

Mademoiselle Charmante Inc. / 3017320 Canada Inc.
9475 Meilleur, Suite 600
Montréal, QC H2N 2E1

November 22, 2007

**To the Creditors of Mademoiselle Charmante Inc. and 3017320 Canada Inc. ("the Companies")
(operating under the banners Charmante, Charmante Petite, Colette, Cliquot, Charlette and Cadence Petite)**

It is with tremendous regret that we are writing this letter to you today. Many of you are aware that we have been in the retail business for greater than 40 years and are extremely proud of the manner in which we conducted our operations.

In the last several years we encountered poor business conditions which has resulted in significant losses and has put the Companies into financial difficulty. In addition, our efforts to sell the Companies on a going concern basis have not been successful. These deteriorating conditions and unfavourable prospects brought us to conclude that we should wind down our business in an orderly fashion in an attempt to maximize realization. However, it became clear to us that there would be insufficient realization from the assets of the Companies to repay our creditors and, as a result, the Companies were obliged to seek protection under the *Bankruptcy and Insolvency Act* and to file a Notice of Intention to Make a Proposal.

We have had an excellent relationship with all our suppliers during the past 40 years and would like to see our suppliers receive some payment upon the wind down of our operations. In this regard, we are in the process of determining an appropriate Proposal to our suppliers. Should the Proposals of both Companies be accepted, a formal bankruptcy would be avoided, which would be beneficial to all creditors as it is anticipated that the suppliers would receive a greater realization from an accepted Proposal than from a formal Bankruptcy.

We thank you for your support over the last 40 years and we remain,

Yours very truly,

Mademoiselle Charmante Inc. / 3017320 Canada Inc.



Harvey Korn, President

RSM Richter Inc.

RSM Richter Inc.

2, Place Alexis Nihon
Montréal (Québec) H3Z 3C2
Téléphone / Telephone : (514) 934-3497
Télécopieur / Facsimile : (514) 934-3504
www.rsmrichter.com

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION NO.: 01-MONTREAL
COURT NO.: 500-11-031906-072
ESTATE NO.: 41-1015325

SUPERIOR COURT
(Commercial Division)

IN THE MATTER OF THE PROPOSAL OF:

3017320 Canada Inc.

a body politic and corporate, duly incorporated
according to law and having its head office and its
principal place of business at:
9475 Meilleur Street
Suite 600
Montréal QC H2N 2E1

Debtor

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

NOTICE is hereby given that on November 20, 2007, 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 necessarily constitute the acceptance of any claim or claims.

Upon the filing of the contemplated Proposal, a **further** notice shall be mailed to you providing you with the following:

- 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.

(français - au recto)

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 Montreal, Quebec, this 22nd day of November, 2007.

RSM Richter Inc.
Trustee

A handwritten signature in black ink, appearing to read "Eric A. Rodier". The signature is written in a cursive, flowing style.

Eric A. Rodier, MBA, CA
Administrator

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PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION NO.: 01-MONTREAL
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3017320 Canada Inc.

a body politic and corporate, duly incorporated according to
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Debtor

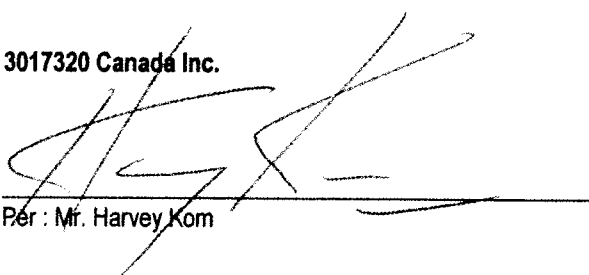
**Notice of Intention to Make a Proposal
(Subsection 50.4(1) of the Act)**

Take notice that:

1. We, 3017320 Canada Inc., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that we intend to make a proposal to our creditors.
2. RSM Richter Inc., 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 us are stayed as of the date of filing of this notice with the official receiver in our locality.

Dated at Montreal, Quebec, this 20th day of November, 2007.

3017320 Canada Inc.


Per : Mr. Harvey Kom

To be completed by Official Receiver

Filing Date: _____

Official Receiver: _____



Office of the Superintendent
of Bankruptcy Canada

An Agency of
Industry Canada

Bureau du surintendant
des faillites Canada

Un organisme
d'Industrie Canada

District of Québec
Division No. 01 - Montreal
Court No. 500-11-031906-072
Estate No. 41-1015325

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

3017320 Canada Inc.
Insolvent Person

RSM RICHTER INC.
Trustee

Date of the Notice of Intention: November 20, 2007

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: November 20, 2007, 11:21

E-File/Dépôt Electronique

Official Receiver

, 5, Place Ville Marie, 8e étage, Montréal, Québec, Canada, H3B2G2, (514)283-6192

Canada

RSM Richter Inc.

RSM Richter inc.

2, Place Alexis Nihon
Montréal (Québec) H3Z 3C2
Téléphone / Telephone : (514) 934-3497
Télexcopieur / Facsimile : (514) 934-3504
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CANADA
PROVINCE OF QUEBEC
DISTRICT OF QUÉBEC
DIVISION NO.: 01-MONTREAL
COURT NO.:
ESTATE NO.:

SUPERIOR COURT
(Commercial Division)

IN THE MATTER OF THE PROPOSAL OF:


3017320 Canada Inc.

a body politic and corporate, duly incorporated
according to law and having its head office and its
principal place of business at:
9475 Meilleur Street
Suite 600
Montréal QC H2N 2E1

Debtor

We hereby agree to act as the Trustee to the Proposal to be filed by the above-named Debtor,
this 20th day of November, 2007.

RSM Richter Inc.
Trustee



Per: Eric A. Rodier, MBA, CA, Administrator

**RSM Richter Inc., Syndic/Trustee
Liste des créanciers/Creditors List**

**Dans l'affaire de l'avis d'intention de faire une proposition de / In the Matter of notice of intention to make a proposal of
3017320 CANADA INC.**

| Nom / Name | Adresse / Address | Montant / Amount |
|--|---|-----------------------------|
| Créanciers chirographaires / Ordinary Creditors | | |
| 20 VIC MANAGEMENT | 2277 RIVERSIDE DR. EAST SUITE 208 OTTAWA ON K1H 7L3 | Unknown |
| BELL CANADA (REFERENCE 53) | C.P. 9000 SUCCURSALE DON MILLS NORTH YORK ON M5C 2X7 | Unknown |
| COMINAR | 455 RUE DU MARAIS QUÉBEC QC G1M 3A2 | Unknown |
| CSPAAT | C.P. 4115 STATION A TORONTO ON M5W 2V3 | Unknown |
| CSST | TOUR SUD, 31E ÉTAGE 1 COMPLEXE DESJARDINS MONTRÉAL QC H5B 1H1 | 456.75 |
| DIRECT ENERGY | 30 HIGH MEADOW PLACE TORONTO ON M9L 2Z5 | 1,505.14 |
| ENBRIDGE | P.O. BOX 644 SCARBOROUGH ON M1K 5H1 | Unknown |
| FIRST CHOICE WINDOW | P.O. BOX 7096 OTTAWA ON K1L 8E2 | 519.40 |
| GAZIFÈRE | 706 BOUL. GRÉBER GATINEAU QC J8V 3P8 | Unknown |
| HYDRO-OTTAWA | P.O. BOX 4483 STATION A TORONTO ON M5W 5Z1 | 3,807.52 |
| IVANHOE CAMBRIDGE | 100 BAYSHORE DR. OTTAWA ON K2B 8C1 | Unknown |
| PROMENADES DE L'OUTAOUAIS | 1100 BOUL. MALONEY OUEST GATINEAU QC J8T 6G3 | Unknown |
| PROTECTION INCENDIE VIKING | 1935 BOUL. LIONEL-BERTRAND BOISBRIAND QC J7H 1N8 | Unknown |
| VIKING RIDEAU CENTER | 50 RIDEAU STREET SUITE 300 OTTAWA ON K1N 9J7 | Unknown |
| Créanciers chirographaires / Ordinary Creditors | | <hr/> 6,288.81 |
| Grand Total | | <hr/> <hr/> 6,288.81 |