

RICHTER

CANADA

Province of Quebec

District of: Quebec

Division No.: 01-Montréal

Court No.: 500-11-052107-170

Estate No.: 41-2219514

SUPERIOR COURT

(Commercial Division)

Bankruptcy and Insolvency Act

**Notice of Joint Proposal to Creditors and
Notice of Hearing of Application for Court Approval of Proposal
(Section 51 and Paragraph 58(b) of the Act)**

**In the matter of the joint proposal of
Freemark Apparel Brands Inc; Freemark Apparel Brands ESP Inc.,
Freemark Apparel Brands TEC Inc and Freemark Apparel Brands USA Inc.
of the City of Montreal
in the Province of Quebec**

Take notice that Freemark Apparel Brands Inc; Freemark Apparel Brands ESP Inc., Freemark Apparel Brands TEC Inc and Freemark Apparel Brands USA Inc. of the City of Montreal in the Province of Quebec have lodged with us a joint proposal under the Bankruptcy and Insolvency Act.

A copy of the joint proposal, a condensed statement of the debtor's assets and liabilities and a list of the creditors affected by the joint proposal and whose claims amount to \$250 or more are enclosed herewith.

A general meeting of the creditors will be held at the Trustee's office, 1981 McGill College, 11th Floor, Montreal, QC H3A 0G6 on August 14, 2017 at 10:00 AM.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the joint proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the joint proposal is binding on all the creditors or the class of creditors affected.

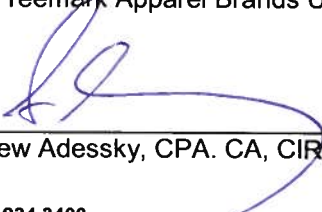
Take notice that, if the joint proposal is accepted by the creditors at a meeting held on August 14, 2017 at 10:00 AM, an application will be made to the court, Superior Court – Montreal, Montreal Court house, 1 Notre-Dame street E., Room 16.10, Montreal, QC H2Y 1B6, on August 21, 2017 at 8:45 AM to approve the joint proposal of Freemark Apparel Brands Inc; Freemark Apparel Brands ESP Inc., Freemark Apparel Brands TEC Inc and Freemark Apparel Brands USA Inc.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at Montreal in the Province of Quebec, July 25, 2017.

Richter Advisory Group Inc.

Trustee acting *in re* the joint proposal of Freemark Apparel Brands Inc;
Freemark Apparel Brands ESP Inc., Freemark Apparel Brands TEC Inc
and Freemark Apparel Brands USA Inc.



Andrew Adessky, CPA, CA, CIRP, LIT

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Montréal, QC H3A 0G6
www.richter.ca

Montréal, Toronto

(Français- recto)



CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
DIVISION NO.: 01-MONTRÉAL
COURT NO.: 500-11-052107-170
500-11-052108-178
500-11-052109-176
500-11-052106-172
ESTATE NO.: 41-2219514
41-2219516
41-2219518
41-2219519

SUPERIOR COURT
(Commercial Division)

IN THE MATTER OF THE PROPOSAL OF:

Freemark Apparel Brands Inc., Freemark Apparel Brands ESP Inc., Freemark Apparel Brands TEC Inc., and Freemark Apparel Brands USA Inc., insolvent persons, having their domicile at 5640 Paré Street, Mont-Royal, Québec, H4P 2M1.

JOINT PROPOSAL

We, **Freemark Apparel Brands Inc., Freemark Apparel Brands ESP Inc., Freemark Apparel Brands TEC Inc., and Freemark Apparel Brands USA Inc.** (collectively, the “Debtors” or the “Companies”), hereby submit the following proposal under the *Bankruptcy and Insolvency Act*:

1. **Definitions:** For all purposes relating to the present proposal under the *Bankruptcy and Insolvency Act*, the following terms shall have the following meaning:

“Act” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;

“Approval” means the situation arising from the Proposal having been duly accepted by the required majority of creditors of the Companies and having been duly approved by the Court in a judgment which has become executory as a result of the delay for appeal having expired without there having been an appeal, or an appeal having been lodged and the judgment having been confirmed or the appeal withdrawn or otherwise settled;

“Claim” means the claim of any Creditor of the Companies, whether it is a Secured Claim, a Preferred Claim, an Employee Claim or an Unsecured Claim which existed as at the date of the filing of the Notice of Intention. Therefore, it does not include a Subsequent Claim;

“Court” means the Superior Court of the District of Montréal sitting in bankruptcy and insolvency matters (Commercial Division);

“**Creditor**” means the holder of a Claim;

“**Employee Claim(s)**” means, for each employee, the aggregate sum of all amounts owing to such employee, including any amounts owing in respect of notice of termination or pay in lieu thereof and severance claims, as set forth in the Employee Claim Notice.

“**Employee Claim Notice**” means the notice sent to each employee together with this Proposal setting out the employee’s Employee Claim.

“**Employee Creditor**” means a Creditor having an Employee Claim;

“**Landlords**” means those Creditors of which the Companies was a commercial tenant under a lease of real property, as acknowledged by the Companies;

“**Landlord Claims**” means the Unsecured Claims of the Landlords for the lesser of (i) the actual losses resulting from the disclaimers of leases or (ii) the amount calculated in accordance with the formula provided for at Section 65.2(4)b of the Act, which Claims shall be treated as Unsecured Claims in accordance with Section 65.2(5) of the Act;

“**Notice of Intention**” means the Notice of Intention to Make a Proposal under the Act filed by the Companies on February 17, 2017;

“**Preferred Claims**” means all Claims of a Creditor of the Companies governed by section 136 the Act and to be paid in priority by the Companies to all other Unsecured Claims in the distribution of the Shareholder’s Contribution;

“**Preferred Creditor**” means a Creditor having a Preferred Claim;

“**Proposal**” means this Joint Proposal as allowed by the Court in its order dated February 23, 2017;

“**Proposal Expenses**” means all fees, expenses, liabilities and obligations of the Trustee, and all legal fees, consulting fees and accounting fees on and incidental to the proceedings arising out of the Notice of Intention and the Proposal and including without limitation advice to the Companies and the Trustee in connection therewith;

“**Proven Claim**” means the amount accepted by the Companies for any Claim, or further to the Court’s determination and then as per the final judgment to be rendered and that the delay of appeal has expired without having been an appeal, or an appeal having been lodged and the judgment having been confirmed or the appeal withdrawn or otherwise settled;

“**Related Creditor**” means Freemark Apparel Brands Inc., Freemark Apparel Brands ESP Inc., Freemark Apparel Brands TEC Inc. and Freemark Apparel Brands USA Inc.;

“**Related Creditor Claim**” means the Claim of a Related Creditor;

“**Secured Claims**” means Claims of Secured Creditors within the meaning of the Act;

“**Secured Creditor**” means a Creditor having a Secured Claim;

“**Shareholder**” means Freemark Apparel Holdings Inc.

“**Shareholder’s Contribution**” has the meaning set forth in section 2.2 herein. Said contribution is only to be distributed, in accordance with the terms of the Proposal, once the Creditors have duly approved the Proposal and the Approval has been obtained;

“**Subsequent Claims**” means the claims arising in respect to goods supplied, services rendered or other consideration given as and from the date of the filing of the Notice of Intention;

“**Subsequent Creditor**” means the holder of a Subsequent Claim;

“**Trustee**” means Richter Advisory Group Inc., the Trustee under the Notice of Intention and the Trustee named in the Proposal of the Companies;

“**Unsecured Claims**” means in respect of the Companies, the claims of the Unsecured Creditors including claims of every nature and kind whatsoever, whether due or not due for payment as of the date of the filing of the Notice of Intention as well as contingent or unliquidated claims arising out of any transaction entered into by one of the Companies prior to the date thereof;

“**Unsecured Creditor**” means a Creditor having an Unsecured Claim or a Landlords Claim;

2. **Purpose of the Proposal:**

2.1 On February 17, 2017, the Companies each filed a Notice of Intention. To facilitate the administration, and for that sole reason, the Court, on February 23, 2017 authorized the joint administration. In the same spirit and for the very same (and sole) reason, the Companies have filed a joint proposal.

2.2 As a result of the Court authorized and supervised solicitation process, and the transaction that resulted, each of the Companies has no known remaining assets. However, the Shareholder has offered offer to inject an aggregate amount of \$225,000.00 (the “**Shareholder’s Contribution**”) for the sole purpose of distributing said Shareholder’s Contribution to the Creditors other than HSBC Bank Canada and Freemark Apparel Holdings Inc. should the joint proposal be duly accepted by the Creditors and approved by the Court.

3. **Secured Claims:** The Secured Claims shall be paid in accordance with arrangements existing between the Companies and the holders of Secured Claims or as may be arranged between the Companies and the holders of Secured Claims. This Proposal is not made in respect of the Claims of HSBC Bank Canada and Freemark Apparel Holdings Inc., if any, and there shall be no distribution pursuant to the terms of this Proposal on account of any claims of either HSBC Bank Canada or Freemark Apparel Holdings Inc.
4. **Employee Claims:** Each employee which is in agreement with the Employee Claim Notice shall not be required to file a proof of claim and his (her) Proven Claim shall be deemed to be as set forth in the Employee Claim Notice, for voting and distribution purposes under the Proposal. Employees who do not agree with the amount of their claim as set forth in the Employee Claim Notice must complete and file their proof of claim in respect of their Claim,

prior to the first meeting of creditors if they wish to vote on the Proposal, together with any and all supporting documents, and a proper statement of account, which proof of claim shall be dealt with pursuant to the Act;

5. **Amounts:**

- (a) owing to Her Majesty in right of Canada or a Province that could be subject to a demand under Section 224 (1.2) of the *Income Tax Act*, or under any substantially similar provision of provincial legislation, outstanding at the time of the filing of the Notice of Intention, will be paid in full within six (6) months after the Approval, as per the Act;
- (b) owing to employees and former employees, that they would have been entitled to receive under Paragraph 136(1)(d) of the Act if the employer became bankrupt on the date of the filing of the Notice of Intention, as well as wages, salaries, commissions or compensation for services rendered after that date and before the Approval, will be paid in full immediately after the Approval as per the Act.

6. **Proposal Expenses and Subsequent Claims:** The Proposal Expenses and the Subsequent Claims shall be assumed by third parties and the Companies declare that this Proposal does not apply to the Proposal Expenses and the Subsequent Claims;

7. **Preferred Claims:** The payment of the Preferred Claims other than those referred to in Section 5(b) hereof will be paid in full in priority to all Unsecured Claims, thirty (30) days after the Approval;

8. **Distribution of the Shareholder's Contribution:** The Shareholder will remit to the Trustee, no later than ten (10) days after the Approval, the Shareholder's Contribution to be distributed by the Trustee as follows and in the following order:

- (a.) in payment of the Secured Claims, as per Section 3 herein, if any;
- (b.) in payment of all Proven Claims of the Preferred Claims of the Preferred Creditors, to be paid in accordance with Sections 5 and 7 above;
- (c.) the balance of the Shareholder's Contribution, to be distributed to the Unsecured Creditors with a Proven Claim, in full and final settlement of their Unsecured Claims, without interest, as follows:
 - (1) the lesser of: (i) the amount of the Proven Claim of such Unsecured Creditor and (ii) \$1,000.00 (the "**First Level Distribution**") which amount, subject to paragraph d) below, shall be disbursed within (i) sixty (60) days after the Approval for all the Unsecured Creditors other than the Employee Creditors and (ii) fifteen (15) days of the receipt by the Trustee of the required governmental confirmations in respect of the Employee Creditors only;
 - (2) an amount equal to such Unsecured Creditor's pro rata share, calculated on the basis of the remaining amount of its Proven Claim, of any amount remaining in the Shareholder's Contribution after the distribution of all of the First Level Distribution amounts, and subject to paragraph d) below, to all Unsecured

Creditors (“**Second Level Distribution**”). The Second Level Distribution will be paid by the Trustee within sixty (60) days after the following:

- (i) within (i) sixty (60) days after the Approval for all the Unsecured Creditors other than the Employee Creditors and (ii) fifteen (15) days of the receipt by the Trustee of the required governmental confirmations in respect of the Employees Creditors only;
 - (d.) the distribution referred to above shall be net of any amount to be set aside by the Trustee while Claims are being determined, litigated or for any disputed Claim. The Trustee shall use its best judgment in the determination of any amount which should be set aside, and for which period. Once all Claims have been settled or adjudicated with a final judgment, any amount set aside pursuant to this paragraph d) shall be disbursed by the Trustee;
9. **Reviewable Transactions and Preferential Payments:** Conditionally upon the Approval, the statutory terms of Sections 95 to 101 of the Act and any provision of provincial legislation having a similar objective (including but not limited to Articles 1631 to 1636 of the *Civil Code of Quebec*) shall not apply, the whole pursuant to Section 101.1 of the Act;
 10. **Claims against directors:** In accordance with Section 50(13) of the Act, the Proposal herein made will constitute a compromise of claims against the present and past directors of the Companies (the “**Directors**”) that arose before the filing of the Notice of Intention and that relate to the obligations of the Companies where the directors are by law or otherwise liable in their capacity as directors for the payment of such obligations, and acceptance of the Proposal, upon Approval, will operate as a discharge in favour of such present and past directors with respect to such obligations. Nothing herein shall be interpreted as an acknowledgement of any liability or obligation of the directors of the Companies;
 11. **Release:** Upon the payment described in section 8 herein each of the Companies, the Directors and the Shareholder shall be released and discharged from any and all demands, claims, actions, law suits, debts, taxes, obligations to do anything, damages, judgments, judgment enforcement proceedings arising from any liability, obligation, demand or cause of action of any nature whatsoever, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, that any Employee Creditors, Preferred Creditors or Unsecured Creditors would otherwise be entitled to assert based, in whole or in part, on any act or omission, contract, duty, responsibility, or obligation of any nature having arisen on the date of the Notice of Intention or previously thereto relating to the Claims, the conduct of the business of the Companies, this Proposal or the Companies’ proceedings under the Act, to the fullest extent permissible in law, and any such right resulting from any such act or omission, shall be forever waived and released (other than the right to enforce any of the Companies’ obligations under this Proposal or any related agreement), provided that nothing herein shall affect the right of any Creditor to recover any insurance proceeds or benefits under any contract pursuant to which such Creditor is an insured.
 12. **Deemed approval:** Each of the Unsecured Creditors with a Proven Claim equal to or less than \$1,000.00 shall be deemed to have voted in favour of the Proposal. Likewise, any employee that has not filed a proof of claim, **prior to the first meeting of creditors**, shall be

deemed to have voted in favour of the Proposal in an amount equal to the Employee Claim. Notwithstanding the foregoing, the Unsecured Creditors and the Employees described in the present clause may choose to vote against the Proposal in the context of the creditors' vote on the Proposal.

13. **Related Creditors:** Conditional upon the acceptance by its Creditors of the Proposal and to the approval thereof by the Court, the Related Creditors waive and renounce to (i) any right to prove in whole or in part any Related Creditor Claim they may have and (ii) any dividend that is or could be payable to them under the Proposal.
14. **Trustee:** The Trustee will be the Trustee under the Proposal and all monies payable under the Proposal will be paid over to the Trustee which will remit the dividends in accordance with the terms of the Proposal.

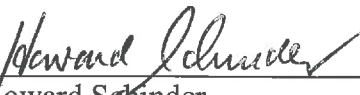
IN THE EVENT OF ANY DISCREPANCY BETWEEN THE ENGLISH AND THE FRENCH VERSION OF THIS PROPOSAL, THE ENGLISH VERSION WILL TAKE PRECEDENCE.

DATED AT MONTREAL, QUEBEC, this 21th day of July 2017.

**FREEMARK APPAREL BRANDS
INC.**

Per 
Name: Howard Schneider


**FREEMARK APPAREL BRANDS ESP
INC.**

Per 
Name: Howard Schneider

**FREEMARK APPAREL BRANDS
TEC INC.**

Per 
Name: Howard Schneider

**FREEMARK APPAREL BRANDS USA
INC.**

Per 
Name: Howard Schneider

District of: Quebec
 Division No. 01 - Montréal
 Court No. 500-11-052107-170
 Estate No. 41-2219514

Original Amended

-- Form 78 --
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the Proposal of
 Freemark Apparel Brands Inc
 of the of Mont-Royal
 in the Province of Quebec

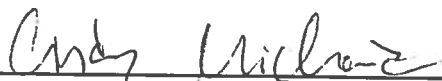
To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 17th day of February 2017. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	20,743,736.17	1. Inventory	0.00
Balance of secured claims as per list "B"	0.00	2. Trade fixtures, etc.	0.00
Total unsecured creditors	20,743,736.17	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	0.00	Good	0.00
3. Preferred creditors as per list "C"	0.00	Doubtful	0.00
4. Contingent, trust claims or other liabilities as per list "D"		Bad	0.00
estimated to be reclaimable for	0.00	Estimated to produce	0.00
Total liabilities	20,743,736.17	4. Bills of exchange, promissory note, etc., as per list "F" ...	0.00
Surplus	NIL	5. Deposits in financial institutions	0.00
		6. Cash	0.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRIFs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H"	0.00
		If debtor is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	0.00
		Deficiency	20,743,736.17

I, Howard Schnider, of the City of Montréal in the Province of Quebec, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of Freemark Apparel Brands Inc. affairs on the 24th day of July 2017 and fully disclose all property of every description that is in Freemark Apparel Brands Inc. possession or that may devolve on Freemark Apparel Brands Inc. in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Montréal in the Province of Quebec, on this 24th day of July 2017.


 Cindy M Michaud, Commissioner of Oaths
 for the Province of Quebec
 Expires April 12, 2018


 Howard Schnider



District of: Quebec
 Division No. 01 - Montréal
 Court No. 500-11-052107-170
 Estate No. 41-2219514

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	2K FINISHERS INC	8301 PARKWAY BLVD. VILLE D'ANJOU QC H1J 1M8	172,578.91	0.00	172,578.91
2	2STEPZAHEAD BV *	HOOGOORDDREEF 73A 1101BB 2STEPZAHEAD B.V AMSERDAM THE NETHERLANDS --	14,971.37	0.00	14,971.37
3	5 SEASONS SHOWROOM *	116 - 695 PYLANT STREET ATLANTA GA 30306 USA	0.00	0.00	0.00
4	AARON MIECHKOTA	203 - 6605 RUE HOCHELAGA MONTREAL QC H1N 1X8	4,881.25	0.00	4,881.25
5	ABZ INSURANCE	200-4098 RUE STE-CATHERINE O. Westmount QC H3Z 1P2	0.00	0.00	0.00
6	AGENCE DE MANNEQUIN MONTAGE INC	400 - 3451 ST. LAURENT MONTREAL QC H4P 2T6	1,379.70	0.00	1,379.70
7	ALBERTA MENS WEAR ASSOCIATION	P.O. BOX 66037 HERITAGE Edmonton AB T6J 6T4	0.00	0.00	0.00
8	ARROW MARKETING	15 MCLAREN AVENUE Cambridge ON N1R 8K9	4,570.17	0.00	4,570.17
9	ASCENSEURS SUPERIEUR INC.	1029 RUE DU VIGER Terrebonne QC J6W 6B6	735.87	0.00	735.87
10	ASMARA INTERNATIONAL LTD.*	UNIT 8B, TONG YUEN FACTORY BUILDING 505 CASTLE PEAK ROAD LAI CHI KOK, KOWLOON HONGKONG --	2,049.55	0.00	2,049.55
11	ASTRAL MEDIA OUTDOOR, L.P.	1600-1800 MCGILL COLLEGE MONTREAL QC H3A 3J6	121,969.31	0.00	121,969.31
12	ASTRAL MEDIA RADIO GP	1717 RENE-LEVESQUE BLVD EAST MONTREAL QC H2L 4T9	5,200.32	0.00	5,200.32
13	ATRADIUS COLLECTIONS LIMITED	1430-1 ROBERT SPECK PKWY MISSISSAUGA ON L4Z 3M3	0.00	0.00	0.00
14	BCIMC REALTY CORPORATION	1600-925 WEST GEORGIA ST. Vancouver BC V6C 3L2	363,094.39	0.00	363,094.39
15	BCIMC REALTY CORPORATION	1600-925 WEST GEORGIA ST. Vancouver BC V6C 3L2	5,849.16	0.00	5,849.16
16	BELL CANADA	CASE POSTALE 8712 SUCC. CENTRE-VILLE MONTREAL QC H3C 3P6	1,095.35	0.00	1,095.35
17	BENCH LIMITED	ARDWICK GREEN NORTH TANZARO HOUSE MANCHESTER, ENGLAND M12 6FZ --	0.00	0.00	0.00
18	BENCH LTD *	TANZARO HOUSE ARDWICK GREEN NORTH MANCHESTER, M12 6FZ ENGLAND --	0.00	0.00	0.00
19	BRILLIANT SIGN DESIGN	256 - 5475 PARE STREET MONTREAL QC H4P 1P7	802.30	0.00	802.30
20	BUNZL RETAIL *	LAMPLIGHT WAY, AGECROFT COMMERCE PARK SWINTON MANCHESTER UK - M27 8UJ	6,066.75	0.00	6,066.75
21	C&O APPAREL INC.	3788 NORTH FRASER WAY BURNABY BC V5J 5G1	563,720.84	0.00	563,720.84
22	CAFE GRAN SASSO	4830 COTE VERTU O. VILLE SAINT LAURENT QC H4S 1J9	0.00	0.00	0.00

24-Jul-2017

Date


 Howard Schneider

District of: Quebec
 Division No. 01 - Montréal
 Court No. 500-11-052107-170
 Estate No. 41-2219514

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
23	CANADA POST CORPORATION	2701 RIVERSIDE DR. OTTAWA ON K1A 1L7	13,603.66	0.00	13,603.66
24	CANADA REVENUE AGENCY - SALES TAXES Attn: MICHAEL LOPES	305 BOUL. RENE-LEVESQUE O. MONTREAL QC H2Z 1A6	236,691.24	0.00	236,691.24
25	CANPAR TRANSPORT L.P.	102-201 WEST CREEK BLVD Brampton ON L6T 0G8	21,641.63	0.00	21,641.63
26	CASABAWA IMPORTS INC	8900 AV DU PARC MONTREAL QC H2N 1Y8	14,793.83	0.00	14,793.83
27	CATCRES HOLDINGS INC.	1000 - 1255 PEEL STREET MONTRAL QC H3B 2T9	138,147.88	0.00	138,147.88
28	CATEGORY 5 IMAGING	1062 COOKE BOULEVARD BURLINGTON ON L7T 4A8	30,534.84	0.00	30,534.84
29	CHANGSHU RICH-WEAR*	E-COMMERCE ZONE, NO.88 TAOSHAN ROAD, CHANGSHU JIANGSU, CHINA, 215500 -	1,330.90	0.00	1,330.90
30	CITY OF CALGARY	PO BOX 2405 STN M 800 MACLEOD TRAIL SE Calgary AB T2P 3L9	1,150.30	0.00	1,150.30
31	CITY OF EDMONTON	PO BOX 2670 Edmonton AB T5J 2G4	0.00	0.00	0.00
32	CITY PALLETS	1640 BONHILL RD. UNIT # 10 - 11 Mississauga ON L5T 1C8	853.69	0.00	853.69
33	CLEAN SHINE	351 AVENUE RAIMBAULT Pointe-Claire QC H9R 5V1	1,827.00	0.00	1,827.00
34	CLEAR CHANNEL	1901 - 250 YONGE STREET Toronto ON M5B 2L7	33,155.98	0.00	33,155.98
35	CLOUD NYNE INC.*	1204 - 209 WEST 38TH STREET NEW YORK NY 10018 USA	0.00	0.00	0.00
36	COFACE, BANKRUPTCY COLLECTIONS Attn: AMY SCHMIDT	50 MILLSTONE RD, BLDG 100 SUITE 360 East Windsor NJ 08520 USA	0.00	0.00	0.00
37	COPIDATA	450 RUE WRIGHT ST. LAURENT QC H4N 1M6	4,205.95	0.00	4,205.95
38	CORAL SERVICES	1335 ROCKWOOD DRIVE Kingston ON K7P 2M8	2,718.32	0.00	2,718.32
39	CORMACK RECRUITMENT	600-1285 WEST BROADWAY Vancouver BC V6H 3X8	8,662.50	0.00	8,662.50
40	CORP. OF THE CITY OF NEW WESTMINSTER	511 ROYAL AVENUE NEW Westminster BC V3L 1H9	0.00	0.00	0.00
41	CROMBIE DEVELOPMENTS LTD	200-610 EAST RIVER ROAD NEW GLASGOW NS B2H 3S2	382,676.10	0.00	382,676.10
42	D.O.D. TRANSPORT INC.	9189 SAGUENAY ST. LEONARD QC H1R 2M5	5,636.08	0.00	5,636.08
43	DAMA CONSTRUCTION	117 AVE LINSAY Dorval QC H9P 2S6	189,825.34	0.00	189,825.34
44	DAVID KIRSCH FORWARDER	600-185 DORVAL AVE. Dorval QC H9S 5J9	28,117.28	0.00	28,117.28
45	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.	3450 SUPERIOR COURT, UNIT 1 OAKVILLE ON L6L 0C4	0.00	0.00	0.00

24-Jul-2017

Date


 Howard Schneider

District of: Quebec
 Division No. 01 - Montréal
 Court No. 500-11-052107-170
 Estate No. 41-2219514

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
46	DELMAR INTERNATIONAL INC.	10636 COTE DE LIESSE MONTREAL QC H8T 1A5	0.00	0.00	0.00
47	DEMAC MEDIA	300 - 71 KING STREET EAST Toronto ON M5C 1G3	158,736.88	0.00	158,736.88
48	DENIS OFFICE SUPPLIES AND FURNITURES	2990 BOUL. LE CORBUSIER Laval QC H7L 3M2	0.00	0.00	0.00
49	DLL FINANCIAL SOLUTIONS Attn: MARCO JACUTA	C/O M JACUTA, DE LAGE LANDEN 1 - 3450 SUPERIOR COURT OAKVILLE ON L6L 0C4	0.00	0.00	0.00
50	DOGREE FASHIONS INC.*	3205 CHEMIN BEDFORD MONTREAL QC H3S 1G3	55,351.62	0.00	55,351.62
51	DULCEDO MANAGEMENT	200-438 RUE MCGILL MONTREAL QC H2Y 2G1	17,184.16	0.00	17,184.16
52	DYNAMIC BUSINESS FORMS	227 BLUE HAVEN DDO QC H9G 2N6	0.00	0.00	0.00
53	EASTMAN EXPORT GLOBAL CLOTHING *	PITCHAMPALAYAM PUDUR 5/591,SRI LAKSHMI NAGAR TIRUPUR-641 603 INDIA -- INDIA	0.00	0.00	0.00
54	EBATES CANADA, INC.*	805-90 EGLINTON AVE EAST Toronto ON M4P 2Y5	0.00	0.00	0.00
55	EMBALLAGES KUSH-PACK INC.	5757 BOUL. THIMENS VILLE SAINT LAURENT QC H4R 2H6	3,766.14	0.00	3,766.14
56	EMPLOYEES	5640 RUE PARE MOUNT ROYAL QC H4P 2M1	214,523.00	0.00	214,523.00
57	ESPRIT EUROPE GmbH	ESPRIT-ALLEE, 40882 RATINGEN, GERMANY -- GERMANY	0.00	0.00	0.00
58	ESPRIT INTERNATIONAL	1370 BROADWAY, 14 FLOOR NEW YORK NY 10018 USA	56,081.38	0.00	56,081.38
59	ESPRIT REGIONAL DISTRIBUTION LIMITED *	43/F ENTERPRISE SQUARE THREE 39 WANG CHIU ROAD KOWLOON BAY,HONGKONG --	118,097.72	0.00	118,097.72
60	ESPRIT WHOLESALE GmbH	ESPRIT ALLEE RATINGEN 40082 GERMANY	184,313.95	0.00	184,313.95
61	ESSEX POWERLINE CORPORATION	3 - 2730 HIGHWAY OLDCASTLE ON N0R 1L0	0.00	0.00	0.00
62	EXECUTIVE MAT SERVICE B.C. LTD.	6 -20113 - 92ND AVENUE LANGLEY BC V1M 3A5	427.72	0.00	427.72
63	FED EXPRESS CANADA LTD	P.O. BOX 4626TORONTO STN A Toronto ON M5W 5B4	0.00	0.00	0.00
64	FEDERAL EXPRESS CANADA LTD (ESPRIT)	P.O. BOX: 4626TORONTO STN A Toronto ON M5W 5B4	112,613.11	0.00	112,613.11
65	FIBRENOIRE INTERNET Attn: Jan-Érik Lavoie	320 - 550, AV BEAUMONT MONTREAL QC H3N 1V1	0.00	0.00	0.00
66	FINELINE TECHNOLOGIES INC. *	P.O. BOX: 921933 Norcross GA 30010 USA	8,354.77	0.00	8,354.77
67	FOLIO MONTREAL	295 DE LA COMMUNE OUEST MONTREAL QC H2Y 2E1	28,341.34	0.00	28,341.34
68	FORTIS BC - NATURAL GAS	PO BOX 6666 STN TERMINAL Vancouver BC V6B 6M9	1,768.05	0.00	1,768.05

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List "A"
 Unsecured Creditors

Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
69	FREEMARK APPAREL BRANDS GROUP INC.	5640 RUE PARÉ MONTREAL QC H4P 2M1	1,560,801.95	0.00	1,560,801.95
70	FRESHA CONSTRUCTION	431 AVENUE PINE BEACH Dorval QC H9S 2X2	37,021.31	0.00	37,021.31
71	FRESHA CONSTRUCTION INC.	11-431 AVE PINE BEACH Dorval QC H9S 2X2	0.00	0.00	0.00
72	FUZE HR SOLUTIONS INC.	250-333 DECARIE BLVD MONTREAL QC H4N 3M9	38,827.13	0.00	38,827.13
73	FUZHOU GARMENTS*	2#3 (YUAN CHANGZHEN ZHUBAO) HOUSHAN, MINHOU FUZHOU, CHINA -	2,991.61	0.00	2,991.61
74	G & G SALES AGENCY	295 - 1951 GLEN DRIVE Vancouver BC V6A 4J6	0.00	0.00	0.00
75	G.L. SMITH PLANNING & DESIGN INC.	229 SHEPPARD AVE. WEST Toronto ON M2N 1N2	15,130.06	0.00	15,130.06
76	GAINFUL GROUP LIMITED *	UNIT 2209, 22/F., WU CHUNG HOUSE 213 QUEENS ROAD EAST WANCHAI HONG KONG - -	40.14	0.00	40.14
77	GARDA	1390 BARRE STREET MONTREAL QC H3C 1N4	58,934.20	0.00	58,934.20
78	GLOBAL HANGERS INC	UNIT C - 9600 RUE IGNACE Brossard QC J4Y 2R4	918.81	0.00	918.81
79	GROUPE DE SECURITE GARDA SENC	1390 RUE BARRE MONTREAL QC H3C 1N4	3,909.49	0.00	3,909.49
80	HALO METRICS INC.	183-21300 GORDON WAY Richmond BC V6W 1M2	7,659.08	0.00	7,659.08
81	HANGZHOU BODA GROUP*	C/O: HONGKONG BODA GOURP GROUP CO., LTD. 1501-1508 MILLENNIUM CITYS (APM) 418 KWUN TONG ROAD, KWUN TONG KOWLOON, HONG KONG -	1,636.90	0.00	1,636.90
82	HEADCOUNT	9419 - 20TH AVENUE NW Edmonton AB T6N 1E5	27,456.82	0.00	27,456.82
83	HERSHY WEINBERG SALES INC.	104-160 TYCOS DRIVE Toronto ON M6B 1W8	0.00	0.00	0.00
84	HOLIDAY GROUP INC.	4875 BOUL. DES GRANDES-PRAIRES ST-LEONARD QC H1R 1X4	54,383.18	0.00	54,383.18
85	HORTON BERNER FASHION GROUP	195-1951 GLEN DRIVE Vancouver BC V6A 4J6	0.00	0.00	0.00
86	HYDRO OTTAWA	PO BOX 4483 STATION A Toronto ON M5W 5Z1	0.00	0.00	0.00
87	HYDRO QUEBEC	C.P. 270SUCC YOUVILLE MONTREAL QC H2P 2V4	8,762.85	0.00	8,762.85
88	HYPE ONE.COM LTD	400 - 1235 BAY STREET Toronto ON M5R 3K4	1,243.00	0.00	1,243.00
89	IBC (INTERNATIONAL BAR CODE SERVICES INC.)	121433 CHABANEL O MONTREAL QC H2N 2J3	269.62	0.00	269.62
90	IDEON PACKAGING	11251 DYKE ROAD RICHMOND BC V7A 0A1	2,749.16	0.00	2,749.16

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Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
91	IMPRIMERIE BCSS INC.	100-9800 MEILLEUR MONTREAL QC H3L 3J4	505.89	0.00	505.89
92	ING BANK (US) *	VAN HENNAERTWEG 8 GARCIA BV 2952 CA ALBLASSERDAM, THE NETHERLANDS - -	467,476.01	0.00	467,476.01
93	INNOVATIVE SYSTEMS, LLC *	125-23382 MILL CREEK DR LAGUNA HILLS CA 92653 USA	0.00	0.00	0.00
94	ITC LIMITED*	BLOCK B, 14/F HIGH WIN FACTORY BUILDING, 47 HOI YUEN ROAD KWUN TONG HLN, HONG KONG -	205.70	0.00	205.70
95	IVANHOE CAMBRIDGE II INC.	300 - 95 WELLINGTON STREET WEST TORONTO ON M5J 2R2	2,109,357.05	0.00	2,109,357.05
96	IVANHOE CAMBRIDGE INC. - TSAWWASSEN MILLS	TSAWWASSEM MILLS MANAGEMENT OFFICE 5000 CANOE PASS WAY TSAWWASSEN BC V4M 0B3	0.00	0.00	0.00
97	JERRY COHEN FORWARDERS LIMITED	5203 FAIRWAY LACHINE QC H8T 3K8	265.59	0.00	265.59
98	JIANGSU SAINTY*	ROOM 304 BUILDING C, 21 SOFTWARE AVENUE NANJING, CHINA, 210012 -	2,679.88	0.00	2,679.88
99	JIANGSU SKYRUN WUXI CO.LTD *	28 FLOOR, 88 XIANQUAN EAST ST. WUXI,JIANGSU CHINA -- CHINA	0.00	0.00	0.00
100	JINNAT APPARELS LTD *	SARDAGONJ KASHIMPUR GAZIPUR-1349, BANGLADESH --	0.00	0.00	0.00
101	JOURNAL DECLARATION	8061 RUE ST. HUBERT MONTREAL QC H2R 2P4	517.39	0.00	517.39
102	KESTENBERG SIEGAL LIPKUS LLP	65 GRANBY ST. Toronto ON M5B 1H8	0.00	0.00	0.00
103	KOH BRAND LTD. *	FARNCOMBE ROAD, WORTHING WEST SUSSEX BN11 2BW UK --	5,667.01	0.00	5,667.01
104	L FASHION PTE LTD *	10 RAEBURN PARK, NO.3-08 BLOCK A SINGAPORE 088702 --	0.00	0.00	0.00
105	L'EQUIPE DAIGLE LAROCHE	R03-555 CHABANEL O. MONTREAL QC H2N 2H7	0.00	0.00	0.00
106	LES DISTRIBUTIONS BERSA INC.	2320 RUE BEAUZELE St. Laurent QC H4K 2R7	0.00	0.00	0.00
107	LES PRODUCTIONS GRAPH X INC.	2170 AV. CHARLAND MONTREAL QC H1Z 1B1	17,128.50	0.00	17,128.50
108	LF FASHION PTE LTD. *	NO.3-08 BLOCK A 10 RAEBURN PARK SINGAPORE 088702 --	0.00	0.00	0.00
109	LIVEFREE SHOWROOM *	2013 WARFIELD AVE REDONDO BEACH CA 90278 USA	0.00	0.00	0.00
110	LUXELIFE	6J-8 ROSEBANK DRIVE Toronto ON M1B 5Z3	0.00	0.00	0.00
111	MACINTYRE COMMUNICATIONS	3504 - 70 DISTILLERY LANE Toronto ON M5A 0E3	27,642.84	0.00	27,642.84
112	MEDIA TRANSCONTINENTAL S.E.N.C.	300-400 AV. SAINTE CROIX E. ST-LAURENT QC H4N 3L4	8,881.83	0.00	8,881.83

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List "A"
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Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
113	METRO / BCMAC	103 - 1951 GLEN DRIVE Vancouver BC V6A 4J6	0.00	0.00	0.00
114	METRO CUSTOMS BROKERS INC.*	4300 JEAN TALON OUEST MONTREAL QC H4P 1W3	0.00	0.00	0.00
115	MEYKING ENTREPRISE INC	228 - 5475 PARÉ STREET MONT-ROYAL QC H3P 1P7	1,085.08	0.00	1,085.08
116	MINISTRY OF FINANCE - SASKACHEWAN	PO BOX 200 Regina SK S4P 2Z6	0.00	0.00	0.00
117	MINTZ GLOBAL SCREENING INC.	200-1303, WILLIAM MONTREAL QC H3C 1R4	0.00	0.00	0.00
118	MIRABEL OUTLET CTRE GEN. PARTNERSHIP	PO BOX 15627 STATION A Toronto ON M5W 1C1	0.00	0.00	0.00
119	MOMENTIS SYSTEMS INC	250-5500 ROYALMOUNT AVE MONTREAL QC H4P 1H7	0.00	0.00	0.00
120	MORGUARD	800 - 55 CITY CENTRE DRIVE MISSISSAUGA ON L5B 1M3	391,216.33	0.00	391,216.33
121	MTS INC.	BOX 7500 Winnipeg MB R3C 3B5	0.00	0.00	0.00
122	MULTI BAG IMPORTS INC	200 - 5653 PARE MONTREAL QC H4P 1S1	67,414.44	0.00	67,414.44
123	MULTI BAG IMPORTS INC. US*	200 -5653 PARE MONTREAL QC H4P 1S1	34,871.13	0.00	34,871.13
124	MY PRINTER.CA	2155 RUE VINCENT MONTREAL QC H4M 1M6	8,235.14	0.00	8,235.14
125	NATIONAL PROJECTS	222 CROCUS DRIVE Toronto ON M1R 4T7	113,744.96	0.00	113,744.96
126	NBS-USD *	9315 TRANS CANADA ST-LAURENT QC H4S 1V3	0.00	0.00	0.00
127	NEW ACCESSORIES GROUP LTD *	THE OLD BARN, LEDGER FARM FOREST GREEN RD FIFIELD, BERKS, 2L62NR UK -- UK	0.00	0.00	0.00
128	NEWFORM DISPLAY INC.	2250, 46TH AVENUE Lachine QC H8T 2P3	14,968.59	0.00	14,968.59
129	NEXT CANADA (3790142 CANADA INC.) Attn: KATRINE MONAGHAN	2029-777 RICHMOND ST. W. Toronto ON M6J 0C2	0.00	0.00	0.00
130	NINGBO DYON IMP. & EXP*	72-106 GONGMAO YI RD. 315171 JISHIGANG, NINGBO, CHINA -	5,628.72	0.00	5,628.72
131	NKPR INC.	100-312 ADELAIDE STREET W. Toronto ON M5V 1R2	34,184.02	0.00	34,184.02
132	NO BETTER SERVICE	9315 TRANS-CANADA HWY VILLE ST. LAURENT QC H4S 1V3	7,955.73	0.00	7,955.73
133	OLIAN INDUSTRIAL CO. LTD. *	201HSIN HSIAO ROAD TAINAN, TAIWAN --	20,119.70	0.00	20,119.70
134	OMNIBRAND LIMITED *	13/F., PAT TAT INDUSTRIAL BUILDING 1 PAT TAT STREET SAN PO KONG, KOWLOON, HONGKONG --	23,692.29	0.00	23,692.29
135	OMNITRANS (ESP)	4300 JEAN TALON O. MONTREAL QC H4P 1W3	5,892.14	0.00	5,892.14

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Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
136	OMNITRANS (US) *	4300 JEAN TALON W MONTREAL QC H4P 1W3	35,441.90	0.00	35,441.90
137	OMNITRANS INC	4300 JEAN TALON O. MONTREAL QC H4P 1W3	5,225.03	0.00	5,225.03
138	OPTRUST RETAIL INC. - WINDSOR CROSSING	C/O BENTALL KENNEDY (CANADA) 785 WONDERLAND ROAD S London ON N6K 1M6	7,742.09	0.00	7,742.09
139	OUTFRONT MEDIA CANADA LP	377 HORNER AVE. Toronto ON M8W 1Z6	336,051.38	0.00	336,051.38
140	OUTGROWTH LTD	534-250A EGLINTON AVE EAST Toronto ON M4P 1K0	4,633.00	0.00	4,633.00
141	OUTSOURCED PROGRAM MANAGEMENT	4990 JEAN TALON W MONTREAL QC H4P 1W9	61,499.50	0.00	61,499.50
142	OXFORD	ROYAL BANK PLAZA, NORTH TOWER 900 - 200 BAY STREET TORONTO ON M5J 2J2	872,690.65	0.00	872,690.65
143	PARADIGM LEATHER*	PLT NO.#194, SECTOR-6, IMT MANESAR, GURGAON HARYANA-122050, INDIA -	769.87	0.00	769.87
144	PATTISON OUTDOOR ADVERTISING LP	500 - 2700 MATHESON BLVD. E W TOWER Mississauga ON L4W 4V9	2,586.94	0.00	2,586.94
145	PAULINA RICHARDS	3448 D'IBERVILLE MONTREAL QC H2K 3E2	5,782.04	0.00	5,782.04
146	PEREGRINE PLASTICS LTD	313 PRODUCTION WAY BURNABY BC V5A 3H1	69,591.45	0.00	69,591.45
147	PRESTIGE RECRUITMENT	1800 - 1010 SHERBROOKE W MONTREAL QC H3A 2R7	14,946.76	0.00	14,946.76
148	PRIMARIS MANAGEMENT INC.	500 - 3625 ST DUFFERIN TORONTO ON M3K 1N4	77,443.11	0.00	77,443.11
149	PRODUCTION SWAT INC.	1061 RUE MARTIAL Laval QC H7P 1E4	387,251.28	0.00	387,251.28
150	PRODUITS COM TECH INC.	1375 BERGAR LAVAL QC H7L 4Z7	1,614.25	0.00	1,614.25
151	PROFORMA CANADA INC	8-400 STEELES AVE E. SUITE 319 Brampton ON L6W 4T4	4,868.85	0.00	4,868.85
152	PROGRESS LUV2PACK	20 TANGIERS ROAD Toronto ON M3J 2B2	51,440.48	0.00	51,440.48
153	PT FOREVER GARMINDO * Attn: MR. RAGHU SHETTY	JL RAYA BANJARAN JAWA BARAT -- INDONESIA	0.00	0.00	0.00
154	PT INDOMATRA BUSANA JAYA Attn: MR. STEVE HONG	(for labels purpose only) JL. H. DIMUN NO. 9 KP, SIDAMUKTI SUKAMAJU, CILODONG DEPOK 16145 DePOK 16415 INDONESIA	3,257.68	0.00	3,257.68
155	PT PANTJATUNGGAL KNITTING MILL * Attn: MRS. FELICIA TEOFANI	JL SIMONGAN NO.98, SEMARANG 50148, CENTRAL JAVA JAVA 50148 INDONESIA	147,103.40	0.00	147,103.40
156	PT PEVALI GROUP INTERNATIONAL Attn: PETER LUND	(for labels purpose only) JL. KP. PULO ARMIN B NO. 11, KEL. BARANANGSIANG BOGOR TIMUR 16143 INDONESIA	0.00	0.00	0.00

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Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
157	PT. ASIA PENTA GARMENT*	JL.MEKAR MULYA KAV.11 BANDUNG 40613, INDONESIA -- INDIA	0.00	0.00	0.00
158	PT. RICKY PUTRA GLOBALINDO. TBK * Attn: MR. EFENDI LEE	TARIKOLOT, CITEREUP BOGOR, KABUPATEN BOGOR JL.INDUSTRI no. 54 JAWA BARAT, INDONESIA -- INDONESIA	83,665.11	0.00	83,665.11
159	PT. UNI KYUNG SEUNG INTERNATIONAL * Attn: MRS. DEBBY KIM	KAWASAN BERIKAT, NUSANTARA B1 KBN CAKUNG CILINCING JL.SUMATRA BLOK D.17 JAKARTA UTARA 14140 INDONESIA 14140 INDONESIA	8,529.36	0.00	8,529.36
160	PUROLATOR COURIER LTD.	ETOBICOKE POSTAL STATION A P.O. BOX 1100 Etobicoke ON M9C 5K2	334,730.00	0.00	334,730.00
161	Q COLLECTION PTE LIMITED *	NO.12-1, UNITED SQUARE 101 THOMPSON ROAD SINGAPORE 307591 --	0.00	0.00	0.00
162	QINGDAO V-DESIGN*	ROOM 1116,BUILDING B,WANDA PLAZA,NO.33 LIAN YUN GANG ROAD, QINGDAO, CHINA -	249.99	0.00	249.99
163	RCI ENVIRONNEMENT INC.	9501 BOUL RAY LAWSON Anjou QC H1J 1L4	0.00	0.00	0.00
164	REBOX	601 STINSON St. Laurent QC H4N 2E1	0.00	0.00	0.00
165	RECEIVER GENERAL FOR CANADA	4695, BOUL. DE SHAWINIGAN-SUD Shawinigan QC G9P 5H9	748,581.73	0.00	748,581.73
166	RECRUTEMENT PRESTIGE Attn: DOMINIQUE VALLIÈRES	1 PLACE VILLE-MARIE MONTREAL QC H3B 4M4	0.00	0.00	0.00
167	REMCO	4565 HICKMORE St. Laurent QC H4T 1S5	3,107.25	0.00	3,107.25
168	RIOCAN HOLDINGS	500 - 2300 YONGE ST., PO BOX 2386 TORONTO ON M4P 1E4	7,083.70	0.00	7,083.70
169	RMB EXTERMINATION INC.	477 BOUL DES LAURENTIDES PONT VIAUVAVAL QC H7G 2V2	0.00	0.00	0.00
170	ROGERS	2645 RUFUS ROCKHEAD, CP 11442 MONTREAL QC H3C 5J2	9,198.00	0.00	9,198.00
171	ROGERS MEDIA	1 MOUNT PLEASANT RD, 5TH FL Toronto ON M4Y 2Y5	0.00	0.00	0.00
172	RUBAN MICRO	1985 LUCIEN THIMENS VILLE ST. LAURENT QC H4R 1K8	8,675.68	0.00	8,675.68
173	SANIYO*	24 BRILLIANCE COURT, HILLGROVE VILLAGE DISCOVERY BAY, HONG KONG -	232.95	0.00	232.95
174	SASK. MEN'S APPAREL CLUB INC.	P.O. BOX: 8778 Saskatoon SK S7K 6S5	0.00	0.00	0.00
175	SASKTEL	PO BOX 2121 Regina SK S4P 4C5	0.00	0.00	0.00
176	SCOTCH & SODA	JACOBUS SPIJKERDREEF 20-24, 2132 PZ HOOFDDORP.NETHERLANDS --	1,961,861.67	0.00	1,961,861.67
177	SECURITAS CANADA LIMITED	400 - 235 YOURLAND BLVD North York ON M2J 4Y8	3,114.00	0.00	3,114.00

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No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
178	SENSORMATIC CANADA, INC	2815 MATHESON BLVD EAST Mississauga ON L4W 5J8	17,390.05	0.00	17,390.05
179	SENTINEL ALARM	610-6600 COTE DES NEIGES MONTREAL QC H3S 2A9	0.00	0.00	0.00
180	SERVICORP	10-8600 BOUL. DECARIE VILLE MONT-ROYAL QC H4P 2N2	3,450.70	0.00	3,450.70
181	SHANGHAI NEW CENTURY INT'L TRADING CO.,LTD *	HENGRUI INTERNATIONAL PLAZA, 560 ZHANGYANG RD. 1601-1602, WEST TOWER IGING FIBG HENG PUDONG, SHANGHAI 200122 CHINA	246,551.05	0.00	246,551.05
182	SHAW CABLES SYSTEMS GP	630-3RD AVENUE SW Calgary AB T2P 4L4	0.00	0.00	0.00
183	SHRED-IT INTERNATIONAL ULC	5000 THIMENS BLVD ST LAURENT QC H4R 2B2	689.79	0.00	689.79
184	SIGNAL SECURITY	7735 ST.LAURENT MONTREAL QC H2R 1X1	36,964.84	0.00	36,964.84
185	SIMONS *	225 WEST WASHINGTON STREET INDIANAPOLIS IN 46204 USA	102,425.89	0.00	102,425.89
186	SINO STAR INDUSTRIAL LTD. *	RM 34, UNIT B, 2/F. ON DAK INDUSTRIAL BUILDING NO.2-6 WAH SING STREET KWAI CHUNG, N.T. HK --	1,420,083.20	0.00	1,420,083.20
187	SMART REIT	200 - 700 APPLEWEEK CRES. VAUGHAN ON L4K 5X3	25,698.13	0.00	25,698.13
188	SQUARE FASHIONS *	H.O. SQUARE CENTRE 48 MOHAKHALI C/A DHAKA-1212, BANGLADESH --	0.00	0.00	0.00
189	SREE SANTOSH GARMENTS *	SHASTRI NAGAR ANGERIPALAYAM ROAD 52/3, FULCHAND STREET TIRUPUR, INDIA 641602 --	68,523.84	0.00	68,523.84
190	STAPLES	PO BOX 11714 SUCC. CENTRE-VILLE MONTREAL QC H3C 6M6	1,246.92	0.00	1,246.92
191	STICKY MEDIA	1050 PACIFIC AVE. Lachine QC H8S 2R2	570,584.50	0.00	570,584.50
192	STINGRAY360	730 RUE WELLINGTON MONTREAL QC H3C 1T4	49,310.38	0.00	49,310.38
193	STUDENT PRICE CARD	1 - 999 EDGELEY BLVD VAUGHAN ON L4K 5Z4	1,911.77	0.00	1,911.77
194	SUZHOU JISHENG GARMENTS CO. LTD. *	NO.1777 ZHONGSHAN SOUTH ROAD WUJIANG CITY, JIANGSU, CHINA --	0.00	0.00	0.00
195	SWEATER GARMENT (HK) LIMITED *	UNIT 3-5,3/FL FABRICO IND'L,BLDG. 78-84 KWAI CHEONG RD KWAI CHUNG, NEW TERR. HONGKONG --	17,814.85	0.00	17,814.85
196	SWEATER GARMENT*	UNIT 3-5, 3/F, FABRICO IND'L BLDG., 78-84 KWAI CHEONG ROAD, KWAI CHUNG N.T., HONG KONG -	6,555.98	0.00	6,555.98
197	T&A SHOWROOM *	400 - 824 S. LOS ANGELES ST. LOS ANGELES CA 90014 USA	0.00	0.00	0.00
198	TAI ERH ENTERPRISE *	NO. 201 XINXIAO RD, SOUTH DISTRICT TAIWAN 702 --	0.00	0.00	0.00

24-Jul-2017

Date


 Howard Schneider

District of: Quebec
 Division No. 01 - Montréal
 Court No. 500-11-052107-170
 Estate No. 41-2219514

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
199	TECHNI-CENTRE	1867 BOUL. DES LAURENTIDES LAVAL QC H7M 2P8	2,844.62	0.00	2,844.62
200	TECHNIRACK	5455 RAMSAY ST. HUBERT QC J3Y 2S3	20,138.28	0.00	20,138.28
201	TELUS	PO BOX 7575 VANCOUVER BC V6B 8N9	0.00	0.00	0.00
202	TEMPLETON DOC LTD PARTNERSHIP	V8201 STATION TERMINAL VANCOUVER BC V6B 6N3	0.00	0.00	0.00
203	TEMPO	509 LINIDBERGH STREET LAVAL QC H7P 2N8	2,433.06	0.00	2,433.06
204	TERPAC PLASTICS INT'L INC.	11600 ALBERT-HUDON MONTREAL QC H1G 3K2	7,727.47	0.00	7,727.47
205	THE CADILLAC FAIRVIEW CORPORATION	500 - 20 QUEEN STREET W. TORONTO ON M5H 3R4	3,430,777.96	0.00	3,430,777.96
206	THE HARTFORD *	PO BOX 660916 DALLAS TX 752 66-0916 USA	889.46	0.00	889.46
207	THE KINGTEX CORPORATION *	18F 91 ROOSEVELT RD SEC 2 TAIPEI TAIWAN --	183.63	0.00	183.63
208	THE NORTHEAST GROUP INC.*	12 NEPCO WAY PLATTSBURGH NY 12903 USA	0.00	0.00	0.00
209	TIS PERSONNEL	1005-5000 RUE BUCHANSUITE MONTREAL QC H4P 1T2	63,689.43	0.00	63,689.43
210	TNL GLOBAL INC. *	726 E. MAIN ST., STE F-260 LEBANON OH 45036-1900 USA	0.00	0.00	0.00
211	TRAVELSTYLE (HK) LTD, *	8/F., 51 BEDFORD ROAD TAI KOK TSUI, KOWLOON, HONGKONG --	15,535.63	0.00	15,535.63
212	TRUE CROWD PLEASERZ ENTERTAINMENT INC.	540 LAURIER CRESCENT PICKERING ON L1V 4P9	8,136.50	0.00	8,136.50
213	TRUE INC.*	PO BOX 1517 NEW YORK NY 10021 USA	0.00	0.00	0.00
214	UNO DIGITAL SCREEN PRESS LTD.	135-5751 CEDARBRIDGE WAY RICHMOND BC V6X 2A8	652.40	0.00	652.40
215	UPS CANADA LTD.	P.O. BOX 2127 CRO Halifax NS B3J 3B7	314.59	0.00	314.59
216	UTILITIES KINGSTON	PO BOX 790 KINGSTON ON K7L 4X7	0.00	0.00	0.00
217	V&H SOURCING LTD*	OLD VICARAGE COTTAGE LYMINSTER ROAD, LYMINSTER, LITTLEHAMPTON, LITTLEHAMPTON, WEST SUSSEX, ENGLAND, BN17 7QF, UK -	2,345.26	0.00	2,345.26
218	VICINITY FASHION AGENTS	170-1951 GLEN DRIVE Vancouver BC V6A 4J6	0.00	0.00	0.00
219	WEST EDMONTON MALL PROPERTY INC.	3000 - 8882, 170ST. NW EDMONTON AB T5T 4J2	813,346.43	0.00	813,346.43
220	WORK SAFE - NS	C/O CANADA REVENUE AGENCY TECH. 875 HERON RD OTTAWA ON K1A 1B1	0.00	0.00	0.00
221	WORK SAFE BC	PO BOX 9600 STN TERMINAL VANCOUVER BC V6B 5J5	2,465.46	0.00	2,465.46

24-Jul-2017

Date


 Howard Schneider

District of: Quebec
 Division No. 01 - Montréal
 Court No. 500-11-052107-170
 Estate No. 41-2219514

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Freemark Apparel Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
222	WORKERS COMPENSATION BOARD BC	C/O DAVE ALLEN PO BOX 5350 STN TERMINAL VANCOUVER BC V6B 5L5	0.00	0.00	0.00
223	WORKPLACE SAFETY & INSURANCE BOARD	PO BOX 4115 STATION A TORONTO ON M5W 2V3	7,916.13	0.00	7,916.13
224	YORKWELL ASIA COMPANY *	ROOM D, 8/F HONG KONG SPINNERS INC. BUILDING PHASE 5, 760-762 CHEUNG SHA WAN RD KOWLON HONGKONG -- HONG KONG	0.00	0.00	0.00
225	YORKWELL ASIA COMPANY LIMITED *	ROOM D, 8/F HONG KONG SPINNERS IND.BLDG PHASE 5, 760-762 CHEUNG SHA WAN ROAD KOWLOON HONGKONG --	0.00	0.00	0.00
226	YVONNE CAMPBELL *	104 - 7040 AVENIDA ENCINAS CARLSBAD CA 92011 USA	0.00	0.00	0.00
227	Z STEPZAHEAD BV	HOOGOORDDREEF 73A 1101BB AMSTERDAM, THE NETHERLANDS --	0.00	0.00	0.00
Total:			20,743,736.17	0.00	20,743,736.17

24-Jul-2017

Date


 Howard Schnider

District of: Quebec
Division No. 01 - Montréal
Court No. 500-11-052107-170
Estate No. 41-2219514

FORM 78 -- Continued

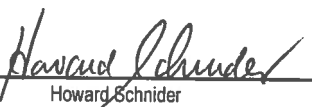
List "B"
Secured Creditors

Freemark Apparel Brands Inc

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
			0.00			0.00	0.00	0.00
		Total:	0.00			0.00	0.00	0.00

24-Jul-2017

Date


Howard Schnider

RICHTER

THIS INFORMATION SHEET IS SUPPLIED IN ORDER TO ASSIST YOU IN COMPLETING THE PROOF OF CLAIM FORM

- The proof of claim must be signed by the individual completing the form.
- The signature of the claimant must be witnessed.
- Give the complete address (including postal code) where all notices and correspondence are to be forwarded.
- The amount on the statement of account must agree with the amount claimed on the proof of claim.

PARAGRAPH 1 OF THE PROOF OF CLAIM

- If the individual completing the proof of claim is not the creditor himself, he must state his position or title.
- The creditor must state the full and complete legal name of the Company or the claimant.

PARAGRAPH 3 OF THE PROOF OF CLAIM

- A detailed statement of account must be attached to the proof of claim and must show the date, the invoice number and the dollar amount of all the invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward. In addition, a creditor must indicate his/her address, phone number, fax number and E-mail address.

PARAGRAPH 4 OF THE PROOF OF CLAIM

- An unsecured creditor (subparagraph (A)) must check and state whether or not a priority rank is claimed under Section 136 of the Bankruptcy and Insolvency Act.
- A claim of landlord (subparagraph (B)) for disclaim of lease must be completed with full particulars and calculations.
- A secured creditor must complete subparagraph (C) and attach a copy of the security documents.
- A farmer, fisherman or aquaculturist must complete subparagraph (D).
- A wage earner must complete subparagraph (E), if applicable.
- Section F must be completed with regard to a pension plan.
- A claim against director(s) (subparagraph (G)), in a proposal which compromises a creditor's claim, must contain full particulars and calculations.
- A customer of a bankrupt securities firm must complete subparagraph (H).

PARAGRAPH 5 OF THE PROOF OF CLAIM

- The claimant must indicate whether he/she **is** or **is not related** to the debtor, as defined in the Bankruptcy and Insolvency Act, by striking out that which is not applicable.

PARAGRAPH 6 OF THE PROOF OF CLAIM

- The claimant must attach a detailed list of all payments received and/or credits granted, as follows:
 - a) within the **three months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **not related**;
 - b) within the **twelve months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **related**.

PROXY

- a) A creditor may vote either in person or by proxy;
- b) A debtor may not be appointed as proxy to vote at any meeting of the creditors;
- c) The Trustee may be appointed as a proxy for any creditor;
- d) In order for a duly authorized person to have a right to vote he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

Richter Advisory Group Inc.
Richter Groupe Conseil Inc.
1981 McGill College
Montréal (QC) H3A 0G6

Montréal, Toronto

(français – recto)



RICHTER

PROOF OF CLAIM

(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the joint proposal of **Freemark Apparel Brands Inc; Freemark Apparel Brands ESP Inc., Freemark Apparel Brands TEC Inc and Freemark Apparel Brands USA Inc.** of the City of Montréal, Province of Quebec, and the claim of

_____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor).
2. That I have knowledge of all of the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the Notice of Intention, namely February 17, 2017, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A" after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. Check and complete appropriate category

- A. UNSECURED CLAIM OF \$ _____

(Other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description)

- Regarding the amount of \$ _____, I do not claim a right to a priority.

(**"Ordinary Creditor"**)

- Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

(**"Preferred Creditor"**)

(Set out on an attached sheet details to support priority claim)

- B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based)

- C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

- D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____

(Attach a copy of sales agreement and delivery receipts).

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

Richter Advisory Group Inc.
Richter Groupe Conseil Inc.
1981 McGill College

Montréal (QC) H3A 0G6

Montréal, Toronto





- E. CLAIM BY WAGE EARNER OF \$ _____
 - That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____

- F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
 - That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____

- G. CLAIM AGAINST DIRECTOR \$ _____
(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

- H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____
That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (provide details of payments, credits and transfers at undervalue)

Dated at _____, this _____ day of _____

Signature of creditor

Signature of witness

Telephone number: _____ Fax number: _____

E-mail address: _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.
WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.
Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

PROXY

(Subsection 102(2) and paragraphs 51(1)e) and 66.15(3)b) of the Act)

In the matter of the joint proposal of **Freemark Apparel Brands Inc; Freemark Apparel Brands ESP Inc., Freemark Apparel Brands TEC Inc and Freemark Apparel Brands USA Inc.**

I, _____, of _____
(name of creditor) (name of town or city)

a creditor in the above matter, hereby appoint _____ of _____,

to be my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without) power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____

Signature of creditor

Per: _____
Name and Title of Signing Officer

Signature of witness

RICHTER

CANADA
Province of Québec
District of: Québec
Division No.: 01-Montréal
Court No.: 500-11-052107-170
Estate No.: 41-2219514

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

VOTING LETTER (Division 1 Proposal) (Paragraph 51(1)f) of the Act)

In the matter of the joint proposal of
**Freemark Apparel Brands Inc; Freemark Apparel Brands ESP Inc.,
Freemark Apparel Brands TEC Inc and Freemark Apparel Brands USA Inc.**

I, _____, creditor
(or I, _____, representative of _____, creditor)
of _____ (name of city), a creditor in the above matter for the sum of
\$ _____, hereby request the trustee acting with respect to the proposal of **Freemark Apparel
Brands Inc** to record my vote _____ (for or against) the acceptance of the proposal as made on .

Dated at _____, this _____ day of _____ 201_____.

Name of Individual Creditor (Please print)

Signature of Individual Creditor

Signature of Witness

- OR -

Name of Corporate Creditor (Please print)

Signature of Corporate Creditor

Signature of Witness

Name and Title of Signing Officer (Please print)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
No cour : 500-11-052107-170
No dossier : 41-2219514

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

IN THE MATTER OF THE PROPOSAL OF:

FREEMARK APPAREL BRANDS INC.
FREEMARK APPAREL BRANDS TEC INC.
FREEMARK APPAREL BRANDS ESP INC.
FREEMARK APPAREL BRANDS USA INC.

legal persons duly incorporated under the laws of
Canada, having their principal places of business at
5640 Pare Street, Mount Royal, Quebec, H3B 1M1

Debtors

-and-

RICHTER ADVISORY GROUP INC.

Trustee

**REPORT OF THE TRUSTEE ON THE FINANCIAL SITUATION
OF THE DEBTORS AND ON THE PROPOSAL
(Sections 50(5) and 50(10)(b) of the *Bankruptcy and Insolvency Act*)**

1. The purpose of the First Meeting of Creditors is to consider the joint proposal filed on July 24, 2017 (hereinafter the "Proposal") by Freemark Apparel Brands Inc., Freemark Apparel Brands TEC Inc., Freemark Apparel Brands ESP Inc. and Freemark Apparel Brands USA Inc. (hereinafter referred collectively as the "Debtors" or the "FAB Group").
2. Pursuant to Sections 50(5) and 50(10)(b) of the Bankruptcy and Insolvency Act, and in order to assist the ordinary unsecured creditors (hereinafter the "Unsecured Creditors") in considering the Proposal, the Trustee is hereby submitting its report on the financial situation of the Debtors and on the Proposal.
3. All the capitalized terms that are not otherwise defined herein shall have the meaning ascribed thereto in the Proposal.
4. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

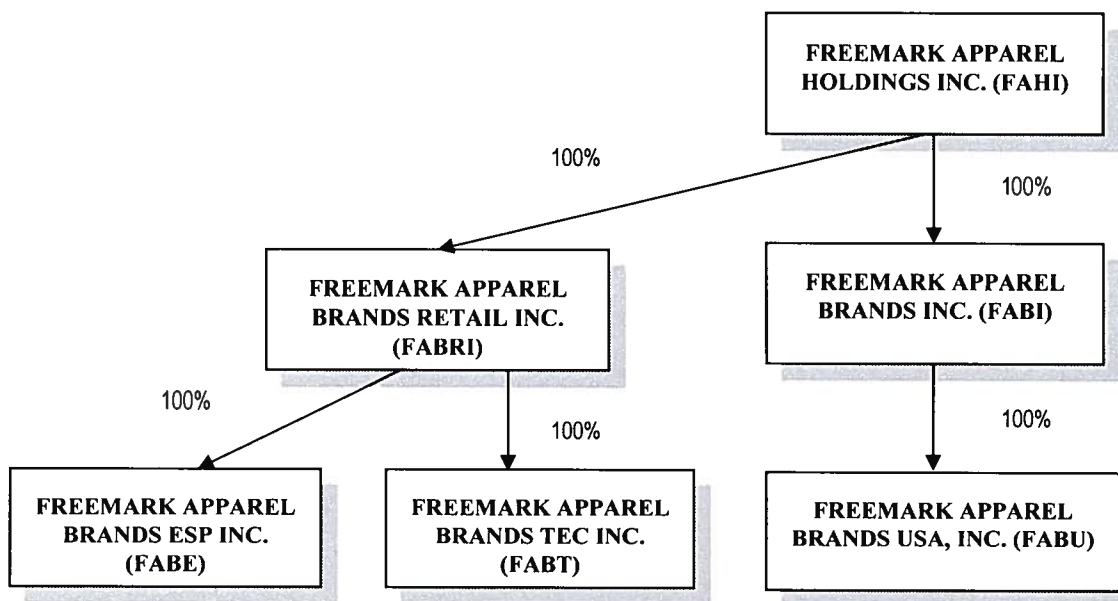
INTRODUCTION

5. On February 17, 2017, each of Freemark Apparel Brands Inc. ("FABI"), Freemark Apparel Brands TEC Inc. ("FABT"), Freemark Apparel Brands ESP Inc. ("FABE") and Freemark Apparel Brands USA Inc. ("FABU") filed a Notice of Intention to Make a Proposal (the "NOI"), the whole as appears in the documents filed in the court records.
6. On February 23, 2017, the court ordered the joint administration of FABI's notice of intention to make a proposal with the notices of intention to make a proposal of FABT, FABE and FABU.
7. On February 24, 2017, documents were sent by regular mail to all creditors of the Debtors, as identified by them, which included a copy of the Debtors' NOI, the whole as appears in the documents filed in the court records.
8. On March 16, 2017, April 27, 2017 and June 9, 2017, the Court granted extensions of time for the filing of a Proposal through to July 24, 2017 in order to allow the Debtors to implement certain restructuring initiatives, and subsequently to pursue and conclude a sale of the assets and business operations of the FAB Group.
9. On July 24, 2017, the Debtors filed a Joint Proposal ("Proposal") to their creditors. We enclose herewith the Proposal made by the Debtors to their creditors, a proof of claim form, a voting form, a proxy and a notice indicating the place and time of the creditors' meeting to address the Proposal.
10. This report summarizes the relevant information and key elements that may assist the Unsecured Creditors in evaluating the Debtors' affairs and the Proposal, presented as follows:
 - a) Overview of the Debtors
 - b) Causes of Insolvency
 - c) Restructuring Initiatives and Sale Transactions
 - d) Financial Information
 - e) Proposal
 - f) Estimated Distribution to the Unsecured Creditors
 - g) Conclusion and Recommendation

11. Additional information related to the overview of the Debtors, causes of insolvency, restructuring measures and asset sale transactions have previously been detailed in reports of the Trustee dated March 7, March 14, April 25, May 9 and June 7, 2017. All prior reports of the Trustee have been filed in the court records and can be found on the Trustee's website at: <http://www.richter.ca/Folder/Insolvency-Cases/F/Freemark-Apparel-Brands> .

OVERVIEW OF THE DEBTORS

12. The organizational chart for the Freemark group of companies, which includes the four Debtors subject to the NOI proceedings and the Proposal, can be represented as follows:



13. At the time of the NOI filing, the FAB Group was a premier retailer of branded apparel, operating since 2004. The business is more fully described as follows:
- FABE and FABT operated 58 retail locations throughout Canada under the following brands: Bench, Scotch & Soda, Esprit & Thread+Copper. FABT operated the Bench, Scotch & Soda and Thread+Copper stores while FABE operated the Esprit stores;
 - FABI operated the wholesale business of the FAB Group in Canada. FABI had long-standing relationships with The Bay, Simons, Winners, Saks Off 5th and many other retailers;
 - FABU operated the wholesale business of the FAB Group in the United States.

14. The Debtors operated their retail and wholesale businesses pursuant to various license agreements with several brands based in Europe: Bench, Scotch & Soda / Amsterdam Couture, Esprit and Garcia.
15. The Debtors' head office and principal distribution center were located in Montreal and, at the time of filing, the Debtors employed approximately 600 employees at the head office, distribution center and retail stores.

CAUSES OF INSOLVENCY

16. Commencing in 2014, the Debtors began experiencing a decline in both sales and profits, which accelerated into a significant downturn in 2016. Management attributes the negative trending to a number of factors including:
 - a) Increasing competition in the marketplace including the recent entry of international retailers not previously present in Canada;
 - b) Overhead cost structure not in line with the declining level of operations;
 - c) Unprofitability of numerous retail locations;
 - d) Unsuccessful launch of the Thread + Copper banner in 2016.

In response to the above-noted challenges, the Debtors attempted to restructure the businesses but ultimately came to the conclusion that a formal restructuring was the only alternative to try and preserve a going concern operation.

RESTRUCTURING INITIATIVES AND SALE TRANSACTIONS

17. Following the NOI filing, the Debtors implemented several operational restructuring initiatives which were developed with the assistance of retail, leasing and financial restructuring professionals, including:
 - a) Headcount reductions at the corporate head office, and other overhead rationalizations;
 - b) Closure of unprofitable retail stores, including the wind-down and liquidation of all 10 Thread+Copper stores, and shuttering 5 unprofitable Bench locations;
 - c) Renegotiation of more favorable lease terms for 16 Bench and Esprit stores;
 - d) Operational initiatives to improve retail store profitability;
 - e) Shift in wholesale strategy towards off-price channels.

18. Concurrently with the implementation of these operational restructuring initiatives, the Debtors concluded two separate asset sale transactions during the NOI period, which were reviewed and recommended by the Trustee and approved by the Court:
- a) The Debtors sold to the Scotch and Soda licensor (Scotch & Soda Export B.V.) substantially all the assets related to the brand's retail and wholesale business operations in Canada.
- On March 8, 2017, the Court issued an Approval and Vesting Order authorizing the transaction, which was concluded by the parties shortly thereafter.
 - The net purchase price paid by Scotch and Soda Export B.V. was \$2 million, of which \$1.3 million was applied as a reduction to the secured indebtedness of HSBC Bank Canada ("HSBC"), and \$0.7 million was retained by the Debtors to provide liquidity for operations.
- b) Pursuant to a court-approved sale and investment solicitation process conducted by the Trustee, the Debtors concluded a transaction for the sale of substantially all the remaining assets and operations of the FAB Group to 10036331 Canada Inc. (the "Purchaser"), an entity controlled by the majority shareholders of the FAB Group.
- The purchase price of approximately \$24 million consisted of the repayment in full of the secured indebtedness due to HSBC (\$10.2 million), the assumption of a secured loan due to FAHI (\$11.2 million), and the assumption of accrued employee benefits and post-filing operating liabilities (estimated at \$2.4 million).
 - Following the issuance by the Court of an Approval and Vesting Order on May 16, 2017, the Debtors and the Purchaser completed the transaction on May 19, 2017.
19. As a result of the above noted transactions, the Debtors no longer own any assets and no longer carry on any business activities.

FINANCIAL INFORMATION

20. The following financial data is based upon unaudited financial information prepared by the Debtors' representatives, the Debtors' books and records, and discussions with the Debtors' representatives. The Trustee has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of such information. This information is submitted solely to assist the reader in assessing the financial position of the Debtors. The Trustee makes no representation or warranty as to the accuracy of said financial information.

Statement of Earnings (Loss)

FAB Group Income statement In thousands	7 mo. ended	12 months ended	
	31-Jan-17 (Unaudited)	26-Jun-16 (Audited)	28-Jun-15 (Audited)
Net sales	\$ 51,015	\$ 71,594	\$ 75,543
COGS	27,059	30,511	33,217
Gross margin	23,956	41,084	42,326
Operating expenses			
Selling	24,829	33,168	31,983
General and administrative	7,541	9,026	9,359
Financial	733	577	492
	33,103	42,770	41,834
Earnings (loss) from operations	(9,147)	(1,687)	492
Other Expenses	-	(561)	(436)
Earning (loss) before income taxes	(9,147)	(2,248)	56
Income tax recovered	(1,154)	(562)	(107)
Net earnings (loss)	\$ (7,993)	\$ (1,686)	\$ 163

21. As noted above, the Debtors reported a combined net loss of \$8.0 million for the 7-months ended January 31, 2017. The FAB Group's cumulative 19-month loss prior to filing the NOI on February 17, 2017 approximated \$9.7 million.

January 31, 2017 Balance Sheet

22. The following table summarizes the Debtors' last month-end balance sheet (by entity and on a combined basis) prior to the February 17, 2017 NOI filing:

FAB Group Balance Sheet as at Jan. 31, 2017 (Unaudited) In thousands	FABE	FABT	FABI	FABU	Total Combined
Assets					
Current assets					
Cash and short-term investments	\$ -	\$ -	\$ -	\$ 38	\$ 38
Accounts receivable	8	549	1,644	405	2,606
Income taxes receivable	-	599	916	-	1,516
Inventory	1,971	11,242	3,980	421	17,615
Prepaid expenses and deposits	18	661	1,208	17	1,904
Intercompany receivable (payable)	(2,362)	(8,382)	10,941	-	198
	(364)	4,669	18,690	881	23,876
Furniture, fixtures, leasehold improvements	813	10,730	1,410	-	12,952
Total assets	\$ 449	\$ 15,399	\$ 20,100	\$ 881	\$ 36,829
Liabilities					
Current Liabilities					
Bank indebtedness	\$ 65	\$ 836	\$ 5,077	\$ -	\$ 5,978
Accounts payable and accrued liabilities	59	5,744	9,892	873	16,568
Income tax payable	-	-	-	8	8
Current portion of obligations under capital leases	194	2,256	183	-	2,632
	318	8,836	15,152	881	25,187
Obligations under capital leases	473	2,460	328	-	3,260
Loans payable, parent company	-	6,000	4,200	-	10,200
Deferred lease inducements	-	986	-	-	986
Deferred lease obligations	20	1,221	-	-	1,240
Total liabilities	810	19,502	19,680	881	40,874
Shareholders' equity					
Capital stock	-	-	2,000	-	2,000
Retained earnings (losses)	(362)	(4,103)	(1,580)	-	(6,045)
	(362)	(4,103)	420	-	(4,045)
Total liabilities and shareholders' equity	\$ 449	\$ 15,399	\$ 20,100	\$ 881	\$ 36,829

Debtors' Statement of Financial Affairs

23. We have summarized the assets and liabilities of the FAB Group as at July 7, 2017, reported on the Debtors' Statement of Financial Affairs. The Debtors have elected to present a joint Proposal for the FAB Group, and as such the Statement of Financial Affairs was prepared on a combined basis.

a) Assets

As a result of the two asset sale transactions outlined in a prior section of this report, the Debtors no longer own any assets or carry on any business activity.

b) Liabilities

Liabilities indicated below are based on the books and records of the Debtors, the Statements of Affairs as of July 7, 2017 and management's representations.

Freemark Apparel Brands Inc.	
Estimated Liabilities - July 7, 2017	
In thousands	
Secured Creditors	\$ -
Preferred Creditors	-
Subsequent Creditors	-
Related Creditors	1,561
Unsecured Creditors	
Trade Creditors	10,254
Landlord damages	8,714
Employees (severance)	215
	<u>19,183</u>
Total	\$ 20,744

Secured Creditors (\$0)

- At the time of the NOI filing, the Debtors had two secured creditors:
 - HSBC, which was owed \$11.0 million; and
 - FAHI, which had made secured loans to both FABI and FABT in the aggregate amount of \$10.7 million, which loans were fully subordinated to the security of HSBC.
- The Trustee engaged independent legal counsel, who provided the Trustee with opinions confirming the validity and enforceability of the security granted by the Debtors in favour of HSBC, as well as the validity and enforceability of the security granted by FABI and FABT in favor of FAHI.
- As a result of the aforementioned asset sales, the indebtedness due to HSBC was repaid in full, while the secured loans owed to FAHI were assumed by the Purchaser as part of the May 19, 2017 transaction. However, the Debtors have not been released of said FAHI claims.

Preferred Creditors (estimated at \$0)

- The Debtors believe that all amounts owing to Preferred Creditors (including employee wages and vacation) have been paid in full. However, it will be determined through the claims process if any creditors will claim preferred status.

Subsequent Creditors (estimated at \$0)

- To the knowledge of the Trustee, all obligations incurred by the Debtors subsequent to the filing of the NOI were either paid by the Debtors post-filing, or assumed by the Purchaser as part of the asset sale transaction concluded on May 19, 2017.

Related Creditors (estimated at \$1.6M)

- FABI (\$1.3M) and FABU (\$0.3M) currently have \$1.6M of unsecured indebtedness owed to Freemark Apparel Brands Group Inc., a company controlled by the majority shareholders of the FAB Group.

Unsecured Creditors (estimated at \$19.2M)

With regards to Unsecured Creditors, we note the following:

- Trade creditors: the amounts reflected above are based on the books and records of the Debtors;
- Landlords: the amounts reflected above represent an estimate of the aggregate amount that could be claimed by landlords pursuant to section 65.2(4)(b) of the Act in respect of damages for resiliated leases, mitigated by certain short term rental agreements entered into for several store locations;
- Employees: the amounts reflected above consist of estimated amounts owing for pay in lieu of notice of termination and severance for certain head office and store employees. All wages and accrued vacation pay were paid to terminated employees upon their departure. The estimated claims of approximately \$215,000 are based upon a recently received government notice and claim filed on behalf of certain employees.

24. Proof of claim forms and Employee Claim Notices (where applicable) will be sent to all known creditors. However, at the present date, the Trustee is unable to determine if the Debtor's records are consistent with those of its creditors. Upon reception of the proofs of claim, the Trustee will review them and deal with any discrepancies for purposes of collocation of claims.
25. The Trustee cautions that these amounts may change as proofs of claims are filed and such changes may be significant.

PROPOSAL

26. The Trustee notes that the following is only a summary of the terms of the Proposal. Creditors are advised to read the Proposal for complete details of the terms of the Proposal.
27. The terms of the Proposal provide that a payment of \$225,000 will be remitted to the Trustee by FAHI (hereinafter referred as the "Debtors' Shareholder") within 10 days following the approval of the Proposal by the Court, for distribution to the Debtors' creditors.
28. The Proposal applies only to Unsecured Claims, Preferred Claims (if any) and Employee Claims. For further clarity, the Proposal does not apply to Secured Claims, or to Subsequent Claims and Proposal Expenses which are to be assumed by third parties.
29. According to the terms of the Proposal, the following amounts must be paid in priority:
 - a) Crown claims that could be subject to a demand under Section 224 (1.2) of the *Income Tax Act*, or under any substantially similar provision of provincial legislation, shall be paid in full, within six months of the approval of the Proposal by the Court, or as may otherwise be arranged with the Crown;
 - b) Amounts owing to employees (past and present) and that they would have been entitled to receive under Section 136(1)(d) of the Act if the Debtors had been declared bankrupt on the date of the approval of the Proposal, shall be paid in their entirety immediately after the approval of the Proposal;
 - c) Preferred Claims, as described in paragraph 136 the Act, being such claims directed by the Act to be paid in priority to all other claims in the distribution of the property of a bankrupt, excluding the employee claims noted in the b) above. The Preferred Claims, without interest or penalty, shall be paid in their entirety in priority to Unsecured Claims within thirty (30) days of the approval of the Proposal by the Court or as may be otherwise arranged with the Preferred Creditors.

As noted in the following section, these priority amounts are expected to be Nil.

30. The amount available after payment of the above-mentioned amounts ("Net Amount") shall be paid to the Trustee within 10 days of the Approval of the Proposal. Each of the Unsecured Creditors shall receive in full and final payment of its Unsecured Claim, without interest or penalty, the following amounts:
 - a) The lesser of one thousand dollars (\$1,000) or the amount of its Proven Claim; and

- b) A pro-rata share, calculated on the basis of the remaining amount of its Proven Claim, of the balance of the Net Amount after payment of the amounts defined in a) above.

The funds shall be disbursed by the Trustee within (i) sixty (60) days after the Approval for all the Unsecured Creditors other than the Employee Creditors and (ii) fifteen (15) days of the receipt by the Trustee of the required governmental confirmations in respect of the Employee Creditors;

31. Conditional upon the acceptance by the creditors of the Proposal and to the approval thereof by the Court, the Related Creditors waive and renounce (i) to any right to prove in whole or in part any Unsecured Claims they may have and (ii) to any dividend that is or could be payable to them under the Proposal.
32. Subject to the terms of the Proposal, each Unsecured Creditor with a Proven Claim equal to or less than \$1,000 shall be deemed to have voted in favour of the Proposal. Likewise, any employee that has not filed a proof of claim prior to the first meeting of creditors shall be deemed to have voted in favour of the Proposal in an amount equal to his Employee Claim.

ESTIMATED DISTRIBUTION TO UNSECURED CREDITORS

33. In the event that the creditors reject the Proposal, the Debtors will automatically be bankrupt. The following information serves to advise the creditors of the Trustee's estimate as to the distribution to creditors under the Proposal in comparison to the estimated distribution under a bankruptcy scenario.

Proposal

34. Based on the Claims reflected in the Debtors' Statements of Affairs, the amount of the Proposal (\$225,000) would be distributed as follows:

Freemark Apparel Brands Inc. Summary of Proposal	# of Creditors	Estimated Claims	Estimated Distribution	Recovery %
Secured Creditors		\$ -	\$ -	N/A
Preferred Creditors		-	-	N/A
Subsequent Creditors		-	-	N/A
Related Creditors	1	1,560,802	-	0.0%
Unsecured Creditors				
Trade creditors	142	10,254,454	158,926	1.5%
Landlord damages	12	8,713,958	32,956	0.4%
Employees (severance)	35	214,523	33,118	15.4%
Total Unsecured Creditors		19,182,934	225,000	1.2%
Total		\$ 20,743,736	\$ 225,000	

35. It is estimated that the \$225,000 Proposal would represent a 1.2% total recovery to Unsecured Creditors, based upon the estimated claims known to the Trustee. We caution that these amounts may change as proofs of claims are filed and such changes may be significant.
- The Proposal would provide some level of recovery to an estimated 142 unsecured trade creditors, of which approximately 50 would receive in excess of 25% of their claim and 22 would be paid in full;
 - 35 Employee Creditors, with total claims of approximately \$215,000, would receive a total of approximately \$33,000 (15% recovery). Of this group, 8 employees are expected to have their claims paid in full pursuant to the Proposal.

Bankruptcy

36. As previously noted, the Debtors no longer own any assets following the two asset sale transactions concluded during the NOI period. In a bankruptcy scenario, the realization to Unsecured Creditors from the Debtors' estate would therefore be Nil.
37. However, we note that 27 employees whose claim for unpaid severance / notice exceeds \$1,000 would likely recover a greater sum in a bankruptcy scenario, pursuant to the Wage Earner Protection Program Act ("WEPPA"). Under the WEPPA program, which applies in the case of bankruptcy but not in the event of a Proposal, employees may claim up to \$3,400 of unpaid severance and/or pay in lieu of notice.
38. Payment of Employee Claims under the Proposal is expected to be significantly quicker than the timeline for processing and distribution in respect of claims under the WEPPA program.

Other considerations

39. Sections 95 to 101 of the Act will not be applicable to the Proposal. The remedies pursuant to these provisions relate to the recovery of certain amounts under reviewable transactions, preferential treatments and asset disposals.
40. The Trustee has performed a cursory review of the transactions that occurred during the three month period (with unrelated third parties) and 12-month period (for transactions with related parties), prior to the filing of the NOI. Pursuant to our cursory review of these transactions, it appears that same have been concluded in the normal course of business according to historical payment patterns and/or terms of payment made available to the Debtors by the creditors. No material reviewable transaction was noted.

TRUSTEE'S CONCLUSION AND RECOMMENDATION

- 41. The Proposal presented by the Debtors, which is funded directly by the Debtors' Shareholder, will provide recovery to the Unsecured Creditors of approximately 1.2%. Alternatively, given the fact that the Debtors have no remaining assets, there will be no dividend to Unsecured Creditors in the event of a bankruptcy of the Debtors.
- 42. Notwithstanding that Employee Creditors in general are expected to realize a greater recovery in a bankruptcy scenario, through a claim under the WEPPA program, acceptance of the Debtors' Proposal is in the best interest of the general body of Unsecured Creditors.
- 43. Accordingly, the Trustee recommends the Unsecured Creditors vote in favour of the Proposal.

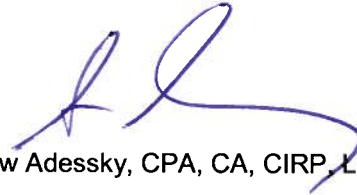
Respectfully submitted at Montreal, this 24th day of July 2017.

Richter Advisory Group Inc.

Trustee



Eric Barbieri, CPA, CA, CIRP, LIT



Andrew Adessky, CPA, CA, CIRP, LIT