

Estate No: 33-1884683

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF
K.F.S. LIMITED
OF THE CITY OF CORNWALL
IN THE PROVINCE OF ONTARIO**

Applicant

MOTION RECORD

KELLY SANTINI LLP
Barristers & Solicitors
2401-160 Elgin Street
Ottawa, ON K2P 2P7

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LSUC #19072K
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Agent for Davies Ward Phillips &
Vineberg LLP, solicitors for the
Applicant

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**MOTION RECORD
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**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF
K.F.S. LIMITED
OF THE CITY OF CORNWALL
IN THE PROVINCE OF ONTARIO**

Applicant

NOTICE OF MOTION

K.F.S. Limited, an insolvent person, (the "Applicant"), of the City of Cornwall, will make a Motion without notice, to a Justice of this Court in Bankruptcy, at the Court House, 161 Elgin Street, Ottawa, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be in writing.

THIS MOTION IS FOR:

1. An Order extending the time for the Applicant to file a Proposal to its creditors from July 24, 2014, to September 8, 2014.
2. Such further and other relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. The Applicant, filed a Notice of Intention to Make a Proposal on June 24, 2014, pursuant to the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3.
2. The thirty (30) day stay as a result of the filing of the Proposal ends July 24, 2014.
3. The Applicant requires an extension of time within which to file its Proposal and asks that this delay be extended to September 8, 2014.
4. The extension being requested herein is required in order to reorganize the Applicant and to formulate a viable Proposal to the creditors of the Applicant. In the interim, the business is being carried on and is being monitored by the Trustee.
5. The Royal Bank of Canada is the main secured creditor in this matter and supports the Applicant with regard to its efforts to reorganize its business undertaking and make a viable Proposal to its creditors. No other creditors have been in contact with the Trustee or the Applicant with regard to this matter since the filing of the Notice of Intention to File a Proposal.
6. The Applicant has been acting in good faith and with due diligence and no creditors will be materially prejudiced if this extension is granted.
7. A liquidation arising from a bankruptcy of the Applicant would likely result in the unsecured creditors obtaining no payment whatsoever. If the Applicant is permitted to pursue its restructuring efforts, it will likely make a viable proposal which would provide for payment to the unsecured creditors. Additionally, by continuing to

operate, the realizable value of the Applicant will be maximized and it will be able to maintain its existing supplier, customer and employee relationships.

8. The Applicant relies on Section 50.4(9) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3.
9. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

1. The Affidavit of Glenn Langburt sworn July 17, 2014;
2. Report of the Trustee dated July 16, 2014;
3. Such further and other material as counsel may advise and this Honourable Court may permit.

Date: July 17, 2014

KELLY SANTINI LLP
Barristers & Solicitors
2401-160 Elgin Street
Ottawa, ON K2P 2P7

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Agent for Davies Ward Phillips &
Vineberg LLP, solicitors for the
Applicant

IN THE MATTER OF THE PROPOSAL OF K.F.S. LIMITED OF THE CITY OF CORNWALL

Estate No. 33-1884683

SUPERIOR COURT OF JUSTICE
Proceeding commenced at Ottawa

NOTICE OF MOTION

KELLY SANTINI LLP
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Vineberg LLP, solicitors for the Applicant
Law Society No. 19072K
Box No. 201
Our File No: 017-67116

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, C. B-3.

AND IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF K.F.S. LIMITED

Applicant

**AFFIDAVIT OF GLENN LANGBURT
(SWORN JULY 17, 2014)**

I, Glenn Langburt, of the City of Cornwall, in the Province of Ontario,

MAKE OATH AND SAY:

1. I am a duly authorized representative of K.F.S. Limited (the "**Applicant**"). As such I have personal knowledge of the matters to which I depose. To the extent that I do not have personal knowledge, I verily believe the information to which I depose.

Background

2. The Applicant filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (the "**BIA**") on June 24, 2014, appointing Richter Advisory Group Inc. (the "**Proposal Trustee**") as the trustee thereunder (the "**NOI**"). A copy of the NOI together with the Office of the Superintendent of Bankruptcy's Certificate of Filing is attached hereto as **Exhibit "A"**.

3. The Applicant was incorporated in 1972 pursuant to the *Ontario Business Corporations Act* and maintains its head offices in Cornwall, Ontario.

4. The Applicant, along with two other companies, 2726556 Canada Inc. and Nathar Limited (collectively, the "**Companies**"), who also filed notices of intention to make a proposal under the BIA on June 24, 2014, operates several retail stores located in Ontario and the Maritimes.

5. The Companies, in operation since 1955, form a chain of 21 retail stores. Among other things, the Companies specialize in Ladies' and Men's fashions, kitchenware, home accessories and gourmet foods.

6. The Companies operate several brands, including Tweed and Hickory, Kastners Menswear, Flotron's Tweed & Hickory, Bucovetsky's and Dovers Menswear.

7. The Companies' primary suppliers are based in Canada and in the United States of America.

8. As of the day of the filing of the NOI, the Companies had over 200 employees between their stores, warehouse and head office.

Secured Creditor

9. The Royal Bank of Canada ("**RBC**") is the only secured creditor of the Companies. The Companies are indebted towards RBC in an amount of approximately \$3,367,489 plus interest.

10. RBC is aware of the request for an extension and supports the Companies' restructuring process. Together with the help of its advisors, the

Companies have established a restructuring plan which should allow for the total repayment of RBC's indebtedness, in addition to keeping some of the stores open.

11. As such, the Companies expect to fully repay the RBC indebtedness by December 2014, with major reductions of such indebtedness taking place from October to December of 2014 as a result of the Companies' business being rationalized.

Other Creditors

12. Other than the possible claims of its landlords, the Applicant is indebted in an amount of approximately \$3,179,445.67 towards its unsecured and contingent creditors.

The Financial Situation and Reasons for Insolvency

13. Over the past two years, the Companies have incurred operating losses as a result of a significant decrease in sales volumes. The Companies' gross profits declined by 20% in 2014 as compared to the same period the previous year.

14. The Companies' financial troubles are further exacerbated by their aging inventory which relates to fall 2013 and prior seasons. Furthermore, the Applicant attributes the decline in sales to the current unfavorable economic conditions in the retail industry, the general economic downturn as well as the highly competitive market.

15. Although the Applicant has attempted to correct the situation in the past months, the significant decrease in sales indicates that a formal restructuring is the only

way of salvaging the Companies' affairs. In fact, the Companies do not have adequate cash flow to continue their operations.

16. Within the first few days of filing its NOI, the Applicant gave to the Proposal Trustee, for the purposes of providing a full review of its operations, access to its books, records, and other important documents.

17. Since the filing of the NOI, the Applicant has been paying, on a timely basis, its suppliers and employees in respect of the current business terms. Additionally, the current state of the finances of the Applicant is favorable compared to what had initially been projected since the filing of the NOI.

18. The Applicant seeks an extension of the stay period for an additional 45 days to allow it to complete its dealings with regards to the identification and closure of underperforming stores, the negotiation of more favorable leases, the liquidation of the slow moving excess inventory, the reduction of operating overhead expenses, the search for potential investors who could participate in the restructuring efforts, as well as the determination of the terms of a viable proposal to settle with its numerous unsecured creditors.

19. Absent court protection, the Applicant's business will fail because it cannot pay all of its liabilities currently due or accruing due.

20. Attached as **Exhibit "B"** hereto is the statement of projected cash-flow for the Applicant for the period from August 1 to September 30, 2014. Filed herewith is the Proposal Trustee's Report on the state of the Applicant's business and financial affairs.

Basis for Stay Extension

21. The Applicant has acted and continues to act in good faith and with due diligence toward achieving a successful restructuring of its business. If the extension sought is granted, the Applicant will likely be able to make a viable proposal to its creditors.

22. Extending the stay period for an additional 45 days will not be materially prejudicial to the Applicant's creditors inasmuch as RBC supports the Companies' restructuring efforts and consents to the extension sought.

23. A liquidation arising from a bankruptcy from the Applicant would likely result in its unsecured creditors obtaining no payment whatsoever. On the other hand, pursuing the Applicant's restructuring efforts may permit the Applicant to make a proposal that would provide for some form of payment to its unsecured creditors.

24. Moreover, continuing to operate the Applicant's business as a going concern will serve to maximize the realizable value of the Applicant's working capital and maintain its existing supplier, customer and employee relationships.

SWORN BEFORE ME at the City of
Cornwall, on July 17, 2014.

Commissioner for Taking Affidavits

P. Bragagnolo

Glenn Langburt

THIS IS EXHIBIT "A"
TO THE AFFIDAVIT OF
GLENN LANGBURT
SWORN BEFORE ME THIS 17TH DAY OF JULY, 2014



Commissioner for Taking Affidavits

RICHTER

CANADA
Province of Ontario

SUPERIOR COURT OF JUSTICE
Commercial List
Bankruptcy and Insolvency Act

District of: Ontario
Division No. 12-Ottawa
Court No. 33-1884683
Estate No. 33-1884683

**Notice to Creditors of Intention to Make a Proposal
(Subsection 50.4(6))**

**In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario**

Notice is hereby given that, on June 24, 2014, the above-mentioned Debtor filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act*, as per a copy attached hereto.

Notice is further given that in accordance with Section 69 of the *Bankruptcy and Insolvency Act*, all proceedings against the Debtor are hereby stayed. Accordingly, no creditor has any remedy against the Debtor or its assets, nor shall it commence or continue any action, execution, or other proceedings for the recovery of a claim.

A list of the creditors with claims amounting to \$250 or more and the amounts of their claims as known or shown by the Debtor's books is annexed hereto. The enclosure thereof does not constitute the acceptance of any claim or claims.

Upon the filing of the contemplated Proposal, a further notice shall be sent to the creditors providing:

- a) a copy of the Proposal;
- b) the date, time and place of a Meeting of Creditors to be held to consider the Proposal;
- c) a condensed statement of the assets and liabilities of the Debtor;
- d) the following prescribed forms, to be completed:
 - Proof of Claim;
 - Proxy;
 - Voting Letter on the Proposal.

Should the Debtor fail to file a Proposal within the prescribed delays, an automatic bankruptcy will ensue and the Trustee will forthwith convene a meeting of creditors.

Dated at Montréal, Province of Québec, June 30, 2014.

Richter Advisory Group Inc.
Trustee acting *in re* the proposal of
K. F. S. Limited

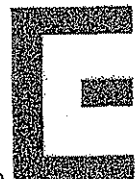

Stéphanie De Broux, CPA, CA, CIRP
Administrator

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

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

Montréal, Toronto

(français - recto)



RICHTER

CANADA
Province de l'Ontario

District de : Ontario
No division : 12-Ottawa
No cour : 33-1884683
No dossier : 33-1884683

COUR SUPÉRIEURE DE JUSTICE
Rôle commercial
Loi sur la faillite et l'insolvabilité

**Avis aux créanciers de l'intention de faire une proposition
(Paragraphe 50.4(6))**

**Dans l'affaire de l'Avis d'intention de faire une proposition de
K. F. S. Limited
de la ville de Cornwall
en la province de l'Ontario**

Avis est par la présente donné que, le 24 juin 2014, la débitrice susmentionnée a déposé un Avis de l'intention de faire une proposition en vertu de la *Loi sur la faillite et l'insolvabilité*, dont copie est ci-jointe.

Avis est de plus donné qu'en conformité avec l'article 69 de la *Loi sur la faillite et l'insolvabilité*, toute procédure engagée contre la débitrice est suspendue. En conséquence, aucun créancier n'a de recours contre la débitrice ou contre ses biens, ni ne peut tenter ou continuer une action, exécution ou autre procédure pour le recouvrement de sa réclamation.

Une liste des créanciers ayant des réclamations de 250 \$ ou plus et le montant de ces réclamations, reflétées aux livres ou connues de la débitrice, est annexée aux présentés. Cette liste ne constitue pas l'acceptation d'une réclamation ou de réclamations.

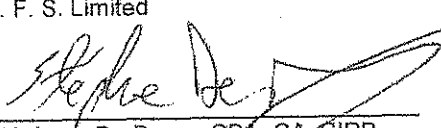
Lors du dépôt de la proposition envisagée, un autre avis sera envoyé aux créanciers comprenant :

- a) une copie de la proposition;
- b) les date, lieu et heure de la tenue de l'assemblée des créanciers visant à considérer la proposition;
- c) un état succinct des avoirs et obligations de la débitrice;
- d) les documents prescrits suivants à être complétés :
 - preuve de réclamation;
 - procuration;
 - formulaire de votation sur la proposition.

Si la débitrice n'est pas en mesure de déposer une proposition dans les délais prescrits, la faillite sera déclarée automatiquement, et le syndic convoquera immédiatement une assemblée des créanciers.

Fait à Montréal, province de Québec, le 30 juin 2014.

Richter Groupe Conseil Inc.
Syndic agissant *in re* la proposition de
K. F. S. Limited


Stéphane De Broux, CPA, CA, CIRP
Administrateur

T. 514.934.3400
F. 514.934.8603
reclamations@richter.ca

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

(English - Over)



District of:
Division No.
Court No.
Estate No.


- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

Take notice that:

1. I, K. F. S. Limited, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Richter Advisory Group inc/Richter Groupe Conseil inc of 1981 avenue McGill College, 12e étage, Montréal, QC, H3A 0G6, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Montréal in the Province of Quebec, this 23rd day of June 2014.


K. F. S. Limited
Insolvent Person

To be completed by Official Receiver:

Filing Date _____

Official Receiver

District de:
No division:
No cour:
No dossier:

- FORMULAIRE 33 -
Avis de l'intention de faire une proposition
(paragraphe 50.4(1) de la Loi)

Dans l'affaire de l'Avis d'intention de faire une proposition de
K. F. S. Limited
de la ville de Cornwall
en la province de l'Ontario

Avis est donné de ce qui suit :

1. Je, K. F. S. Limited, personne insolvable signifie mon intention de faire une proposition à mes créanciers conformément au paragraphe 50.4(1) de la Loi.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc de 1981 avenue McGill College, 12e étage, Montréal, QC, H3A 0G6, syndic autorisé, a accepté d'exercer les fonctions de syndic dans le cadre de la proposition. Une copie de son acceptation est annexée au présent avis.
3. Une liste portant les noms des créanciers connus ayant des réclamations d'une valeur de 250 \$ ou plus ainsi que le montant de ces réclamations, est également annexée.
4. Conformément à l'article 69 de la Loi, les procédures engagées contre moi sont suspendues à compter de la date du dépôt du présent avis auprès du séquestre officiel de ma localité.

Daté le 23 juin 2014, à Montréal en la province de Québec.

(Signé)

K. F. S. Limited
Personne Insolvable

À remplir par le séquestre officiel :

Date du dépôt _____

Séquestre officiel

| List of Creditors with claims of \$250 or more. | | | |
|---|--|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| 4264134 CANADA INC. | 225 A DE LIEGE OUEST MONTREAL QC H2P 1H4 | | 22,094.25 |
| 753704 ONTARIO LTD | 532 SIXTH ST COLLINGWOOD ON L9Y 3Y9 | | 5,320.99 |
| ADIDAS CANADA LTD. | 8100 HIGHWAY 27 WOODBRIIDGE ON L4H 3N2 | | 971.20 |
| ADORABLE JUNIOR GARMENT | 5290 THIMENS BLVD. VILLE ST-LAURENT QC H4R 2B2 | | 9,803.34 |
| AQUON VENTURES / PORTAGE STORE | P O BOX 1000 ALGONQUIN PARK ON P1H 2H4 | | 6,836.50 |
| ALFRED ANGELO INC. | UNIT 4-205 CHAMPAGNE DR. TORONTO ON M3J 2C6 | | 9,844.01 |
| ALIANTE TELEPHONE | P.O. BOX 2226, STN CENTRAL RPO HALIFAX NS B3J 3C7 | | 1,000.72 |
| ALPHI APPAREL GROUP INC. | 4334 RUE GARAND VILLE ST-AURENT QC H4R 2A3 | | 4,284.92 |
| AMEX BANK OF CANADA | CORPORATE SERVICE CENTRE PO BOX 2000 WEST HILL ON M1E 5H4 | | 45,028.06 |
| ANGO MODE IMPORT | 10301 COLBERT STREET MONTREAL QC H1J 2G5 | | 4,264.62 |
| ANUSCHKA | 2227 U.S. HIGHWAY ONE # 162 NORTH BRUNSWICK NJ 08902 USA | | 7,425.11 |
| B & M MARKETING (CANADA) INC. | 880 CRANBERRY COURT OAKVILLE ON L6L 6J7 | | 1,762.80 |
| BALLIN | 2825 BRABANT-MARINEAU MONTREAL QC H4S 1R8 | | 6,188.67 |
| BASLER NA WHOLESALE INC. | 499 SEVENTH AVE., 15TH FLOOR NEW YORK NY 10018 USA | | 26,577.93 |
| BELL CANADA | P.O.BOX 9000, STN DON MILLS NORTH YORK ON M3C 2X7 | | 1,458.51 |
| BENCH CRAFT LEATHER INC. | 1572 VICTORIA ST. NORTH KITCHENER ON N2B 3E5 | | 6,148.83 |
| BENISTI IMPORT INC | 1650 CHABANEL WEST MONTREAL QC H4N 3M8 | | 29,360.82 |
| BETA'S CHOICE | 1539586 ONTARIO INC. 45 MURAL ST. RICHMOND HILL ON L4B 1J4 | | 7,180.30 |

List of Creditors with claims of \$250 or more.

| Creditor | Address | Account# | Claim Amount |
|---|--|----------|--------------|
| BILLABONG | 5825 KIERAN ST. VILLE ST-LAURENT QC H4S 0A3 | | 11,120.63 |
| BLUE RIVER TRADING | 16-240 VICEROY ROAD CONCORD ON L4K 3N9 | | 372.90 |
| BOS. & CO./602667 ONTARIO LTD. | 3375 NORTH SERVICE RD., UNIT A4 / A5 BURLINGTON ON L7N 3G2 | | 7,202.62 |
| BREVILLE CANADA L.P. | 3595 BOULEVARD COTE-VERTU SAINT LAURENT QC H4R 1R2 | | 3,961.89 |
| BROWNE & CO LTD | 100 ESNA PARK AVE MARKHAM ON L3R 1E3 | | 6,848.93 |
| BUFFALO INTERNATIONAL INC. | 100 - 400 RUE SAUVE OUEST MONTREAL QC H3L 1Z8 | | 14,647.33 |
| BUGATTI THE EUROPEAN BRAND (BRINKMANN) | 81 ST. REGIS CRESCENT S. TORONTO ON M3J 1Y6 | | 8,316.80 |
| BURLINGTON POST | 44 FRID ST. PO BOX 300 HAMILTON ON L8N 3G3 | | 1,130.00 |
| BYLYSE | DIVISION OF HAMMAX NORTH AMERICA INC. 393, BOUL. ROLAND DURAND ROSEMERE QC J7A 4K1 | | 11,579.50 |
| C & J CLARKE CANADA LTD. | P O BOX 3709 COMMERCE CRT POSTAL STATION TORONTO ON M5L 1K1 | | 2,192.64 |
| CABRELLI INC. | 9200 RUE MEILLEUR STREET MONTREAL QC H2N 2A9 | | 650.62 |
| CANADA GOOSE | 250 BOWIE AVENUE TORONTO ON M6E 4X6 | | 4,841.46 |
| CANFLOYD DIVISION OF CANDYM | 95 CLEGG ROAD MARKHAM ON L6G 1B9 | | 16,762.13 |
| CENTURY MECHANICAL SERVICES | 120-15 CAPELLA COURT NEPEAN ON K2E 7X1 | | 3,808.10 |
| CFBK-FM | VISTA RADIO LTD. 50-2 BALLS DR. BRACEBRIDGE ON P1L 1T1 | | 711.90 |
| CHAMBERS & SONS AGENTS LTD. | 86 SCOLLARD ST. TORONTO ON M5R 1G2 | | 17,920.27 |
| CITADIN | 9217, BOUL. LANGELIER MONTREAL QC H1P 3K9 | | 6,011.60 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| CITY OF TIMMINS | 220 ALGONQUIN BLVD., E. TIMMINS ON P4N 1B3 | | 1,333.00 |
| CJQQ-FM 92.1 | CASH MANAGEMENT DEPARTMENT 333 BLOOR STREET EAST TORONTO ON M4W 1G9 | | 994.40 |
| CKGB | CASH MANAGEMENT DEPARTMENT 333 BLOOR STREET EAST TORONTO ON M4W 1G9 | | 1,130.00 |
| COAST TO COAST TRADING LTD. | 2 - 91 TYCOS DRIVE TORONTO ON M6B 1W3 | | 5,589.55 |
| CODAV & FORSET | 904 - 433, RUE CHABANEL MONTREAL QC H2N 2J8 | | 4,166.76 |
| COLLECTIONS ANDRADE INC. | 800 SHERBROOKE ST., EAST MONTREAL QC H2L 1K3 | | 12,046.83 |
| COLLINS FORMAL WEAR | 297B ADELAIDE STREE SOUTH LONDON ON N5Z 3K7 | | 1,311.00 |
| COLLUS POWER CORP. | P.O. BOX 189, 43 STEWART RD. COLLINGWOOD ON L9Y 3Z5 | | 756.95 |
| COLUMBIA SPORTSWEAR | 1425 MAX BROSE DRIVE LONDON ON N6N 0A2 | | 11,289.34 |
| CONAIR CONSUMER PRODUCTS INC | P.O. BOX 57520, STATION A TORONTO ON M5W 5M5 | | 1,049.77 |
| CONRAD C. COLLECTION | 200 - 9320, RUE ST. LAURENT MONTREAL QC H2N 1N7 | | 41,995.56 |
| COPPLEY CORP. | 56 YORK BLVD. HAMILTON ON L8R 0A2 | | 1,328.88 |
| COUGAR SHOES INC. | 830 HARRINGTON COURT BURLINGTON ON L7N 3N4 | | 316.40 |
| COUNSELTRON LTD. | 18 - 100 TEMPO AVE., WEST TORONTO ON M2H 3S5 | | 6,185.52 |
| CROWN PACKAGING | 660 AVE. MELOCHE DORVAL QC H9P 2P4 | | 4,357.37 |
| CUISINOX | 525 FERNAND POITRAS TERREBONNE QC J6Y 1Y5 | | 2,961.14 |
| CUSHE | DIVISION OF WOLVERINE WORLDWIDE ULC 5800 KIERAN MONTREAL QC H4S 2B5 | | 12,203.19 |
| D.B. CLEANING & MAINTENANCE | 399 RAILWAY ST. TIMMINS ON P4N 2P5 | | 350.30 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| DAKINE - CANADA DIVISION | C/O 410380 P O BOX 2200 VANCOUVER BC V6B 3W2 | | 2,338.83 |
| DANESCO INC. | 18111 TRANS CANADA KIRKLAND QC H9J 3K1 | | 13,384.87 |
| DANICA | 1915 STAINSBURY AVENUE VANCOUVER BC V5N 2M6 | | 2,219.44 |
| DARTMOUTH CROSSING LIMITED | 34 LOGIEALMOND CLOSE DARTMOUTH NS B3B 0C8 | | 26,885.85 |
| DAVID SHAW TABLEWARE | 85 MARTIN ROSS AVE. DOWNSVIEW ON M3J 2L5 | | 7,183.53 |
| DBA APPAREL GROUP | 200 - 9600 MEILLEUR MONTREAL QC H2N 2E3 | | 17,995.58 |
| DEREK ALEXANDER GROUP INC. | 210 60TH AVE. S.W. CALGARY AB T2H 0A9 | | 1,977.39 |
| DEVANLAY CANADA INC. | 901 - 4200, BOUL SAINT LAURENT MONTREAL QC H2W 2R2 | | 34,830.13 |
| DEX BROTHERS LTD. | 800 - 390 RUE DESLAURIERS SAINT LAURENT QC H4N 1V8 | | 5,718.31 |
| DIVERSE GROUP | 730 ALEXANDER STREET VANCOUVER BC V6A 1E3 | | 4,210.83 |
| DORIS INC. | 3701 JARRY EST MONTREAL QC H1Z 2G1 | | 540.13 |
| DOUBLE J. FASHIONS | 5620 FERRIER STREET MONTREAL QC H4P 1M7 | | 421.77 |
| DOVE TALE COLLECTIONS | 2008 HOLLYBROOK CRESCENT GLOUCESTER ON K1J 7Y6 | | 411.89 |
| E. S. SPORT (4113993CANADA) | 707 - 555 CHABANEL WEST MONTREAL QC H2N 2H8 | | 24,277.37 |
| EAST POINT INC | P O BOX 1289 SAINT JOHN NB E2L 4G7 | | 15,417.49 |
| EASTAE OF SEDDY SPRINGER | 105 PRINCESS ST, PO BOX 1534 KINGSTON ON K7L 5C7 | | 6,753.51 |
| ED BATTAH & CO. | 1405 - 555, RUE CHABANEL MONTREAL QC H2N 2H8 | | 11,020.37 |
| ELEMENT | 5825 KIERAN ST-LAURENT QC H4S 0A3 | | 3,126.16 |
| ELIE TAHARI LTD | P.O. BOX 200767 PITTSBURGH PA 15251-0767 USA | | 5,522.34 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| ENBRIDGE CONSUMERS GAS | P.O. BOX 644 SCARBOROUGH ON M1K 5H1 | | 1,086.80 |
| ENBRIDGE GAS NEW BRUNSWICK | 201 - 440 WILSEY ROAD FREDERICTON NB E2B 7G5 | | 356.56 |
| ENERGY MIZERS | 3 BIRCH ST., NORTH TIMMINS ON P4N 6C8 | | 255.14 |
| EROS CLOTHING INC. | 41 VIA CRISTINA WAY WOODBIDGE ON L4H 1R9 | | 3,220.50 |
| EUROMAX | 408 - 460 ST. CATHERINE OUEST MONTREAL QC H3B 1A7 | | 12,582.55 |
| EVCANA CLOTHING INC. | 413 - 9200 PARC MONTREAL QC H2N 1Z4 | | 16,939.55 |
| FAEMA | 201 - 672 DUPONT ST. TORONTO ON M6G 1Z6 | | 447.07 |
| FANCY LINENS & DOMESTICS LTD. | 8500 DARNLEY RD. MONTREAL QC H4T 1M5 | | 4,905.34 |
| FEMSTYLE INC | 3981, BOUL ST-LAURENT SUITE 03-105 MONTREAL QC H2W 1Y5 | | 29,301.76 |
| FIG CLOTHING | ZAM URBAN DYNAMICS INC. 4613, RUE LOUIS B. MAYER LAVAL QC H7P 6G5 | | 2,461.42 |
| FINE LINE IMPORTS | 206 - 160 TYCOS DRIVE TORONTO ON M6B 1W8 | | 36,455.39 |
| FIONA HANDBAGS | 120 - 160 TYCOS DR. TORONTO ON M6B 1W8 | | 2,820.48 |
| FOX RUN CRAFTSMEN | P.O. BOX 57652, POSTAL STATION A TORONTO ON M5W 5M5 | | 378.74 |
| FOXHEAD | 33 - 58 AERO DRIVE CALGARY AB T2E 8Z9 | | 11,478.27 |
| FRANK LYMAN DESIGNS | 2500 BOUL. DES SOURCES POINT CLAIRE QC H9R 0B3 | | 70,182.39 |
| FREEDOM VENDING | 369 ALGONQUIN BLVD., WEST. TIMMINS ON P4N 2S3 | | 393,654.26 |
| FREEMAN FORMALWEAR | 111 BARMANDSEY ROAD, TORONTO ON M4A 2T7 | | 3,665.19 |
| FREEMARK APPAREL BRANDS INC. | 5640 PARE MONTREAL QC H4P 2M1 | | 32,235.18 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| FROG POND HOLDINGS | 126 GLENCOE DRIVE MT. PEARL NL A1N 4S9 | | 5,567.50 |
| FROG POND HOLDINGS | 126 GIENCOE DRIVE MOUNT PEARL NL A1N 4S9 | | 9,228.34 |
| FULLUM & HOLT | 5700 FULLUM MONTREAL QC H2G 2H7 | | 1,429.45 |
| GARY MACINTOSH MARKETING LTD. | 302 KEEWATIN AVE. KITCHENER ON N2B 3W3 | | 621.50 |
| GENTRY (1978) INC. | 300 - 8920 PIE 1X BLVD. MONTREAL QC H1Z 4H9 | | 7,326.77 |
| GEOX CANADA INC. | 100 - 2110 MATHESON BLVD. EAST MISSISSAUGA ON L4W 5E1 | | 2,675.28 |
| GIFTCRAFT LTD. | 8550 AIRPORT RD BRAMPTON ON L6T 5A3 | | 2,912.48 |
| G-III APPAREL CANADA INC ULC | P.O. BOX 15379, STATION A TORONTO ON M5W 1C1 | | 15,735.60 |
| GLOBAL SHOE CONNECTION INC | 12391 NO. 5 ROAD RICHMOND BC V7A 4E9 | | 4,655.60 |
| GOURMET DU VILLAGE | 539 VILLAGE MORIN HEIGHTS QC J0R 1H0 | | 20,270.73 |
| GROUP YNA 7908741 CANADA INC. | 200 - 9600 MEILLEUR MONTREAL QC H2N 2E3 | | 18,594.76 |
| GROUPE CORWICK | 200 - 225,RUE CHABANEL OUEST. MONTREAL QC H2N 2C9 | | 18,057.75 |
| GSUS CANADA LTD. | 543 RICHMOND ST., WEST P O BOX 202 TORONTO ON M5V 1Y6 | | 12,369.86 |
| GUESS ? CANADA CORP | C/O 911140 P.O. BOX 4090 STN-A TORONTO ON M5W 0E9 | | 3,491.60 |
| GUNTHER MELE LIMITED | 30 CRAIG STREET BRANTFORD ON N3R 7J1 | | 1,011.36 |
| HEDEX FASHION GROUP INTERNATIONAL LTD | 329 - 1350 RUE MAZURETTE MONTREAL QC H4N 1G8 | | 3,770.81 |
| HIGH FASHION HANDBAGS | 3 - 30 LESMILL ROAD TORONTO ON M3B 2T6 | | 1,264.13 |
| HUGO BOSS CANADA INC. | C/O T9946 P.O. BOX 9946, STN A TORONTO ON M5W 2J2 | | 14,496.76 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| HUNTER BOOT CANADA INC. | C/O TH1241 P O BOX 4290, POSTAL STN A TORONTO ON M5W 0E1 | | 3,895.68 |
| HURLEY INTERNATIONAL, LLC | C/O 911920 P.O. BOX 4090 TORONTO ON M4W 0E9 | | 2,897.60 |
| HUSH PUPPIES COMPANY | DIVISION OF WOLVERINE WORLDWIDE CANADA ULC 5800 KIERAN MONTREAL QC H4S 2B5 | | 9,501.56 |
| HYDRO ONE NETWORKS INC. | BOX 4102, STATION A TORONTO ON M5W 3L3 | | 12,326.25 |
| IMP. LIL PAOLO INC. | 383 DEMERS LAVAL QC H7L 3C3 | | 4,341.75 |
| INDEKA IMPORTS | 2120 BRISTOL CIRCLE OAKVILLE ON L6H 5R3 | | 1,605.34 |
| INTS IT'S NOT THE SAME CANADA LTD | 4000-1 PLACE VILLE-MARIA MONTREAL QC H3B 4M4 | | 40,228.70 |
| ION-RAY COMPANY LTD. | 2 - 10 BRODIE DRIVE RICHMOND HILL ON L4B 3K8 | | 642.94 |
| JACK VICTOR LIMITED | 1250 SAINT ALEXANDRE STREET MONTREAL QC H3B 3H6 | | 17,179.29 |
| JAK'S | 2680-D, BOUL. WILFRED-HAMEL QUEBEC QC G1P 2J1 | | 636.76 |
| JANOR IMPORTS INC. | 500 - 416, BOUL. DE MAISONNEUVE OUEST MONTREAL QC H3A 1L2 | | 6,573.82 |
| JAYTEX OF CANADA LTD. | 29 GURNEY CRES. TORONTO ON M6B 1S9 | | 4,393.90 |
| JEANIOLOGIE | 8603880 CANADA INC. 4951, BOUL DE LA COTE-VERTU ST-LAURENT QC H4S 1E1 | | 8,851.09 |
| JIMLAR CORPORATION | 350 5TH AVE., 9TH FLOOR NEW YORK NY 10118 USA | | 1,276.00 |
| JOGI'S IMPORT AND DESIGN, INC. | P O BOX 10088 1735 KIPLING AVE. ETOBICOKE ON M9R 4E2 | | 676.87 |
| JONES APPAREL GROUP CANADA LP | 388 APPLEWOOD CRESC. VAUGHAN ON L4K 4B4 | | 10,934.63 |
| JOSEF SEIBEL | 1A - 15050 - 54A AVENUE SURREY BC V3S 5X7 | | 2,670.80 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| JOSEPH RIBKOFF INC. | 2375 DE L'AVIATION DORVAL QC H9P 2X6 | | 6,882.27 |
| KERBAL 375 BRANT LIMITED | 300 - 195 COUNTRY COURT BLVD BRAMPTON ON L6W 4P7 | | 4,034.95 |
| LAMPE BERGER | 330 - 3100, BOUL LE CARREFOUR LAVAL QC H7T 2K7 | | 24,859.19 |
| LANA LEE FASHIONS | 301 - 9400, BOUL ST. LAURENT MONTREAL QC H2N 1P3 | | 26,744.81 |
| LANG INVESTMENTS | 27 FIRST STREET EAST CORNWALL ON K6H 1K5 | | 6,544.98 |
| LASANIA | 709 - 555 CHABANEL WEST MONTREAL QC H2N 2H8 | | 4,369.56 |
| LES CHEMISES I. MILLER SHIRTS INC. | 150 MONTEE DE LIESSE VILLE ST- LAURENT QC H4T 1N6 | | 282.38 |
| LES IMPORTATIONS BOLIDE LTEE | 309 - 555 CHABANEL OUEST MONTREAL QC H2N 2H8 | | 18,190.41 |
| LES IMPORTATIONS JEREMY D LTEE | 200 - 9333 BOUL ST. LAURENT MONTREAL QC H2N 1P6 | | 29,694.79 |
| LES MODES ASM FASHIONS INC. | 400 - 9250 PARK AVE MONTREAL QC H2N 1Z2 | | 22,716.97 |
| LEVY CANADA FASHION COMPANY | 200 - 225 CHABANEL ST., WEST MONTREAL QC H2N 2C9 | | 8,574.52 |
| LILY MOSS | 1517 - 555, RUE CHABANEL OUEST MONTREAL QC H2N 2J2 | | 5,485.56 |
| LINE RONDEAU | 106 HUDSON CRESC. TIMMINS ON P4N 7R2 | | 265.00 |
| LINEA DOMANI | 1106 - 555 CHABANEL ST. WEST MONTREAL QC H2N 2H8 | | 29,148.83 |
| LINWOOD FASHIONS INC. | 155 BEAUBIEN WEST MONTREAL QC H2V 1C5 | | 3,621.08 |
| MAKOUJY SPORTSWEAR CANADA LTD. | 120 - 1980 SHERBROOKE ST. MONTREAL QC H3H 1E6 | | 4,693.95 |
| MARGARET M. | 805 - 225 CHABANEL ST. WEST MONTREAL QC H2N 2C9 | | 3,456.67 |
| MAVI JEANS | 580 INDUSTRIAL AVENUE VANCOUVER BC V6A 2P3 | | 19,224.94 |
| MCGREGOR INDUSTRIES | 70 THE EAST MALL ETOBICOKE ON M8Z 5W2 | | 3,080.90 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| MCINTOSH TRADING | 6 - 240 ENTREPRISE VARS ON K0A 3H0 | | 3,977.60 |
| MCNIVEN RANCH SUPPLY LTD.(MRSL) | BOX 867 BROOKS AB T1R 1B7 | | 2,194.42 |
| MERCANTILE TRADING CORP. | 603 - 9500, RUE MEILLEUR MONTREAL QC H2N 2B7 | | 4,588.05 |
| MERRELL FOOTWEAR | DIVISION OF WOLVERINE WORLDWIDE CANADA ULC 733 CHEMIN JEAN-ADAM SAINT-SAUVEUR QC J0R 1R3 | | 8,350.42 |
| MEXX CANADA INC. | 905 HODGE STREET VILLE ST-LAURENT QC H4N 2B3 | | 54,438.30 |
| MICHAEL KORS CANADA | 3424 SIMPSON ST. MONTREAL QC H3G 2J3 | | 14,451.78 |
| MICHAEL PHILLIPS LTEE | 501 - 433, RUE CHABANEL OUEST TOUR-NORD MONTREAL QC H2N 2J5 | | 26,989.88 |
| MICHEL GERMAIN PARFUMS LTD. | 303 - 3335 YONGE ST. TORONTO ON M4N 2M1 | | 715.29 |
| MICROPLANE | GRACE MANUFACTURING INC 614 SR 247 RUSSELVILLE AR 72812-0 USA | | 2,357.68 |
| MITCHELL ACCESSORIES LTD. | #29 - 1550 BAYLY STREET PICKERING ON L1W 3W1 | | 1,287.07 |
| MODEXTILL | 5525 RUE PARE MONTREAL QC H4P 1P7 | | 3,171.91 |
| MODINNO ENTERPRISES | 206 - 4288 LOZELLS AVE. BURNABY BC V5A 0C7 | | 7,525.80 |
| MULTI TACT | 3360 SARTELON ST-LAURENT QC H4R 1E3 | | 1,135.65 |
| NATSUN AMERICA CO., LTD. | 4070 E. GREYSTONE DR., UNIT B ONTARIO CA 91761 | | 11,675.47 |
| NEW BALANCE CANADA INC. | C/O TH0068 P O BOX 4283 TORONTO ON M5W 5W6 | | 4,123.09 |
| NICOLE MILLER | 525 SEVENTH AVE. NEW YORK NY 10018 | | 8,244.75 |
| NIXON AGENCIES ALBERTA | 251 CEDARPARK DRIVE SW CALGARY AB T2W 2J5 | | 431.21 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| NORTH AMERICAN | 27 KELFIELD STREET TORONTO ON M9W 5A1 | | 11,248.58 |
| NORTHERN ONTARIO WIRES | ACC # 301570-00 BOX 640 COCHRANE ON P0L 1C0 | | 641.68 |
| NORTHERN TELEPHONE LIMITED | P.O. BOX 4000 NEW LISKEARD ON P0J 1P0 | | 1,139.17 |
| NOVA SCOTIA POWER INC. | P O BOX 848 HALIFAX NS B3J 2V7 | | 1,690.64 |
| NSI RETAIL | 14 - 1675 SISIMET ROAD MISSISSAUGA ON L4W 4K8 | | 1,760.54 |
| OAKLEY CANADA | 2660 DIAB VILLE ST-LAURENT QC H4S 1E8 | | 9,754.34 |
| OGILVIE REALTY | 1475 CARLING AVE OTTAWA ON K1Z 7L9 | | 10,075.82 |
| ORLY CUISINE | 6665 JEANNE MANCE MONTREAL QC H2V 4L1 | | 13,976.46 |
| OTTAWA CITIZEN | C/O POSTMEDIA PAYMENT CENTRE 1450 DON MILLS ROAD TORONTO ON M3B 2X7 | | 4,098.51 |
| OTTAWA HYDRO | 3025 ALBION RD. NORTH PO BOX 8700 OTTAWA ON K1G 3S4 | | 908.95 |
| PAN GROUP PROPERTIES | P O BOX 778 PORT PERRY ON L9L 1A7 | | 20,261.53 |
| PAPILLON INTERNATIONAL INC. | 5595 PAPINEAU MONTREAL QC H2H 1W3 | | 2,827.26 |
| PARKHURST | 20 RESEARCH RD., TORONTO ON M4G 2G6 | | 25,011.71 |
| PAZAZZ | 5584 COTE DE LIESSE MONTREAL QC H4P 1A9 | | 730.55 |
| PEOPLE FOR PEACE | 128 DESLAURIERS SAINT-LAURENT QC H4N 1V8 | | 1,474.65 |
| PIERCE'S MECHANICAL | 121 - 70-C MOUNTJOY ST.NORTH TIMMINS ON P4N 4V7 | | 546.92 |
| PLATINUM FASHIONS 2000 INC. | 300 - 8920, BOUL PIE IX MONTREAL QC H1Z 4H9 | | 1,141.19 |
| POINT ZERO GIRLS CLUB | 1650 CHABANEL WEST MONTREAL QC H4N 3M8 | | 59,190.76 |


| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| PONY RIDE | 405 - 225 CHABANEL WEST MONTREAL QC H2N 2C9 | | 15,838.24 |
| PORT-STYLE ENTERPRISES INC. | 2 - 1405 DENISON STREET MARKHAM ON L3R 5V2 | | 9,838.97 |
| PUMA CANADA (A.T.A. INC.) | 2315 COHEN ST. VILLE ST-LAURENT QC H4R 2N7 | | 4,131.09 |
| PUROLATOR FREIGHT | ATT: CATHY PILEGGE ACCOUNTS RECEIVABLE REXDALE ON M9W 4W7 | | 271.40 |
| PYA IMPORTER LTD. | 15 APEX RD. NORTH YORK ON M6A 2V6 | | 11,618.75 |
| QUIKSILVER CANADA CORP. | UNIT 120 -890 HARBORSIDE DR. NORTH VANCOUVER BC V7P 3T7 | | 12,989.64 |
| RAILTOWN APPAREL GROUP LTD. | 730 ALEXANDER ST. VANCOUVER BC V6A 1E3 | | 28,569.31 |
| RALPH LAUREN CANADA LP | 801 - 2 QUEEN STREET EAST TORONTO ON M5C 3G7 | | 118,090.34 |
| RAYMARK XPRT BUSINESS SYSTEMS | 5460, COTE DE LIESSE ROYALMOUNT QC H4P 1A5 | | 5,723.20 |
| RD INTERNATIONAL | 200 - 5275 FERRIER MONTREAL QC H4P 1L7 | | 7,595.72 |
| REBEL JEANS CO. LTD. | 801 - 1625 CHABANEL STREET WEST MONTREAL QC H4N 2S7 | | 30,762.13 |
| REEF | VF OUTDOOR (CANADA) INC T6106 TORONTO ON M4Y 2Z2 | | 5,376.99 |
| RELAXUS PRODUCTS LTD. | 1590 POWELL ST. VANCOUVER BC V5L 1H3 | | 6,105.60 |
| RIEKER SHOE CANADA LTD. | 190 MILLWAY AVE UNIT 3-4 CONCORD ON L4K 3W4 | | 6,517.96 |
| RIO CAN PROPERTIES | 1239 DONALD STREET OTTAWA ON K1J 8W3 | | 22,030.29 |
| RODD & GUNN NEW ZEALAND LIMITED | LEVEL 1, 326 NEW NORTH ROAD AUCKLAND, 1020, NEW ZEALAND | | 9,214.00 |
| S. COHEN INC. | 153 GRAVELINE MONTREAL QC H4T 1R4 | | 1,094.41 |
| S. OLIVER CANADA | 500 - 416, BOUL DE MAISONNEUVE OUEST MONTREAL QC H3A 1L2 | | 9,097.12 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| SAINT JAMES USA CORP. | 247 W 35TH STREET, 16TH FLOOR NEW YORK NY 10001 USA | | 15,995.09 |
| SAINT JOHN ENERGY | P.O. BOX 850 SAINT JOHN NB E2L 4C7 | | 1,130.40 |
| SANDSTYLE CANADA GROUP INC. | 900 - 433 CHABANEL OUEST MONTREAL QC H2N 2J8 | | 69,118.04 |
| SAVRON CLOTHES LTD | 201 - 160, RUE SAINT VIAEUR EST MONTREAL QC H2T 1A8 | | 1,038.47 |
| SAXX UNDERWEAR CO., LTD. | 68 WEST 5TH AVE. VANCOUVER BC V5Y 1H6 | | 2,508.64 |
| SBO DISTRIBUTORS LTD. | 2195 SHAFTON PLACE WEST VANCOUVER BC V7V 3B2 | | 3,000.00 |
| SCANIA INTERNATIONAL INC. | 225 O. RUE CHABANEL ST. W SUITE #505 MONTREAL QC H2N 2C9 | | 6,192.40 |
| SCHWARTZ IMPORT & DESIGN CO., LTD. | P.O. BOX 38155 DARTMOUTH NS B3B 1X2 | | 2,120.26 |
| SE CE APPAREL CO. LTD. | 6445 COTE-DE-LIESSE VILLE ST. LAURENT QC H4T 1E5 | | 8,009.36 |
| SECOND CLOTHING | 115 - 1625 CHABANEL WEST MONTREAL QC H4N 2S7 | | 11,874.40 |
| SERUM INTERNATIONAL INC. | 4400 AUTOROUTE CHOMEDEY LAVAL QC H7R 6E9 | | 2,544.06 |
| SHERSON GROUP | 100 - 1446 DON MILLS ROAD TORONTO ON M3B 3N6 | | 1,494.18 |
| SIGA INTERNATIONAL | 81 ST. REGIS CRESCENT S., TORONTO ON M3J 1Y6 | | 90,429.29 |
| SILVER FOREST OF VERMONT INC. | 40 INDUSTRIAL DR. BELLOWS FALLS VT 04101 USA | | 971.33 |
| SKECHERS CANADA INC. | C/O TH1024 P.O. BOX 4283 POSTAL STN A TORONTO ON M5W 5W6 | | 9,983.75 |
| SKY REACH PROPERTY SERVICES | 51 - 10 AKERLEY BLVD. DARTMOUTH NS B3B 1J4 | | 338.27 |
| SPANNER LIMITED | 334A MANITOU DR. KITCHENER ON N2C 1L3 | | 35,881.93 |
| SPERRY TOP SIDER | DIVISION OF WOLVERINE WORLDWIDE CANADA ULC POSTAL STATION A TORONTO ON M5W 1C1 | | 7,596.99 |

| List of Creditors with claims of \$250 or more. | | | |
|---|--|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| SPORTABLES FINE CLOTHING | 2 - 75 SHIELDS COURT MARKHAM ON L3R 9T4 | | 2,247.27 |
| SPORTS ART COLLECTION | 35 EAST BEAVER CREEK RD. UNIT 1A - 2 RICHMOND HILL ON L4B 1B3 | | 4,000.00 |
| STAPLES | DESJARDINS CARD SERVICES ACCOUNT # 4530 9412-8741 5000 MONTREAL QC H3C 3V2 | | 787.64 |
| STEVE MADDEN CANADA | 2328 RUE COHEN STREET ST LAURENT QC H4R 2N8 | | 1,765.51 |
| STUDIO MODE | 400 - 416, BOUL. DE MAISONNEUVE OUEST MONTREAL QC H3A 1L2 | | 18,727.81 |
| SUNLIFE BENTALL RETAIL SERVICES | CLOVERDALE MALL ETOBICOKE ON M9B 3Y8 | | 16,208.96 |
| SUPREME 75 INC. | 400 - 433 CHABANEL OUEST MONTREAL QC H2N 2J4 | | 4,121.11 |
| SUZANNE AZOULAY INC. | BEGAIN 555 CHABANEL MONTREAL QC H2N 2H8 | | 16,163.75 |
| SWISSMAR IMPORTS | 6 -35 E. BEAVER CREEK ROAD RICHMOND HILL ON L4B 1B3 | | 2,144.86 |
| T.LIPSON & SONS LTD | 190 NORSEMAN STREET TORONTO ON M8Z 2R4 | | 8,777.50 |
| TAGGART REALTY | 708 - 225 METCALF STREET OTTAWA ON K2P 1P9 | | 23,051.47 |
| TANGO MANGO | 7761198 CANADA INC. 109 - 3900 PLACE DE JAVA BROSSARD QC J4Y 0C4 | | 25,602.85 |
| TEBBY AIR CONDITIONING | 496 MUSKOKA RD. 3 N., BLDG. B. HUNTSVILLE ON P1H 1T4 | | 398.71 |
| THE ENDORPHIN GROUP INC. | 200 - 2045 FRANCIS ST-HUBERT QC J4T 0A6 | | 762.75 |
| THE METROPOLITAN TEA CO. LTD | 41A BUTTERICK RD. TORONTO ON M8W 4W4 | | 11,491.13 |
| THE NORTH FACE-CANADA | T6106, PO BOX 6100, POSTAL STATION F TORONTO ON M4Y 2Z2 | | 53,421.52 |
| THEORY | 155 BEAUBIEN ST., WEST MONTREAL QC H2V 1C5 | | 1,614.00 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| THROAT THREADS APPAREL INC. | 1134 PLAINS ROAD EAST BURLINGTON ON L7S 1W6 | | 22,930.25 |
| TILLEY ENDURABLES INC. | 60 GERVAIS DRIVE TORONTO ON M3C 1Z3 | | 6,855.30 |
| TIMBERLAND CANADA CO. | C/O 911610 P O BOX 4090 STN A TORONTO ON M5W 0E9 | | 2,824.09 |
| TIME BOMB TRADING | 8067 NORTH FRASER WAY BURNABY BC V5J 5M8 | | 3,235.91 |
| TOMLINSON ENVIRONMENTAL SERVICES LTD. | 970 MOODIE DR. OTTAWA ON K2R 1H3 | | 304.15 |
| TOMMY BAHAMA CANADA | 29 GURNEY CRESCENT TORONTO ON M6B 1S9 | | 73,656.19 |
| TREND MARKETING | 1379823 ONTARIO LTD. 1500 LODESTAR ROAD TORONTO ON M3J 3C1 | | 11,067.22 |
| TRIBAL SPORTSWEAR INC. | 300 - 7445, CHEMIN DE LA COTE -DE-LIESSE ST LAURENT QC H4T 1G2 | | 34,534.71 |
| TRIOVEST REALTY | 211 - 1595 BEDFORD HIGHWAY BEDFORD NS B4A 3Y4 | | 5,746.80 |
| TRIOVEST REALTY | 211 - 1595 BEDFORD HIGHWAY BEDFORD NS B4A 3Y4 | | 20,686.76 |
| TRIPLE 5 | 805 - 555, RUE CHABENAL OUEST MONTREAL QC H2N 2H8 | | 4,184.39 |
| TT BLUES CANADA INC., | 140 FINCHAM AVE. MARKHAM ON L3P 4A9 | | 10,540.22 |
| UNDER ARMOUR CANADA ULC | 1 - 215 SHIELDS COURT MARKHAM ON L3R 8V2 | | 85,766.90 |
| UNION GAS LIMITED | P.O. BOX 2025 CHATHAM ON N7M 6C7 | | 455.71 |
| UPPER CANADA SOAP & CANDLE | 1510 CATERPILLAR ROAD MISSISSAUGA ON L4X 2W9 | | 10,492.79 |
| UTILITIES KINGSTON | P.O. BOX 790 KINGSTON ON K7L 4X7 | | 1,178.25 |
| V. FRAAS MFG. INC. | 44 SAMOR ROAD TORONTO ON M6A 1J6 | | 3,661.20 |
| VANS | VF OUTDOOR (CANADA) INC. T6106 P. O. BOX 6100 TORONTO, ON M4Y 2Z2 | | 6,942.94 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|---------------------|
| Creditor | Address | Account# | Claim Amount |
| VENETO | 8320 DECARIE BLVD. MONTREAL QC H4P 2P5 | | 861.63 |
| VERIDIAN | 200 - 1465 PICKERING PARKWAY PICKERING ON L1V 7G7 | | 1,230.77 |
| WATERLOO NORTH HYDRO INC. | P.O. BOX 640 300 NORTHFIELD DR., E. WATERLOO ON N2J 4A3 | | 2,446.54 |
| WESTERN GLOVE WORKS | P.O. BOX 8919, STATION A TORONTO ON M5W 2C5 | | 14,415.90 |
| WEYCO GROUP INC. | 100 - 8205, BOUL MONTREAL-TORONTO MONTREAL - WEST QC H4X 1N1 | | 4,169.69 |
| WOOD WYANT INC. | 27 FIELDING AVE DARTMOUTH NS B3B 1C9 | | 296.45 |
| WOOLRICH | 1880 32ND AVE LACHINE QC H8T 3J7 | | 36,337.43 |
| ZWILLIG J.A. HENCKELS | 435 COCHRANE DRIVE MARKHAM ON L3R 9R5 | | 2,442.73 |
| Total | | | 3,179,445.67 |


Glenn Leung

- Proposal Consent -
In the Matter of the Notice of Intention to
Make a Proposal of K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

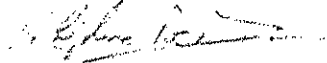
To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of K. F. S. Limited.

Dated at the City of Montréal in the Province of Quebec, this 23rd day of June 2014.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustee

Per:



Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12th Floor
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

- Consentement -

Dans l'affaire de l'Avis d'intention de faire une proposition de
K. F. S. Limited
de la ville de Cornwall
en la province de l'Ontario

À qui de droit,

Nous consentons par la présente, à agir comme syndic, d'après la Loi sur la faillite et l'insolvabilité, à la présente proposition de K. F. S. Limited.

Daté le 23 juin 2014, à Montréal en la province de Québec.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Syndic
Par:

(Signé)

Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Téléphone: (514) 934-3400 Télécopieur: (514) 934-8603



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

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

K. F. S. Limited
Insolvent Person

RICHTER ADVISORY GROUP INC / RICHTER GROUPE
CONSEIL INC.
Trustee

Date of the Notice of Intention: June 24, 2014

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.

Date: June 25, 2014, 10:23

E-File/Dépôt Electronique

Official Receiver

Place Bell Canada, 160 Elgin Street, 11th Floor, Suite B-100, Ottawa, Ontario, Canada, K2P2P7, (877)376-9902

Canada



Industrie Canada

Industry Canada

Bureau du surintendant
des faillites Canada

Office of the Superintendent
of Bankruptcy Canada

District de : Ontario
No division : 12 - Ottawa
No cour : 33-1884683
No dossier : 33-1884683

Dans l'affaire de l'avis d'intention de faire une
proposition de :

K. F. S. Limited
Personne insolvable

RICHTER ADVISORY GROUP INC / RICHTER GROUPE
CONSEIL INC.
Syndic

Date de l'avis d'intention : 24 juin 2014

CERTIFICAT DE DÉPÔT D'UN AVIS D'INTENTION DE FAIRE UNE PROPOSITION
paragraphe 50.4(1)

Je soussigné, séquestre officiel pour ce district de faillite, certifie par les présentes que la personne insolvable susmentionnée a déposé un avis d'intention de faire une proposition en vertu du paragraphe 50.4(1) de la *Loi sur la faillite et l'insolvabilité*.

Conformément au paragraphe 69(1) de la Loi, toutes les procédures contre la personne insolvable susmentionnée sont suspendues à compter de la date du dépôt de l'avis d'intention.

Date: 25 juin 2014, 10:23

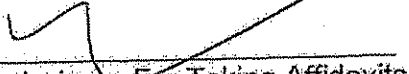
E-File/Dépôt Electronique

Séquestre officiel

Place Bell Canada, 160 Elgin Street, 11th Floor, Suite B-100, Ottawa Canada, K2P2P7. (877)376-9902

Canada

THIS IS EXHIBIT "B"
TO THE AFFIDAVIT OF
GLENN LANGBURT
SWORN BEFORE ME THIS 17TH DAY OF JULY, 2014



Commissioner For Taking Affidavits


2726556 Canada Inc.
 Statement of projected cash-flow (note 1)
 For the period ending September 30, 2014
 (in 000's)

| | <i>month ending:</i> | |
|---------------------------|----------------------|-------------------|
| | Aug-14 | Sep-14 |
| Receipts | \$ 1,200 | \$ 1,120 |
| Disbursements | | |
| Operations | 954 | 946 |
| Administration | 104 | 102 |
| Restructuring expenses | <u>50</u> | <u>70</u> |
| | 1,108 | 1,118 |
| Net cash-flow | 92 | 2 |
| Opening bank indebtedness | <u>(1,733)</u> | <u>(1,642)</u> |
| Closing bank indebtedness | <u>\$ (1,642)</u> | <u>\$ (1,640)</u> |

Note 1: This statement of projected cash-flow combines the operations of K.F.S. Limited, Nathar Limited and 2726556 Canada Inc.



 Glenn Langburt
 2726556 Canada Inc.



 Richter Advisory Group Inc.

IN THE MATTER OF THE PROPOSAL OF K.F.S. LIMITED OF THE CITY OF CORNWALL

Estate No. 33-1884683

SUPERIOR COURT OF JUSTICE
Proceeding commenced at Ottawa

AFFIDAVIT OF GLENN LANGBURT

KELLY SANTINI LLP
Barristers & Solicitors
2401-160 Elgin Street
Ottawa, Ontario
K2P 2P7
(613) 238-6321
(613) 233-4553 Fax

Rick Brooks
Agent for Davies Ward Phillips &
Vineberg LLP, solicitors for the Applicant
Law Society No. 19072K

Box No. 201
Our File No: 017-67116

CANADA
PROVINCE OF ONTARIO
DISTRICT OF ONTARIO
DIVISION NO.: 12-OTTAWA
COURT NO.: 33-1884683
ESTATE NO.: 33-1884683

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

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

K. F. S. Limited, a body politic and
corporate, duly incorporated according to law
and having its head office and its principal
place of business at 27 First Street East, of
the City of Cornwall, in the Province of
Ontario, K6H 1K5.

Debtor

- and -

Richter Advisory Group Inc.

Trustee

TRUSTEE'S REPORT ON THE STATE OF THE INSOLVENT PERSON'S
BUSINESS AND FINANCIAL AFFAIRS
(Pursuant to 50.4(7)(b)(ii) and 50.4(9) of the Bankruptcy and Insolvency Act)

I, Stéphane De Broux, CPA, CA, CIRP, of Richter Advisory Group Inc. ("Richter"), Trustee, with respect to the Notice of Intention to Make a Proposal ("Notice of Intention") filed by K. F. S. Limited (the "Company" or "Debtor"), an insolvent person, do hereby report to the Court the following:

1. On June 24, 2014, the Debtor filed a Notice of Intention in accordance with the *Bankruptcy and Insolvency Act* (the "Act"), a copy of which is annexed hereto as **Exhibit "A"**.
2. On June 24, 2014, Nathar Limited and 2726556 Canada Inc., which are controlled by the same entity as the Debtor, also filed a Notice of Intention. K. F. S. Limited, Nathar Limited and 2726556 Canada Inc. are herein collectively referred to as the "Companies".
3. On July 2, 2014, documents were sent by regular mail to all creditors of the Debtor, as identified by it, which included a copy of the Debtor's Notice of Intention, as annexed hereto as **Exhibit "B"**.
4. On July 4, 2014, the Debtor filed with the Official Receiver a Statement of Projected Cash Flow ("Projections") together with his report pursuant to Section 50.4(2)(c) of the Act, covering the period from July 1, 2014 to July 31, 2014, which included the major Assumptions used in the preparation of the aforementioned Projections. Concurrently therewith, the Trustee filed its Report on the reasonableness of the Projections in accordance with Section 50.4(2)(b) of the Act, all of which is annexed hereto as **Exhibit "C"**.
5. In order to monitor the affairs and finances of the Debtor, the Trustee has been provided with access to the books, records and other important documents of the Debtor.

6. The Debtor has been paying its suppliers and employees, on a timely basis, for goods and services provided subsequent to the date of the filing of the Notice of Intention, according to the current business terms. The Trustee has compared the actual results to those projected since the filing of the Notice of Intention. The actual results to date have been favorable.
7. The Companies, in operation since 1955, operate a chain of 21 retail stores in Ontario, Nova Scotia, New Brunswick and Newfoundland, specializing in ladies' and men's fashions, kitchenware, home accessories and gourmet foods. The Companies operate under various banners including Tweed & Hickory, Kastners Menswear, Flotron's Tweed & Hickory, Bucovetsky's, Dover's Menswear, Buckland's Fine Clothing, Shaw's of Perth, The Village Green, Jacobson's Ladies' Wear, Yazer's Men's Wear, Bellissima and Moe's Menswear.
8. At the time of the filing, the Companies had over 200 employees in their stores, warehouse and head office. The Companies' head office is located in Cornwall, Ontario.
9. In the past two years, the Companies have experienced a sharp decline of their sales and reported significant losses. Management attributes this decline in sales to the following:
 - Current unfavorable economic conditions in the retail industry;
 - General economic downturn; and
 - Highly competitive market.
10. Pursuant to the assessment of their financial situation, the Companies began implementing, in early 2014, certain corrective measures, with the intent of ensuring their long-term profitability. However, the decrease of their sales continued to exceed the Companies' forecasts and it became evident that such measures would be insufficient to reverse the negative impact of the sales decline, thus necessitating a formal restructuring through a Notice of Intention.
11. Pursuant to the filing of the Notice of Intention, the Companies have been developing and implementing their restructuring plan. The key elements of this plan include:
 - The identification and closure of underperforming stores. To date, two stores have been closed and the relevant notices to disclaim leases have been sent to the landlords;
 - The negotiation of more favorable leases terms with their landlords;
 - The liquidation of their slow-moving and excess inventory;
 - The reduction of operating and overhead expenses;
 - The search for potential investors who could participate in the restructuring; and
 - The determination of the terms of a viable proposal to their unsecured creditors.
12. The Debtor is filing a Motion to Extend the Delay for the Filing of a Proposal, in order to allow it to complete its dealings with regards to the above-mentioned key elements and to enable the formulation of a viable proposal to its creditors.

13. The Debtor's secured creditor, Royal Bank of Canada, does not object to the requested extension and supports the Debtor in its reorganization efforts.
14. Annexed hereto as **Exhibit "D"** is the Statement of Projected Cash Flow covering the period from August 1 to September 30, 2014, the Trustee's Report on the reasonableness of the Projections in accordance with Section 50.4(2)(b) of the Act and the Debtor's Report pursuant to Section 50.4(2)(c) of the Act.
15. If the extension is granted, the Trustee is not aware of any facts indicating that any creditor would suffer a prejudice.
16. Given the foregoing, the Trustee hereby recommends the granting of the extension by the Court to September 8, 2014.

DATED AT MONTREAL, this 16th day of July 2014.

Richter Advisory Group Inc.
Trustee

A handwritten signature in black ink, appearing to read "Stephane De Broux", with a horizontal line underneath it.

Per: Stephane De Broux, CPA, CA, CIRP

ANNEXE A

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

Take notice that:

1. I, K. F. S. Limited, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc of 1981 avenue McGill College, 12e étage, Montréal, QC, H3A 0G6, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Montréal in the Province of Quebec, this 23rd day of June 2014.


K. F. S. Limited
Insolvent Person

To be completed by Official Receiver:

Filing Date _____

Official Receiver

ANNEXE B

RICHTER

CANADA
Province of Ontario

SUPERIOR COURT OF JUSTICE
Commercial List
Bankruptcy and Insolvency Act

District of: Ontario
Division No. 12-Ottawa
Court No. 33-1884683
Estate No. 33-1884683

**Notice to Creditors of Intention to Make a Proposal
(Subsection 50.4(6))**

**In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario**

Notice is hereby given that, on June 24, 2014, the above-mentioned Debtor filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act*, as per a copy attached hereto.

Notice is further given that in accordance with Section 69 of the *Bankruptcy and Insolvency Act*, all proceedings against the Debtor are hereby stayed. Accordingly, no creditor has any remedy against the Debtor or its assets, nor shall it commence or continue any action, execution, or other proceedings for the recovery of a claim.

A list of the creditors with claims amounting to \$250 or more and the amounts of their claims as known or shown by the Debtor's books is annexed hereto. The enclosure thereof does not constitute the acceptance of any claim or claims.

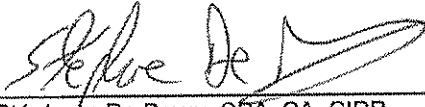
Upon the filing of the contemplated Proposal, a further notice shall be sent to the creditors providing:

- a) a copy of the Proposal;
- b) the date, time and place of a Meeting of Creditors to be held to consider the Proposal;
- c) a condensed statement of the assets and liabilities of the Debtor;
- d) the following prescribed forms, to be completed:
 - Proof of Claim;
 - Proxy;
 - Voting Letter on the Proposal.

Should the Debtor fail to file a Proposal within the prescribed delays, an automatic bankruptcy will ensue and the Trustee will forthwith convene a meeting of creditors.

Dated at Montréal, Province of Québec, June 30, 2014.

Richter Advisory Group Inc.
Trustee acting *in re* the proposal of
K. F. S. Limited


Stéphane De Broux, CFA, CA, CIRP
Administrator

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

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

Montréal, Toronto

(français - recto)



RICHTER

CANADA
Province de l'Ontario

COUR SUPÉRIEURE DE JUSTICE
Rôle commercial
Loi sur la faillite et l'insolvabilité

District de : Ontario
No division : 12-Ottawa
No cour : 33-1884683
No dossier : 33-1884683

**Avis aux créanciers de l'intention de faire une proposition
(Paragraphe 50.4(6))**

**Dans l'affaire de l'Avis d'intention de faire une proposition de
K. F. S. Limited
de la ville de Cornwall
en la province de l'Ontario**

Avis est par la présente donné que, le 24 juin 2014, la débitrice susmentionnée a déposé un Avis de l'intention de faire une proposition en vertu de la *Loi sur la faillite et l'insolvabilité*, dont copie est ci-jointe.

Avis est de plus donné qu'en conformité avec l'article 69 de la *Loi sur la faillite et l'insolvabilité*, toute procédure engagée contre la débitrice est suspendue. En conséquence, aucun créancier n'a de recours contre la débitrice ou contre ses biens, ni ne peut intenter ou continuer une action, exécution ou autre procédure pour le recouvrement de sa réclamation.

Une liste des créanciers ayant des réclamations de 250 \$ ou plus et le montant de ces réclamations, reflétées aux livres ou connues de la débitrice, est annexée aux présentes. Cette liste ne constitue pas l'acceptation d'une réclamation ou de réclamations.


Lors du dépôt de la proposition envisagée, un autre avis sera envoyé aux créanciers comprenant :

- a) une copie de la proposition;
- b) les date, lieu et heure de la tenue de l'assemblée des créanciers visant à considérer la proposition;
- c) un état succinct des avoirs et obligations de la débitrice;
- d) les documents prescrits suivants à être complétés :
 - preuve de réclamation;
 - procuration;
 - formulaire de votation sur la proposition.

Si la débitrice n'est pas en mesure de déposer une proposition dans les délais prescrits, la faillite sera déclarée automatiquement, et le syndic convoquera immédiatement une assemblée des créanciers.

Fait à Montréal, province de Québec, le 30 juin 2014.

Richter Groupe Conseil Inc.
Syndic agissant *in re* la proposition de
K. F. S. Limited


Stéphane De Broux, CPA, CA, CIRP
Administrateur

T. 514.934.3400
F. 514.934.8603
reclamations@richter.ca

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

(English - Over)



District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

Take notice that:

1. I, K. F. S. Limited, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc of 1981 avenue McGill College, 12e étage, Montréal, QC, H3A 0G6, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Montréal in the Province of Quebec, this 23rd day of June 2014.


K. F. S. Limited
Insolvent Person

To be completed by Official Receiver:

Filing Date _____

Official Receiver

District de:
No division:
No cour:
No dossier:

- FORMULAIRE 33 -
Avis de l'intention de faire une proposition
(paragraphe 50.4(1) de la Loi)

Dans l'affaire de l'Avis d'intention de faire une proposition de
K. F. S. Limited
de la ville de Cornwall
en la province de l'Ontario

Avis est donné de ce qui suit :

1. Je, K. F. S. Limited, personne insolvable signifie mon intention de faire une proposition à mes créanciers conformément au paragraphe 50.4(1) de la Loi.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc de 1981 avenue McGill College, 12e étage, Montréal, QC, H3A 0G6, syndic autorisé, a accepté d'exercer les fonctions de syndic dans le cadre de la proposition. Une copie de son acceptation est annexée au présent avis.
3. Une liste portant les noms des créanciers connus ayant des réclamations d'une valeur de 250 \$ ou plus ainsi que le montant de ces réclamations, est également annexée.
4. Conformément à l'article 69 de la Loi, les procédures engagées contre moi sont suspendues à compter de la date du dépôt du présent avis auprès du séquestre officiel de ma localité.

Daté le 23 juin 2014, à Montréal en la province de Québec.

(Signé)

K. F. S. Limited
Personne insolvable

À remplir par le séquestre officiel :

Date du dépôt _____

Séquestre officiel

| List of Creditors with claims of \$250 or more. | | | |
|---|--|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| 4264134 CANADA INC. | 225 A DE LIEGE OUEST MONTREAL QC H2P 1H4 | | 22,094.25 |
| 753704 ONTARIO LTD | 532 SIXTH ST COLLINGWOOD ON L9Y 3Y9 | | 5,320.99 |
| ADIDAS CANADA LTD. | 8100 HIGHWAY 27 WOODBIDGE ON L4H 3N2 | | 971.20 |
| ADORABLE JUNIOR GARMENT | 5290 THIMENS BLVD. VILLE ST-LAURENT QC H4R 2B2 | | 9,803.34 |
| AQUON VENTURES / PORTAGE STORE | P O BOX 1000 ALGONQUIN PARK ON P1H 2H4 | | 6,836.50 |
| ALFRED ANGELO INC. | UNIT 4-205 CHAMPAGNE DR. TORONTO ON M3J 2C6 | | 9,844.01 |
| ALIANTE TELEPHONE | P.O. BOX 2226, STN CENTRAL RPO HALIFAX NS B3J 3C7 | | 1,000.72 |
| ALPHI APPAREL GROUP INC. | 4334 RUE GARAND VILLE ST-AURENT QC H4R 2A3 | | 4,284.92 |
| AMEX BANK OF CANADA | CORPORATE SERVICE CENTRE PO BOX 2000 WEST HILL ON M1E 5H4 | | 45,028.06 |
| ANGO MODE IMPORT | 10301 COLBERT STREET MONTREAL QC H1J 2G5 | | 4,264.62 |
| ANUSCHKA | 2227 U.S. HIGHWAY ONE # 162 NORTH BRUNSWICK NJ 08902 USA | | 7,425.11 |
| B & M MARKETING (CANADA) INC. | 880 CRANBERRY COURT OAKVILLE ON L6L 6J7 | | 1,762.80 |
| BALLIN | 2825 BRABANT-MARINEAU MONTREAL QC H4S 1R8 | | 6,188.67 |
| BASLER NA WHOLESALE INC. | 499 SEVENTH AVE., 15TH FLOOR NEW YORK NY 10018 USA | | 26,577.93 |
| BELL CANADA | P.O.BOX 9000, STN DON MILLS NORTH YORK ON M3C 2X7 | | 1,458.51 |
| BENCH CRAFT LEATHER INC. | 1572 VICTORIA ST. NORTH KITCHENER ON N2B 3E5 | | 6,148.83 |
| BENISTI IMPORT INC | 1650 CHABANEL WEST MONTREAL QC H4N 3M8 | | 29,360.82 |
| BETA'S CHOICE | 1539586 ONTARIO INC. 45 MURAL ST. RICHMOND HILL ON L4B 1J4 | | 7,180.30 |

| List of Creditors with claims of \$250 or more. | | | |
|---|--|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| BILLABONG | 5825 KIERAN ST. VILLE ST-LAURENT QC H4S 0A3 | | 11,120.63 |
| BLUE RIVER TRADING | 16-240 VICEROY ROAD CONCORD ON L4K 3N9 | | 372.90 |
| BOS. & CO./602667 ONTARIO LTD. | 3375 NORTH SERVICE RD., UNIT A4 / A5 BURLINGTON ON L7N 3G2 | | 7,202.62 |
| BREVILLE CANADA L.P. | 3595 BOULEVARD COTE-VERTU SAINT LAURENT QC H4R 1R2 | | 3,961.89 |
| BROWNE & CO LTD | 100 ESNA PARK AVE MARKHAM ON L3R 1E3 | | 6,848.93 |
| BUFFALO INTERNATIONAL INC. | 100 - 400 RUE SAUVE OUEST MONTREAL QC H3L 1Z8 | | 14,647.33 |
| BUGATTI THE EUROPEAN BRAND (BRINKMANN) | 81 ST. REGIS CRESCENT S. TORONTO ON M3J 1Y6 | | 8,316.80 |
| BURLINGTON POST | 44 FRID ST. PO BOX 300 HAMILTON ON L8N 3G3 | | 1,130.00 |
| BYLYSE | DIVISION OF HAMMAX NORTH AMERICA INC. 393, BOUL. ROLAND DURAND ROSEMERE QC J7A 4K1 | | 11,579.50 |
| C & J CLARKE CANADA LTD. | P O BOX 3709 COMMERCE CRT POSTAL STATION TORONTO ON M5L 1K1 | | 2,192.64 |
| CABRELLI INC. | 9200 RUE MEILLEUR STREET MONTREAL QC H2N 2A9 | | 650.62 |
| CANADA GOOSE | 250 BOWIE AVENUE TORONTO ON M6E 4X6 | | 4,841.46 |
| CANFLOYD DIVISION OF CANDYM | 95 CLEGG ROAD MARKHAM ON L6G 1B9 | | 16,762.13 |
| CENTURY MECHANICAL SERVICES | 120-15 CAPELLA COURT NEPEAN ON K2E 7X1 | | 3,808.10 |
| CFBK-FM | VISTA RADIO LTD. 50-2 BALLS DR. BRACEBRIDGE ON P1L 1T1 | | 711.90 |
| CHAMBERS & SONS AGENTS LTD. | 86 SCOLLARD ST. TORONTO ON M5R 1G2 | | 17,920.27 |
| CITADIN | 9217, BOUL. LANGELIER MONTREAL QC H1P 3K9 | | 6,011.60 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| CITY OF TIMMINS | 220 ALGONQUIN BLVD., E. TIMMINS ON P4N 1B3 | | 1,333.00 |
| CJQQ-FM 92.1 | CASH MANAGEMENT DEPARTMENT 333 BLOOR STREET EAST TORONTO ON M4W 1G9 | | 994.40 |
| CKGB | CASH MANAGEMENT DEPARTMENT 333 BLOOR STREET EAST TORONTO ON M4W 1G9 | | 1,130.00 |
| COAST TO COAST TRADING LTD. | 2 - 91 TYCOS DRIVE TORONTO ON M6B 1W3 | | 5,589.55 |
| CODAV & FORSET | 904 - 433, RUE CHABANEL MONTREAL QC H2N 2J8 | | 4,186.76 |
| COLLECTIONS ANDRADE INC. | 800 SHERBROOKE ST., EAST MONTREAL QC H2L 1K3 | | 12,046.83 |
| COLLINS FORMAL WEAR | 297B ADELAIDE STREE SOUTH LONDON ON N5Z 3K7 | | 1,311.00 |
| COLLUS POWER CORP. | P.O. BOX 189, 43 STEWART RD. COLLINGWOOD ON L9Y 3Z5 | | 756.95 |
| COLUMBIA SPORTSWEAR | 1425 MAX BROSE DRIVE LONDON ON N6N 0A2 | | 11,289.34 |
| CONAIR CONSUMER PRODUCTS INC | P.O. BOX 57520, STATION A TORONTO ON M5W 5M5 | | 1,049.77 |
| CONRAD C. COLLECTION | 200 - 9320, RUE ST. LAURENT MONTREAL QC H2N 1N7 | | 41,995.56 |
| COPPLEY CORP. | 56 YORK BLVD. HAMILTON ON L8R 0A2 | | 1,328.88 |
| COUGAR SHOES INC. | 830 HARRINGTON COURT BURLINGTON ON L7N 3N4 | | 316.40 |
| COUNSELTRON LTD. | 18 - 100 TEMPO AVE., WEST TORONTO ON M2H 3S5 | | 6,185.52 |
| CROWN PACKAGING | 660 AVE. MELOCHE DORVAL QC H9P 2P4 | | 4,357.37 |
| CUISINOX | 525 FERNAND POITRAS TERREBONNE QC J6Y 1Y5 | | 2,961.14 |
| CUSHE | DIVISION OF WOLVERINE WORLDWIDE ULC 5800 KIERAN MONTREAL QC H4S 2B5 | | 12,203.19 |
| D.B. CLEANING & MAINTENANCE | 399 RAILWAY ST. TIMMINS ON P4N 2P5 | | 350.30 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| DAKINE - CANADA DIVISION | C/O 410380 P O BOX 2200 VANCOUVER BC V6B 3W2 | | 2,338.83 |
| DANESCO INC. | 18111 TRANS CANADA KIRKLAND QC H9J 3K1 | | 13,384.87 |
| DANICA | 1915 STAINSBURY AVENUE VANCOUVER BC V5N 2M6 | | 2,219.44 |
| DARTMOUTH CROSSING LIMITED | 34 LOGIEALMOND CLOSE DARTMOUTH NS B3B 0C8 | | 26,885.85 |
| DAVID SHAW TABLEWARE | 85 MARTIN ROSS AVE. DOWNSVIEW ON M3J 2L5 | | 7,183.53 |
| DBA APPAREL GROUP | 200 - 9600 MEILLEUR MONTREAL QC H2N 2E3 | | 17,995.58 |
| DEREK ALEXANDER GROUP INC. | 210 60TH AVE. S.W. CALGARY AB T2H 0A9 | | 1,977.39 |
| DEVANLAY CANADA INC. | 901 - 4200, BOUL SAINT LAURENT MONTREAL QC H2W 2R2 | | 34,830.13 |
| DEX BROTHERS LTD. | 800 - 390 RUE DESLAURIERS SAINT LAURENT QC H4N 1V8 | | 5,718.31 |
| DIVERSE GROUP | 730 ALEXANDER STREET VANCOUVER BC V6A 1E3 | | 4,210.83 |
| DORIS INC. | 3701 JARRY EST MONTREAL QC H1Z 2G1 | | 540.13 |
| DOUBLE J. FASHIONS | 5620 FERRIER STREET MONTREAL QC H4P 1M7 | | 421.77 |
| DOVE TALE COLLECTIONS | 2008 HOLLYBROOK CRESCENT GLOUCESTER ON K1J 7Y6 | | 411.89 |
| E. S. SPORT (4113993CANADA) | 707 - 555 CHABANEL WEST MONTREAL QC H2N 2H8 | | 24,277.37 |
| EAST POINT INC | P O BOX 1289 SAINT JOHN NB E2L 4G7 | | 15,417.49 |
| EASTAE OF SEDDY SPRINGER | 105 PRINCESS ST, PO BOX 1534 KINGSTON ON K7L 5C7 | | 6,753.51 |
| ED BATTAH & CO. | 1405 - 555, RUE CHABANEL MONTREAL QC H2N 2H8 | | 11,020.37 |
| ELEMENT | 5825 KIERAN ST-LAURENT QC H4S 0A3 | | 3,126.16 |
| ELIE TAHARI LTD | P.O. BOX 200767 PITTSBURGH PA 15251-0767 USA | | 5,522.34 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| ENBRIDGE CONSUMERS GAS | P.O. BOX 644 SCARBOROUGH ON M1K 5H1 | | 1,086.80 |
| ENBRIDGE GAS NEW BRUNSWICK | 201 - 440 WILSEY ROAD FREDERICTON NB E2B 7G5 | | 356.56 |
| ENERGY MIZERS | 3 BIRCH ST., NORTH TIMMINS ON P4N 6C8 | | 255.14 |
| EROS CLOTHING INC. | 41 VIA CRISTINA WAY WOODBRIEGE ON L4H 1R9 | | 3,220.50 |
| EUROMAX | 408 - 460 ST. CATHERINE OUEST MONTREAL QC H3B 1A7 | | 12,582.55 |
| EVCANA CLOTHING INC. | 413 - 9200 PARC MONTREAL QC H2N 1Z4 | | 16,939.55 |
| FAEMA | 201 - 672 DUPONT ST. TORONTO ON M6G 1Z6 | | 447.07 |
| FANCY LINENS & DOMESTICS LTD. | 8500 DARNLEY RD. MONTREAL QC H4T 1M5 | | 4,905.34 |
| FEMSTYLE INC | 3981, BOUL ST-LAURENT SUITE 03-105 MONTREAL QC H2W 1Y5 | | 29,301.76 |
| FIG CLOTHING | ZAM URBAN DYNAMICS INC. 4613, RUE LOUIS B. MAYER LAVAL QC H7P 6G5 | | 2,461.42 |
| FINE LINE IMPORTS | 206 - 160 TYCOS DRIVE TORONTO ON M6B 1W8 | | 36,455.39 |
| FIONA HANDBAGS | 120 - 160 TYCOS DR. TORONTO ON M6B 1W8 | | 2,820.48 |
| FOX RUN CRAFTSMEN | P.O. BOX 57652, POSTAL STATION A TORONTO ON M5W 5M5 | | 378.74 |
| FOXHEAD | 33 - 58 AERO DRIVE CALGARY AB T2E 8Z9 | | 11,476.27 |
| FRANK LYMAN DESIGNS | 2500 BOUL. DES SOURCES POINT CLAIRE QC H9R 0B3 | | 70,182.39 |
| FREEDOM VENDING | 369 ALGONQUIN BLVD., WEST. TIMMINS ON P4N 2S3 | | 393,654.26 |
| FREEMAN FORMALWEAR | 111 BARMANDSEY ROAD, TORONTO ON M4A 2T7 | | 3,665.19 |
| FREEMARK APPAREL BRANDS INC. | 5640 PARE MONTREAL QC H4P 2M1 | | 32,235.18 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| FROG POND HOLDINGS | 126 GLENCOE DRIVE MT. PEARL NL A1N 4S9 | | 5,567.50 |
| FROG POND HOLDINGS | 126 GIENCOE DRIVE MOUNT PEARL NL A1N 4S9 | | 9,228.34 |
| FULLUM & HOLT | 5700 FULLUM MONTREAL QC H2G 2H7 | | 1,429.45 |
| GARY MACINTOSH MARKETING LTD. | 302 KEEWATIN AVE. KITCHENER ON N2B 3W3 | | 621.50 |
| GENTRY (1978) INC. | 300 - 8920 PIE 1X BLVD. MONTREAL QC H1Z 4H9 | | 7,326.77 |
| GEOX CANADA INC. | 100 - 2110 MATHESON BLVD. EAST MISSISSAUGA ON L4W 5E1 | | 2,675.28 |
| GIFTCRAFT LTD. | 8550 AIRPORT RD BRAMPTON ON L6T 5A3 | | 2,912.48 |
| G-III APPAREL CANADA INC ULC | P.O. BOX 15379, STATION A TORONTO ON M5W 1C1 | | 15,735.60 |
| GLOBAL SHOE CONNECTION INC | 12391 NO. 5 ROAD RICHMOND BC V7A 4E9 | | 4,655.60 |
| GOURMET DU VILLAGE | 539 VILLAGE MORIN HEIGHTS QC J0R 1H0 | | 20,270.73 |
| GROUP YNA 7908741 CANADA INC. | 200 - 9600 MEILLEUR MONTREAL QC H2N 2E3 | | 18,594.76 |
| GROUPE CORWICK | 200 - 225,RUE CHABANEL OUEST MONTREAL QC H2N 2C9 | | 18,057.75 |
| GSUS CANADA LTD. | 543 RICHMOND ST., WEST P O BOX 202 TORONTO ON M5V 1Y6 | | 12,369.86 |
| GUESS ? CANADA CORP | C/O 911140 P.O. BOX 4090 STN A TORONTO ON M5W 0E9 | | 3,491.60 |
| GUNTHER MELE LIMITED | 30 CRAIG STREET BRANTFORD ON N3R 7J1 | | 1,011.36 |
| HEDEX FASHION GROUP INTERNATIONAL LTD | 329 - 1350 RUE MAZURETTE MONTREAL QC H4N 1G8 | | 3,770.81 |
| HIGH FASHION HANDBAGS | 3 - 30 LESMILL ROAD TORONTO ON M3B 2T6 | | 1,264.13 |
| HUGO BOSS CANADA INC. | C/O T9946 P.O. BOX 9946, STN A TORONTO ON M5W 2J2 | | 14,496.76 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| HUNTER BOOT CANADA INC. | C/O TH1241 P O BOX 4290 POSTAL STN A TORONTO ON M5W 0E1 | | 3,895.68 |
| HURLEY INTERNATIONAL, LLC | C/O 911920 P.O. BOX 4090 TORONTO ON M4W 0E9 | | 2,897.60 |
| HUSH PUPPIES COMPANY | DIVISION OF WOLVERINE WORLDWIDE CANADA ULC 5800 KIERAN MONTREAL QC H4S 2B5 | | 9,501.66 |
| HYDRO ONE NETWORKS INC. | BOX 4102, STATION A TORONTO ON M5W 3L3 | | 12,326.25 |
| IMP. LIL PAOLO INC. | 383 DEMERS LAVAL QC H7L 3C3 | | 4,341.75 |
| INDEKA IMPORTS | 2120 BRISTOL CIRCLE OAKVILLE ON L6H 5R3 | | 1,605.34 |
| INTS IT'S NOT THE SAME CANADA LTD | 4000-1 PLACE VILLE-MARIA MONTREAL QC H3B 4M4 | | 40,228.70 |
| ION-RAY COMPANY LTD. | 2 - 10 BRODIE DRIVE RICHMOND HILL ON L4B 3K8 | | 642.94 |
| JACK VICTOR LIMITED | 1250 SAINT ALEXANDRE STREET MONTREAL QC H3B 3H6 | | 17,179.29 |
| JAK'S | 2680-D, BOUL. WILFRED-HAMEL QUEBEC QC G1P 2J1 | | 636.76 |
| JANOR IMPORTS INC. | 500 - 416, BOUL. DE MAISONNEUVE OUEST MONTREAL QC H3A 1L2 | | 6,573.82 |
| JAYTEX OF CANADA LTD. | 29 GURNEY CRES. TORONTO ON M6B 1S9 | | 4,393.90 |
| JEANIOLOGIE | 8603880 CANADA INC. 4951, BOUL DE LA COTE-VERTU ST-LAURENT QC H4S 1E1 | | 8,851.09 |
| JIMLAR CORPORATION | 350 5TH AVE., 9TH FLOOR NEW YORK NY 10118 USA | | 1,276.00 |
| JOGI'S IMPORT AND DESIGN, INC. | P O BOX 10088 1735 KIPLING AVE. ETOBICOKE ON M9R 4E2 | | 676.87 |
| JONES APPAREL GROUP CANADA LP | 388 APPLEWOOD CRESC. VAUGHAN ON L4K 4B4 | | 10,934.63 |
| JOSEF SEIBEL | 1A - 15050 - 54A AVENUE SURREY BC V3S 5X7 | | 2,670.80 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| JOSEPH RIBKOFF INC. | 2375 DE L'AVIATION DORVAL QC H9P 2X6 | | 6,882.27 |
| KERBAL 375 BRANT LIMITED | 300 - 195 COUNTRY COURT BLVD BRAMPTON ON L6W 4P7 | | 4,034.95 |
| LAMPE BERGER | 330 - 3100, BOUL LE CARREFOUR LAVAL QC H7T 2K7 | | 24,859.19 |
| LANA LEE FASHIONS | 301 - 9400, BOUL ST. LAURENT MONTREAL QC H2N 1P3 | | 26,744.81 |
| LANG INVESTMENTS | 27 FIRST STREET EAST CORNWALL ON K6H 1K5 | | 6,544.98 |
| LASANIA | 709 - 555 CHABANEL WEST MONTREAL QC H2N 2H8 | | 4,369.56 |
| LES CHEMISES I. MILLER SHIRTS INC. | 150 MONTEE DE LIESSE VILLE ST- LAURENT QC H4T 1N6 | | 282.38 |
| LES IMPORTATIONS BOLIDE LTEE | 309 - 555 CHABANEL OUEST MONTREAL QC H2N 2H8 | | 18,190.41 |
| LES IMPORTATIONS JEREMY D LTEE | 200 - 9333 BOUL ST. LAURENT MONTREAL QC H2N 1P6 | | 29,694.79 |
| LES MODES ASM FASHIONS INC. | 400 - 9250 PARK AVE MONTREAL QC H2N 1Z2 | | 22,716.97 |
| LEVY CANADA FASHION COMPANY | 200 - 225 CHABANEL ST., WEST MONTREAL QC H2N 2C9 | | 8,574.52 |
| LILY MOSS | 1517 - 555, RUE CHABANEL OUEST MONTREAL QC H2N 2J2 | | 5,485.56 |
| LINE RONDEAU | 106 HUDSON CRESC. TIMMINS ON P4N 7R2 | | 265.00 |
| LINEA DOMANI | 1106 - 555 CHABANEL ST. WEST MONTREAL QC H2N 2H8 | | 29,148.83 |
| LINWOOD FASHIONS INC. | 155 BEAUBIEN WEST MONTREAL QC H2V 1C5 | | 3,621.08 |
| MAKOUJY SPORTSWEAR CANADA LTD. | 120 - 1980 SHERBROOKE ST. MONTREAL QC H3H 1E6 | | 4,693.95 |
| MARGARET M. | 805 - 225 CHABANEL ST. WEST MONTREAL QC H2N 2C9 | | 3,456.67 |
| MAVI JEANS | 580 INDUSTRIAL AVENUE VANCOUVER BC V6A 2P3 | | 19,224.94 |
| MCGREGOR INDUSTRIES | 70 THE EAST MALL ETOBICOKE ON M8Z 5W2 | | 3,080.90 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| MCINTOSH TRADING | 6 - 240 ENTREPRISE VARS ON K0A 3H0 | | 3,977.60 |
| MCNIVEN RANCH SUPPLY LTD.(MRSL) | BOX 867 BROOKS AB T1R 1B7 | | 2,194.42 |
| MERCANTILE TRADING CORP. | 603 - 9500, RUE MEILLEUR MONTREAL QC H2N 2B7 | | 4,588.05 |
| MERRELL FOOTWEAR | DIVISION OF WOLVERINE WORLDWIDE CANADA ULC 733 CHEMIN JEAN-ADAM SAINT-SAUVEUR QC J0R 1R3 | | 8,350.42 |
| MEXX CANADA INC. | 905 HODGE STREET VILLE ST-LAURENT QC H4N 2B3 | | 54,438.30 |
| MICHAEL KORS CANADA | 3424 SIMPSON ST. MONTREAL QC H3G 2J3 | | 14,451.78 |
| MICHAEL PHILLIPS LTEE | 501 - 433, RUE CHABANEL OUEST TOUR NORD MONTREAL QC H2N 2J5 | | 26,989.88 |
| MICHEL GERMAIN PARFUMS LTD. | 303 - 3335 YONGE ST. TORONTO ON M4N 2M1 | | 715.29 |
| MICROPLANE | GRACE MANUFACTURING INC 614 SR 247 RUSSELVILLE AR 72812-0 USA | | 2,357.68 |
| MITCHELL ACCESSORIES LTD. | #29 - 1550 BAYLY STREET PICKERING ON L1W 3W1 | | 1,287.07 |
| MODEXTILL | 5525 RUE PARE MONTREAL QC H4P 1P7 | | 3,171.91 |
| MODINNO ENTERPRISES | 206 - 4288 LOZELLS AVE. BURNABY BC V5A 0C7 | | 7,525.80 |
| MULTI TACT | 3360 SARTELON ST-LAURENT QC H4R 1E3 | | 1,135.65 |
| NATSUN AMERICA CO., LTD. | 4070 E. GREYSTONE DR., UNIT B ONTARIO CA 91761 | | 11,675.47 |
| NEW BALANCE CANADA INC. | C/O TH0068 P O BOX 4283 TORONTO ON M5W 5W6 | | 4,123.09 |
| NICOLE MILLER | 525 SEVENTH AVE. NEW YORK NY 10018 | | 8,244.75 |
| NIXON AGENCIES ALBERTA | 251 CEDARPARK DRIVE SW CALGARY AB T2W 2J5 | | 431.21 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| NORTH AMERICAN | 27 KELFIELD STREET TORONTO ON M9W 5A1 | | 11,248.58 |
| NORTHERN ONTARIO WIRES | ACC # 301570-00 BOX 640 COCHRANE ON P0L 1C0 | | 641.68 |
| NORTHERN TELEPHONE LIMITED | P.O. BOX 4000 NEW LISKEARD ON P0J 1P0 | | 1,139.17 |
| NOVA SCOTIA POWER INC. | P O BOX 848 HALIFAX NS B3J 2V7 | | 1,690.64 |
| NSI RETAIL | 14 - 1675 SISIMET ROAD MISSISSAUGA ON L4W 4K8 | | 1,760.54 |
| OAKLEY CANADA | 2660 DIAB VILLE ST-LAURENT QC H4S 1E8 | | 9,754.34 |
| OGILVIE REALTY | 1475 CARLING AVE OTTAWA ON K1Z 7L9 | | 10,075.82 |
| ORLY CUISINE | 6665 JEANNE MANCE MONTREAL QC H2V 4L1 | | 13,976.46 |
| OTTAWA CITIZEN | C/O POSTMEDIA PAYMENT CENTRE 1450 DON MILLS ROAD TORONTO ON M3B 2X7 | | 4,098.51 |
| OTTAWA HYDRO | 3025 ALBION RD. NORTH PO BOX 8700 OTTAWA ON K1G 3S4 | | 908.95 |
| PAN GROUP PROPERTIES | P O BOX 778 PORT PERRY ON L9L 1A7 | | 20,261.53 |
| PAPILLON INTERNATIONAL INC. | 5595 PAPINEAU MONTREAL QC H2H 1W3 | | 2,827.26 |
| PARKHURST | 20 RESEARCH RD., TORONTO ON M4G 2G6 | | 25,011.71 |
| PAZAZZ | 5584 COTE DE LIESSE MONTREAL QC H4P 1A9 | | 730.55 |
| PEOPLE FOR PEACE | 128 DESLAURIERS SAINT-LAURENT QC H4N 1V8 | | 1,474.65 |
| PIERCE'S MECHANICAL | 121 - 70-C MOUNTJOY ST.NORTH TIMMINS ON P4N 4V7 | | 546.92 |
| PLATINUM FASHIONS 2000 INC. | 300 - 8920, BOUL PIE IX MONTREAL QC H1Z 4H9 | | 1,141.19 |
| POINT ZERO GIRLS CLUB | 1650 CHABANEL WEST MONTREAL QC H4N 3M8 | | 59,190.76 |

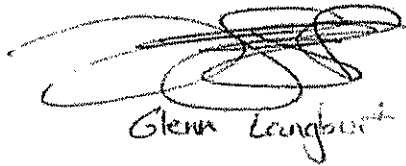
| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| PONY RIDE | 405 - 225 CHABANEL WEST MONTREAL QC H2N 2C9 | | 15,838.24 |
| PORT-STYLE ENTERPRISES INC. | 2 - 1405 DENISON STREET MARKHAM ON L3R 5V2 | | 9,838.97 |
| PUMA CANADA (A.T.A. INC.) | 2315 COHEN ST. VILLE ST-LAURENT QC H4R 2N7 | | 4,131.09 |
| PUROLATOR FREIGHT | ATT: CATHY PILEGGE ACCOUNTS RECEIVABLE REXDALE ON M9W 4W7 | | 271.40 |
| PYA IMPORTER LTD. | 15 APEX RD. NORTH YORK ON M6A 2V6 | | 11,618.75 |
| QUIKSILVER CANADA CORP. | UNIT 120 -890 HARBOURSIDE DR. NORTH VANCOUVER BC V7P 3T7 | | 12,989.64 |
| RAILTOWN APPAREL GROUP LTD. | 730 ALEXANDER ST. VANCOUVER BC V6A 1E3 | | 28,569.31 |
| RALPH LAUREN CANADA LP | 801 - 2 QUEEN STREET EAST TORONTO ON M5C 3G7 | | 118,090.34 |
| RAYMARK XPERT BUSINESS SYSTEMS | 5460, COTE DE LIESSE ROYALMOUNT QC H4P 1A5 | | 5,723.20 |
| RD INTERNATIONAL | 200 - 5275 FERRIER MONTREAL QC H4P 1L7 | | 7,595.72 |
| REBEL JEANS CO. LTD. | 801 - 1625 CHABANEL STREET WEST MONTREAL QC H4N 2S7 | | 30,762.13 |
| REEF | VF OUTDOOR (CANADA) INC T6106 TORONTO ON M4Y 2Z2 | | 5,376.99 |
| RELAXUS PRODUCTS LTD. | 1590 POWELL ST. VANCOUVER BC V5L 1H3 | | 6,105.60 |
| RIEKER SHOE CANADA LTD. | 190 MILLWAY AVE UNIT 3-4 CONCORD ON L4K 3W4 | | 6,517.96 |
| RIO CAN PROPERTIES | 1239 DONALD STREET OTTAWA ON K1J 8W3 | | 22,030.29 |
| RODD & GUNN NEW ZEALAND LIMITED | LEVEL 1, 326 NEW NORTH ROAD AUCKLAND, 1020, NEW ZEALAND | | 9,214.00 |
| S. COHEN INC. | 153 GRAVELINE MONTREAL QC H4T 1R4 | | 1,094.41 |
| S. OLIVER CANADA | 500 - 416, BOUL DE MAISONNEUVE OUEST MONTREAL QC H3A 1L2 | | 9,097.12 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| SAINT JAMES USA CORP. | 247 W 35TH STREET, 16TH FLOOR NEW YORK NY 10001 USA | | 15,995.09 |
| SAINT JOHN ENERGY | P.O. BOX 850 SAINT JOHN NB E2L 4C7 | | 1,130.40 |
| SANDSTYLE CANADA GROUP INC. | 900 - 433 CHABANEL OUEST MONTREAL QC H2N 2J8 | | 69,118.04 |
| SAVRON CLOTHES LTD | 201 - 160, RUE SAINT VIATEUR EST MONTREAL QC H2T 1A8 | | 1,038.47 |
| SAXX UNDERWEAR CO., LTD. | 68 WEST 5TH AVE. VANCOUVER BC V5Y 1H6 | | 2,508.64 |
| SBO DISTRIBUTORS LTD. | 2195 SHAFTON PLACE WEST VANCOUVER BC V7V 3B2 | | 3,000.00 |
| SCANIA INTERNATIONAL INC. | 225 O. RUE CHABANEL ST. W SUITE #505 MONTREAL QC H2N 2C9 | | 6,192.40 |
| SCHWARTZ IMPORT & DESIGN CO., LTD. | P.O. BOX 38155 DARTMOUTH NS B3B 1X2 | | 2,120.26 |
| SE CE APPAREL CO. LTD. | 6445 COTE-DE-LIESSE VILLE ST. LAURENT QC H4T 1E5 | | 8,009.36 |
| SECOND CLOTHING | 115 - 1825 CHABANEL WEST MONTREAL QC H4N 2S7 | | 11,874.40 |
| SERUM INTERNATIONAL INC. | 4400 AUTOROUTE CHOMEDEY LAVAL QC H7R 6E9 | | 2,544.06 |
| SHERSON GROUP | 100 - 1446 DON MILLS ROAD TORONTO ON M3B 3N6 | | 1,494.18 |
| SIGA INTERNATIONAL | 81 ST. REGIS CRESCENT S., TORONTO ON M3J 1Y6 | | 90,429.29 |
| SILVER FOREST OF VERMONT INC. | 40 INDUSTRIAL DR. BELLOWS FALLS VT 04101 USA | | 971.33 |
| SKECHERS CANADA INC. | C/O TH1024 P.O. BOX 4283 POSTAL STN A TORONTO ON M5W 5W6 | | 9,983.75 |
| SKY REACH PROPERTY SERVICES | 51 - 10 AKERLEY BLVD. DARTMOUTH NS B3B 1J4 | | 338.27 |
| SPANNER LIMITED | 334A MANITOU DR. KITCHENER ON N2C 1L3 | | 35,881.93 |
| SPERRY TOP SIDER | DIVISION OF WOLVERINE WORLDWIDE CANADA ULC POSTAL STATION A TORONTO ON M5W 1C1 | | 7,596.99 |

| List of Creditors with claims of \$250 or more. | | | |
|---|--|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| SPORTABLES FINE CLOTHING | 2 - 75 SHIELDS COURT MARKHAM ON L3R 9T4 | | 2,247.27 |
| SPORTS ART COLLECTION | 35 EAST BEAVER CREEK RD. UNIT 1A - 2 RICHMOND HILL ON L4B 1B3 | | 4,000.00 |
| STAPLES | DESJARDINS CARD SERVICES ACCOUNT # 4530 9412 8741 5000 MONTREAL QC H3C 3V2 | | 787.64 |
| STEVE MADDEN CANADA | 2328 RUE COHEN STREET ST LAURENT QC H4R 2N8 | | 1,765.51 |
| STUDIO MODE | 400 - 416, BOUL. DE MAISONNEUVE OUEST MONTREAL QC H3A 1L2 | | 18,727.81 |
| SUNLIFE BENTALL RETAIL SERVICES | CLOVERDALE MALL ETOBICOKE ON M9B 3Y8 | | 16,208.96 |
| SUPREME 75 INC. | 400 - 433 CHABANEL OUEST MONTREAL QC H2N 2J4 | | 4,121.11 |
| SUZANNE AZOULAY INC. | BEGAIN 555 CHABANEL MONTREAL QC H2N 2H8 | | 16,163.75 |
| SWISSMAR IMPORTS | 6 -35 E. BEAVER CREEK ROAD RICHMOND HILL ON L4B 1B3 | | 2,144.86 |
| T.LIPSON & SONS LTD | 190 NORSEMAN STREET TORONTO ON M8Z 2R4 | | 8,777.50 |
| TAGGART REALTY | 708 - 225 METCALF STREET OTTAWA ON K2P 1P9 | | 23,051.47 |
| TANGO MANGO | 7761198 CANADA INC. 109 - 3900 PLACE DE JAVA BROSSARD QC J4Y 0C4 | | 25,602.85 |
| TEBBY AIR CONDITIONING | 496 MUSKOKA RD. 3 N., BLDG. B. HUNTSVILLE ON P1H 1T4 | | 398.71 |
| THE ENDORPHIN GROUP INC. | 200 - 2045 FRANCIS ST-HUBERT QC J4T 0A6 | | 762.75 |
| THE METROPOLITAN TEA CO. LTD | 41A BUTTERICK RD. TORONTO ON M8W 4W4 | | 11,491.13 |
| THE NORTH FACE-CANADA | T6106, PO BOX 6100, POSTAL STATION F TORONTO ON M4Y 2Z2 | | 53,421.52 |
| THEORY | 155 BEAUBIEN ST., WEST MONTREAL QC H2V 1C5 | | 1,614.00 |

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| THROAT THREADS APPAREL INC. | 1134 PLAINS ROAD EAST BURLINGTON ON L7S 1W6 | | 22,930.25 |
| TILLEY ENDURABLES INC. | 60 GERVAIS DRIVE TORONTO ON M3C 1Z3 | | 8,855.30 |
| TIMBERLAND CANADA CO. | C/O 911610 P O BOX 4090 STN A TORONTO ON M5W 0E9 | | 2,824.09 |
| TIME BOMB TRADING | 8067 NORTH FRASER WAY BURNABY BC V5J 5M8 | | 3,235.91 |
| TOMLINSON ENVIRONMENTAL SERVICES LTD. | 970 MOODIE DR. OTTAWA ON K2R 1H3 | | 304.15 |
| TOMMY BAHAMA CANADA | 29 GURNEY CRESCENT TORONTO ON M8B 1S9 | | 73,658.19 |
| TREND MARKETING | 1379823 ONTARIO LTD. 1500 LODESTAR ROAD TORONTO ON M3J 3C1 | | 11,067.22 |
| TRIBAL SPORTSWEAR INC. | 300 - 7445, CHEMIN DE LA COTE -DE-LIESSE ST LAURENT QC H4T 1G2 | | 34,534.71 |
| TRIOVEST REALTY | 211 - 1595 BEDFORD HIGHWAY BEDFORD NS B4A 3Y4 | | 5,746.80 |
| TRIOVEST REALTY | 211 - 1595 BEDFORD HIGHWAY BEDFORD NS B4A 3Y4 | | 20,686.76 |
| TRIPLE 5 | 805 - 555, RUE CHABENAL OUEST MONTREAL QC H2N 2H8 | | 4,184.39 |
| TT BLUES CANADA INC., | 140 FINCHAM AVE. MARKHAM ON L3P 4A9 | | 10,540.22 |
| UNDER ARMOUR CANADA ULC | 1 - 215 SHIELDS COURT MARKHAM ON L3R 8V2 | | 85,766.90 |
| UNION GAS LIMITED | P.O. BOX 2025 CHATHAM ON N7M 6C7 | | 455.71 |
| UPPER CANADA SOAP & CANDLE | 1510 CATERPILLAR ROAD MISSISSAUGA ON L4X 2W9 | | 10,492.79 |
| UTILITIES KINGSTON | P.O.BOX 790 KINGSTON ON K7L 4X7 | | 1,178.25 |
| V. FRAAS MFG. INC. | 44 SAMOR ROAD TORONTO ON M6A 1J6 | | 3,661.20 |
| VANS | VF OUTDOOR (CANADA) INC. T6106 P. O. BOX 6100 TORONTO, ON M4Y 2Z2 | | 6,942.94 |

| List of Creditors with claims of \$250 or more. | | | |
|---|--|----------|---------------------|
| Creditor | Address | Account# | Claim Amount |
| VENETO | 8320 DECARIE BLVD. MONTREAL QC H4P 2P6 | | 861.63 |
| VERIDIAN | 200 - 1465 PICKERING PARKWAY PICKERING ON L1V 7G7 | | 1,230.77 |
| WATERLOO NORTH HYDRO INC. | P.O. BOX 640 300 NORTHFIELD DR., E. WATERLOO ON N2J 4A3 | | 2,446.54 |
| WESTERN GLOVE WORKS | P.O. BOX 8919, STATION A TORONTO ON M5W 2C5 | | 14,415.90 |
| WEYCO GROUP INC. | 100 - 8205, BOUL MONTREAL-TORONTO MONTREAL -WEST QC H4X 1N1 | | 4,169.69 |
| WOOD WYANT INC. | 27 FIELDING AVE DARTMOUTH NS B3B 1C9 | | 296.45 |
| WOOLRICH | 1880 32ND AVE LACHINE QC H8T 3J7 | | 36,337.43 |
| ZWILLIG J.A. HENCKELS | 435 COCHRANE DRIVE MARKHAM ON L3R 9R5 | | 2,442.73 |
| Total | | | 3,179,445.67 |



Glenn Longbrake

- Proposal Consent -
In the Matter of the Notice of Intention to
Make a Proposal of K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

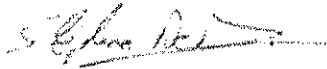
To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of K. F. S. Limited.

Dated at the City of Montréal in the Province of Quebec, this 23rd day of June 2014.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustee

Per:



Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12th Floor
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

- Consentement -

Dans l'affaire de l'Avis d'intention de faire une proposition de
K. F. S. Limited
de la ville de Cornwall
en la province de l'Ontario

À qui de droit,

Nous consentons par la présente, à agir comme syndic, d'après la Loi sur la faillite et l'insolvabilité, à la présente proposition de K. F. S. Limited.

Daté le 23 juin 2014, à Montréal en la province de Québec.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Syndic
Par:

(Signé)

Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Téléphone: (514) 934-3400 Télécopieur: (514) 934-8603



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

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

K. F. S. Limited
Insolvent Person

**RICHTER ADVISORY GROUP INC / RICHTER GROUPE
CONSEIL INC.**
Trustee

Date of the Notice of Intention: June 24, 2014

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.

Date: June 25, 2014, 10:23

E-File/Dépôt Electronique

Official Receiver

Place Bell Canada, 160 Elgin Street, 11th Floor, Suite B-100, Ottawa, Ontario, Canada, K2P2P7, (877)376-9902

Canada



Industrie Canada

Industry Canada

Bureau du surintendant
des faillites Canada

Office of the Superintendent
of Bankruptcy Canada

District de : Ontario
No division : 12 - Ottawa
No cour : 33-1884683
No dossier : 33-1884683

Dans l'affaire de l'avis d'intention de faire une
proposition de :

K. F. S. Limited
Personne insolvable

**RICHTER ADVISORY GROUP INC / RICHTER GROUPE
CONSEIL INC.**
Syndic

Date de l'avis d'intention : 24 juin 2014

CERTIFICAT DE DÉPÔT D'UN AVIS D'INTENTION DE FAIRE UNE PROPOSITION
paragraphe 50.4(1)

Je soussigné, séquestre officiel pour ce district de faillite, certifie par les présentes que la personne insolvable susmentionnée a déposé un avis d'intention de faire une proposition en vertu du paragraphe 50.4(1) de la *Loi sur la faillite et l'insolvabilité*.

Conformément au paragraphe 69(1) de la Loi, toutes les procédures contre la personne insolvable susmentionnée sont suspendues à compter de la date du dépôt de l'avis d'intention.

Date: 25 juin 2014, 10:23

E-File/Dépôt Electronique

Séquestre officiel

Place Bell Canada, 160 Elgin Street, 11th Floor, Suite B-100, Ottawa Canada, K2P2P7, (877)376-9902

Canada

ANNEXE C

District of: Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

-- FORM 29 --

Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

The attached statement of projected cash flow of K. F. S. Limited, as of the 2nd day of July 2014, consisting of the period from July 1 to July 31, 2014, has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 3rd day of July 2014.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustee

Per:



Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

Purpose:

K. F. S. Limited filed a Notice of Intention to Make a Proposal on June 24, 2014. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of K. F. S. Limited (the "Company"), for the period from July 1 to July 31, 2014, relating to the filing of a Notice of Intention to Make a Proposal on June 24, 2014.

This Statement of Projected Cash Flow has been prepared by management on July 2, 2014, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from July 1 to July 31, 2014, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

Projected Cash Receipts

The projected cash receipts have been conservatively estimated by management, based upon the collection experience of the Company.

(b) Projected Cash Disbursements


The projected cash disbursements have been estimated based upon historical data adjusted to reflect the current level of activity and best estimates of the Company;

The current government remittances for source deductions and sales taxes have been included in the disbursement assumptions.

Dated at the City of Montréal in the Province of Quebec, this 3rd day of July 2014.

Richter Advisory Group Inc/Richter Groupe Conseil Inc - Trustee

Per:



Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

The management of K. F. S. Limited, has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 2nd day of July 2014, consisting of the period from July 1 to July 31, 2014.

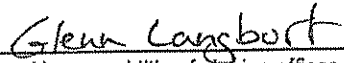
The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 3rd day of July 2014.


K. F. S. Limited
Debtor


Name and title of signing officer

Name and title of signing officer

District of: Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

FORM 30 - Attachment
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

Purpose:

K. F. S. Limited filed a Notice of Intention to Make a Proposal on June 24, 2014. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of K. F. S. Limited (the "Company"), for the period from July 1 to July 31, 2014, relating to the filing of a Notice of Intention to Make a Proposal on June 24, 2014.

This Statement of Projected Cash Flow has been prepared by management on July 2, 2014, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from July 1 to July 31, 2014, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

Projected Cash Receipts

The projected cash receipts have been conservatively estimated by management, based upon the collection experience of the Company.

(b) Projected Cash Disbursements

The projected cash disbursements have been estimated based upon historical data adjusted to reflect the current level of activity and best estimates of the Company;


The current government remittances for source deductions and sales taxes have been included in the disbursement assumptions.

Dated at the City of Montréal in the Province of Quebec, this 3rd day of July 2014.

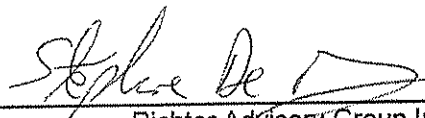

K. F. S. Limited

K.F.S. Limited
Statement of projected cash-flow
For the 31 day period ending July 31, 2014
(in 000's)

| | <i>month ending:</i> | Jul-14 |
|---------------------------|----------------------|----------------|
| Receipts | \$ | 1,290 |
| Disbursements | | |
| Operations | | 605 |
| Administration | | 116 |
| Restructuring expenses | | <u>80</u> |
| | | 801 |
| Net cash-flow | | 489 |
| Opening bank indebtedness | | <u>(1,757)</u> |
| Closing bank indebtedness | \$ | <u>(1,268)</u> |



Glenn Langburt
K.F.S. Limited



Richter Advisory Group Inc.

ANNEXE D

District of: Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

-- FORM 29 --

Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

The attached statement of projected cash flow of K. F. S. Limited, as of the 15th day of July 2014, consisting of the period from August 1 to September 30, 2014, has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 15th day of July 2014.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustee
Per:

Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

Purpose:

K. F. S. Limited filed a Notice of Intention to Make a Proposal on June 24, 2014. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of K. F. S. Limited (the "Company"), for the period from August 1 to September 30, 2014, relating to the filing of a Motion to extend the delay to make a proposal.

This Statement of Projected Cash Flow has been prepared by management on July 15, 2014 based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from August 1 to September 30, 2014, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) Projected Cash Receipts

The projected cash receipts are estimated by management, based upon the collection experience of the Company.

(b) Projected Cash Disbursements

The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company;

The current government remittances for source deductions and sales taxes are included in the disbursement assumptions.

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 15th day of July 2014.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustee

Per:

Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

The management of K. F. S. Limited, has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 15th day of July 2014, consisting of the period from August 1 to September 30, 2014.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Timmins in the Province of Ontario, this 15th day of July 2014.


K. F. S. Limited
Debtor

Glenn Langburt, Controller
Name and title of signing officer

District of: Ontario
Division No. 12 - Ottawa
Court No. 33-1884683
Estate No. 33-1884683

FORM 30 - Attachment
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
K. F. S. Limited
Of the City of Cornwall
In the Province of Ontario

Purpose:

K. F. S. Limited filed a Notice of Intention to Make a Proposal on June 24, 2014. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of K. F. S. Limited (the "Company"), for the period from August 1 to September 30, 2014, relating to the filing of a Motion to extend the delay to make a proposal.

This Statement of Projected Cash Flow has been prepared by management on July 15, 2014 based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from August 1 to September 30, 2014, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) Projected Cash Receipts

The projected cash receipts are estimated by management, based upon the collection experience of the Company.

(b) Projected Cash Disbursements

The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company;

The current government remittances for source deductions and sales taxes are included in the disbursement assumptions.

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Timmins in the Province of Ontario, this 15th day of July 2014.


K. F. S. Limited

K.F.S. Limited
Statement of projected cash-flow (note 1)
For the period ending September 30, 2014
(in 000's)

| | <i>month ending:</i> | |
|---------------------------|----------------------|-------------------|
| | Aug-14 | Sep-14 |
| Receipts | \$ 1,200 | \$ 1,120 |
| Disbursements | | |
| Operations | 954 | 946 |
| Administration | 104 | 102 |
| Restructuring expenses | 50 | 70 |
| | <u>1,108</u> | <u>1,118</u> |
| Net cash-flow | 92 | 2 |
| Opening bank indebtedness | <u>(1,733)</u> | <u>(1,642)</u> |
| Closing bank indebtedness | <u>\$ (1,642)</u> | <u>\$ (1,640)</u> |

Note 1: This statement of projected cash-flow combines the operations of K.F.S. Limited, Nathar Limited and 2726556 Canada Inc.



 Glenn Langburt
 K.F.S. Limited

 Richter Advisory Group Inc.

