be required to take any such banner down pending determination of the dispute.
16. Nothing herein is, or shall be deemed to be a consent by any Landlord to the sale, assignment or transfer of any Lease, or to grant to the Landlord any greater rights than already exist under the terms of any applicable Lease.
17. These Sale Guidelines may be amended by written agreement between the Merchant, the Consultant and any applicable Landlord (provided that such amended Sale Guidelines shall not affect or bind any other Landlord not privy thereto without further Order of the Court approving the amended Sale Guidelines).