

RICHTER

CANADA
Province of Quebec
District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-043786-124
Estate No.: 41-1695261

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

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

**In the Matter of the Proposal of
Sixty Canada Inc.
Of the City of Montréal
In the Province of Quebec**

Take notice that Sixty Canada Inc., of the City of Montréal, in the Province of Quebec, has lodged with us a proposal under the Bankruptcy and Insolvency Act.

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

A general meeting of the creditors will be held at the Office of the Superintendent of Bankruptcy, 5 Place Ville Marie, 8th Floor, Montréal QC H3B 2G2 on January 30, 2013 at 11:00 a.m.

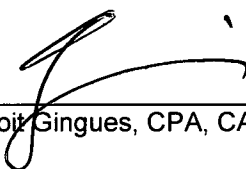
The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Take notice that, if the proposal is accepted by the creditors at the meeting held on January 30, 2013, an application will be made to the court, Quebec Superior Court, judicial district of Montréal, 1 Notre-Dame Street E., Room 16.10, Montréal QC H2Y 1B6, on February 21, 2013 at 9:15 a.m. to approve the proposal of Sixty Canada Inc.

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

Dated at Montréal in the Province of Quebec, January 18, 2013.

Richter Advisory Group Inc.
(formerly RSM Richter Inc. – Trustee)
Per:


Benoit Gingues, CPA, CA, CIRP

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

Richter Advisory Group Inc.
(formerly RSM Richter Inc.)
1981 McGill College
Montréal (QC) H3A 0G6

Member
RSM International
Montréal, Toronto



District of: Quebec
 Division No. 01 - Montréal
 Court No. 500-11-043786-124
 Estate No. 41-1695261

Original Amended

-- Form 78 --
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)
 In the Matter of the Notice of Intention to make a Proposal of
 Sixty Canada Inc.
 Of the City of Montréal
 In the Province of Quebec

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 10th day of December 2012. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	ASSETS (as stated and estimated by the officer)
1. Unsecured creditors as per list "A" <u>7,328,060.63</u>	1. Inventory <u>0.00</u>
Balance of secured claims as per list "B" <u>0.00</u>	2. Trade fixtures, etc. <u>0.00</u>
Total unsecured creditors <u>7,328,060.63</u>	3. Accounts receivable and other receivables, as per list "E"
2. Secured creditors as per list "B" <u>0.00</u>	Good <u>200,000.00</u>
3. Preferred creditors as per list "C" <u>0.00</u>	Doubtful <u>440,176.00</u>
4. Contingent, trust claims or other liabilities as per list "D"	Bad <u>5,713,918.00</u>
estimated to be reclaimable for <u>0.00</u>	Estimated to produce <u>200,000.00</u>
Total liabilities <u>7,328,060.63</u>	4. Bills of exchange, promissory note, etc., as per list "F" ... <u>0.00</u>
Surplus <u>NIL</u>	5. Deposits in financial institutions <u>0.00</u>
	6. Cash <u>36,074.00</u>
	7. Livestock <u>0.00</u>
	8. Machinery, equipment and plant <u>0.00</u>
	9. Real property or immovable as per list "G" <u>0.00</u>
	10. Furniture <u>0.00</u>
	11. RRSPs, RRIFs, life insurance, etc. <u>0.00</u>
	12. Securities (shares, bonds, debentures, etc.) <u>0.00</u>
	13. Interests under wills <u>0.00</u>
	14. Vehicles <u>0.00</u>
	15. Other property, as per list "H" <u>428,000.00</u>
	If debtor is a corporation, add:
	Amount of subscribed capital <u>2,395,735.00</u>
	Amount paid on capital <u>2,395,735.00</u>
	Balance subscribed and unpaid <u>0.00</u>
	Estimated to produce <u>0.00</u>
	Total assets <u>664,074.00</u>
	Deficiency <u>6,663,986.63</u>

I, Arpi Balouzian, of the City of Montréal in the Province of Quebec, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 9th day of January 2013 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Montréal in the Province of Quebec, on this 9th day of January 2013.

Christiane Girard

Arpi Balouzian



District of: Quebec
 Division No. 01 - Montréal
 Court No. 500-11-043786-124
 Estate No. 41-1695261

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Sixty Canada Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	174 SPADINA AVENUE REALTY	174 SPADINA AVE TORONTO ON M5T 2C2	9,850.60	0.00	9,850.60
2	4300611 CANADA INC. Attr: Steven M. Shein	c/o ME S. SHEIN, KAUFMAN LARAMÉE LLP 2220-800 RENE-LEVESQUE W. MONTREAL QC H3B 1X9	0.00	0.00	0.00
3	ALL TYPE TRANSPORT	5203 FAIRWAY LACHINE QC H8T 3K8	448.98	0.00	448.98
4	BELL CANADA	GROUPE INSOLVABILITE - AFFAIRE 1 ALEXANDRE GRAHAM BELL AILE E 3 VERDUN QC H3E 3B3	225.60	0.00	225.60
5	BLAKE, CASSELS & GRAYDON LLP	200-600, DE MAISONNEUVE O. MONTREAL QC H3A 3J2	0.00	0.00	0.00
6	BOUTIQUE NEW BREED - 9257-8541 QUEBEC INC	1450-540 RUE D'AVAUGOUR BOUCHERVILLE QC J4B 0G6	300.00	0.00	300.00
7	BUROPLUS	950 PLACE PAUL KANE LAVAL QC H7C 2T2	196.36	0.00	196.36
8	CANADIAN SPRINGS	P.O. BOX 4514 STN A TORONTO ON M5W 4L7	30.28	0.00	30.28
9	CONSOLIDATED FASTFRATE INC	9701 HIGHWAY 50 WOODBRIDGE ON L4H 2G4	345.62	0.00	345.62
10	DELL CANADA INC.	501-155 GORDON BAKER RD NORTH YORK ON M2H 3N5	1,568.14	0.00	1,568.14
11	DUGGERS MENS WEAR	5476 SPRING GARDEN ROAD HALIFAX NS B3J 1G3	233.65	0.00	233.65
12	EMBALLAGES DE LA BEAUCE INC (LES)	469 ROUTE 112 EST VALLEE-JONCTION QC G0S 3J0	259.84	0.00	259.84
13	ISABEL J. SCHURMAN, IN TRUST	620-625 BOUL RENE-LEVESQUE MONTREAL QC H3B 1R2	1,745.18	0.00	1,745.18
14	J PICHE ET FILS	5564 BOUL. ST. LAURENT MONTREAL QC H2T 1S8	103.48	0.00	103.48
15	JPS LOGISTIQUE INC	1137 DE LA DECOUVERTE ST-LAZARE QC J7T 0A4	425.00	0.00	425.00
16	KAUFMAN LARAMEE	2220-800 BOUL RENE-LEVESQUE MONTREAL QC H3B 1X9	21,432.84	0.00	21,432.84
17	MARK EDWARDS APPAREL INC	600-225 CHABANEL WEST MONTREAL QC H2N 2C9	89,239.80	0.00	89,239.80
18	METROSPEC	2650 BOUL PITFIELD, MONTREAL MONTREAL QC H4S 1G9	35.82	0.00	35.82
19	NEXIA FRIEDMAN LLP	500-800 BOUL DECARIE MONTREAL QC H4P 2S4	1,916.24	0.00	1,916.24
20	PITNEY BOWES	P.O. BOX 278 ORANGEVILLE ON L9W 2Z7	271.12	0.00	271.12
21	PRINCIPE SPA	VIA LUNGOLAGO DUCA DEGLI ABRUZZI 166, CALCINATE DEL PESCE VARESE - 21100 ITALY	255.81	0.00	255.81
22	RELYCO	121 BROADWAY DOVER NH 03820 USA	8.54	0.00	8.54
23	ROGERS BUSINESS SOLUTIONS	P.O. BOX 2000 STN D ROAD SCARBOROUGH ON M1R 5P4	636.43	0.00	636.43

10-Dec-2012

Date



Arpi Balouzian

District of: Quebec
Division No. 01 - Montréal
Court No. 500-11-043786-124
Estate No. 41-1695261

FORM 78 -- Continued


List "A"
Unsecured Creditors

Sixty Canada Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
24	SIXTY FAR EAST LTD.	10/FJOS TOWER MILLENNIUM CITY2,378K, WUN TONG ROAD K.W. KOWLOON HONG KONG -	507,660.31	0.00	507,660.31
25	SIXTY RETAIL CANADA INC	620-225 CHABANEL WEST MONTREAL QC H2N 2C9	212.36	0.00	212.36
26	SIXTY SPA	VIA ERASMO PIAGGIO, 35 CHIETI SCALO CHIETI - 66100 ITALY	6,668,575.97	0.00	6,668,575.97
27	STELLAR PROPERTIES LTD	215-1008 HOMER ST VANCOUVER BC V6B 2X1	11,946.68	0.00	11,946.68
28	THE HEADHUNTERS.CA	625 HOWE ST # 200- THE STANDARD LIFE BUILDING VANCOUVER BC V6C 2T6	10,080.00	0.00	10,080.00
29	WANT AGENCY	915-225 CHABANEL WEST MONTREAL QC H2N 2C9	55.98	0.00	55.98
Total:			7,328,060.63	0.00	7,328,060.63

10-Dec-2012

Date



Arpi Baloujian

District of: Quebec
Division No. 01- Montréal
Court No. 500-11-043786-124
Estate No. 41-1695261

FORM 78 – Continued

List "B"
Secured Creditors

Sixty Canada Inc.

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

10-Dec-2012

Date



Arpi Balouzian

District of: Quebec
Division No. 01 - Montréal
Court No. 500-11-043786-124
Estate No. 41-1695261

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

Sixty Canada Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

10-Dec-2012

Date



Arpi Balouzian

District of: Quebec
Division No. 01 - Montréal
Court No. 500-11-043786-124
Estate No. 41-1695261

FORM 78 - Continued

List "D"
Contingent or Other Liabilities

Sixty Canada Inc.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

10-Dec-2012

Date



Arpi Baluzian

RICHTER

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

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

PARAGRAPH 1 OF THE PROOF OF CLAIM

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

PARAGRAPH 3 OF THE PROOF OF CLAIM

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

PARAGRAPH 4 OF THE PROOF OF CLAIM

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

PARAGRAPH 5 OF THE PROOF OF CLAIM

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

PARAGRAPH 6 OF THE PROOF OF CLAIM

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

PROXY

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

RICHTER

PROOF OF CLAIM

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

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

In the Matter of the Proposal of **Sixty Canada Inc.** of the City of Montréal, Province of Quebec, and the claim of _____, creditor.

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

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor)).
2. That I have knowledge of all of the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the Notice of intention to make a Proposal, namely December 10, 2012, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A," after deducting any counterclaims to which the debtor is entitled. (*The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.*)
4. Check and complete appropriate category
 - A. UNSECURED CLAIM OF \$ _____
(Other than as a customer contemplated by Section 262 of the Act)
That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description)
 Regarding the amount of \$ _____, I do not claim a right to a priority.
(Ordinary Creditor)
 Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.
(Preferred Creditor)
(Set out on an attached sheet details to support priority claim)
 - B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____
That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)
 - C. SECURED CLAIM OF \$ _____
That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)
 - D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____
That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts).



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

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

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

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

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

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

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

Dated at _____, this _____ day of _____

 Signature of creditor

 Signature of witness

Telephone number: _____ Fax number: _____

E-mail address: _____

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

PROXY

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

In the Matter of the Proposal of **Sixty Canada Inc.**

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

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

Dated at _____, this _____ day of _____

 Signature of creditor

Per: _____
 Name and Title of Signing Officer

 Signature of witness

RICHTER

CANADA
Province of Québec
District of: Québec
Division No.: 01-Montréal
Court No.: 500-11-043786-124
Estate No.: 41-1695261

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

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

In the Matter of the Proposal of
Sixty Canada Inc.

I, _____, creditor
(or I, _____, representative of _____, creditor)
of _____ (*name of city*), a creditor in the above matter for the sum of
\$ _____, hereby request the trustee acting with respect to the proposal of **Sixty Canada Inc.** to
record my vote _____ (**for or against**) the acceptance of the proposal made on January 9, 2013.

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

Name of Individual Creditor (Please print)

Signature of Individual Creditor

Signature of Witness

- OR -

Name of Corporate Creditor (Please print)

Signature of Corporate Creditor

Signature of Witness

Name and Title of Signing Officer (Please print)

CANADA

SUPERIOR COURT

PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION N°: 01-MONTREAL
COURT N°: 500-11-043786-124
FILE N°: 41-1695261

IN THE MATTER OF THE PROPOSAL OF SIXTY CANADA INC., a company,
having its head office at 225 Chabanel Street West, Suite 620, Montreal, Quebec
H2N 2C9

DEBTOR

PROPOSAL

We, **SIXTY CANADA INC.**, hereby submit the following proposal pursuant to the *Bankruptcy and Insolvency Act*:

1. For the purposes hereof:

“**ACT**” means the *Bankruptcy and Insolvency Act*;

“**ADMINISTRATION CHARGE**” has the meaning ascribed to such term in the Order of Justice Chantal Corriveau, S.C.J. of December 11, 2012;

“**APPROVAL OF THE PROPOSAL**” means the approval of the PROPOSAL by the prescribed majority of the CREDITORS of the COMPANY, and by an order of the COURT which is executory and for which all delays to appeal have expired;

“**CLAIM**” has the meaning given to such term in section 2 of the ACT, and includes, without limitation, any claim of any PERSON against the COMPANY with regard to any debt, liability or obligation of any kind owed to such PERSON arising out of the COMPANY’s current restructuring, disclaimer or termination of any contract, lease, employment agreement or any other agreement, whether written or oral, by the COMPANY, as well as any claims by any GOVERNMENTAL AUTHORITY arising directly or indirectly from APPROVAL OF THE PROPOSAL, including all claims related to TAXES, to the goods and services tax and to provincial sales taxes payable following a reduction of or arrangement concerning the liability of the COMPANY inherent to the APPROVAL OF THE PROPOSAL and all claims (real or projected) resulting from application of articles 79 to 80.04 of the *Income Tax Act* (Canada) (or equivalent provisions in the relevant provincial tax laws) with regard to the COMPANY and related to the APPROVAL OF THE PROPOSAL;

“COMMITTEE” means the committee formed of at most three (3) individuals pursuant to paragraph 9 hereof;

“COMPANY” means Sixty Canada Inc.;

“COURT” means the Superior Court of Quebec (Commercial Division), District of Montreal;

“CREDITOR” means any PERSON having a CLAIM or a claim against the DIRECTORS and may, where the context requires, include the assignee of a CLAIM or a trustee, interim receiver, receiver, receiver and manager, or other PERSON acting on behalf of such PERSON. A CREDITOR shall not include a PERSON entitled to a CLAIM for PROPOSAL COSTS;

“DIRECTORS” means all of past and present directors and officers of the COMPANY and any other PERSON deemed to have acted in such capacity;

“GOVERNMENTAL AUTHORITY” means any (i) provincial, federal, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, commission, board, official, minister, bureau or agency, domestic, (ii) subdivision, agent, commission, board or authority of any of the foregoing; or (iii) quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under, or for the account of, any of the foregoing;

“GROSS AMOUNT” means the NET AMOUNT OF THE TRANSACTION plus the cash on hand as of December 31, 2012 and the net proceeds of the sale of any property of the COMPANY not sold to Sixty Canada Trading Inc., pursuant to the TRANSACTION, and the collection of the accounts receivable of the COMPANY other than those identified by the COMPANY acting reasonably as uncollectable or deemed to be uncollectable;

“LESSORS CLAIMS” means the CLAIMS to be filed by the lessors for an amount equal to the lesser of (i) the aggregate of (A) the rent provided for in the lease for the first year of the lease following the date on which the disclaimer or resiliation becomes effective, and (B) 15% of the rent for the remainder of the term of the lease after that year, and (ii) three years' rent, the whole pursuant to section 65.2 of the ACT;

“NET AMOUNT” means the GROSS AMOUNT after payment of all PROPOSAL COSTS, POST-FILING OBLIGATIONS, the SECURED CLAIMS, the PRIORITY CLAIMS, and all other amounts to be paid in priority to the UNSECURED CLAIMS;

“NET AMOUNT OF THE TRANSACTION” means the proceeds generated by the TRANSACTION;

“NOTICE OF INTENTION” means the notice of intention to make a proposal pursuant to the ACT, which notice was filed on December 10, 2012;

“ORDINARY CREDITORS” means those PERSONS having UNSECURED CLAIMS against the COMPANY, including, for greater certainty, PERSONS having LESSORS’ CLAIMS;

“PERSON” means any individual, corporation, limited or unlimited liability company, general or limited partnership, association, trust, trustee, unincorporated organization, joint venture, governmental body or agency, or any other entity;

“POST-FILING OBLIGATIONS” means all unpaid obligations incurred by the COMPANY in the course of its activities since the filing of the NOTICE OF INTENTION, and those which it foresees up to the moment of execution of the PROPOSAL and the winding-up of the COMPANY;

“PRIORITY CLAIMS” means all CLAIMS which must by the ACT be paid in priority to all other CLAIMS sharing in the estate of an insolvent debtor;

“PROPOSAL” means the present proposal;

“PROPOSAL COSTS” means all fees, costs, undertakings and obligations of the TRUSTEE, and all the legal fees due to its advisors or those of the COMPANY and accounting fees relating to or resulting from the NOTICE OF INTENTION, the PROPOSAL and/or the TRANSACTION;

“PROPOSAL MEETING” means the meeting of CREDITORS of the COMPANY in order to consider the PROPOSAL;

“RESERVE” has the meaning set forth in paragraph 8 hereof;

“SECURED CLAIMS” means CLAIMS of secured creditors within the meaning of the ACT;

“SECURED CREDITORS” means those PERSONS having SECURED CLAIMS;

“TAXES” means all federal, state, provincial, territorial, county, municipal, local or foreign taxes, duties, imposts, levies, assessments, tariffs and other charges imposed, assessed or collected by a GOVERNMENTAL AUTHORITY, including (a) any gross income, net income, gross receipts, business, royalty, capital, capital gains, goods and services value added, severance, stamp, franchise, occupation, premium, capital stock, sales and use, real property, land transfer, personal property, ad valorem,

transfer, licence, profits, windfall profits, environmental, payroll, employment, employer health, pension plan, anti-dumping, countervail, excise, severance, stamp, occupation, or premium tax, (b) all withholdings on amounts paid to or by the relevant PERSON, (c) all employment insurance premiums, Canada, Quebec and any other pension plan contributions or premiums, (d) any fine, penalty, interest, or addition to tax, (e) any tax imposed, assessed, or collected or payable pursuant to any tax-sharing agreement or any other contract relating to the sharing or payment of any such tax, levy, assessment, tariff, duty, deficiency, or fee, and (f) any liability for any of the foregoing as a transferee, successor, guarantor, or by contract or by operation of law;

“TRANSACTION” means one or more transactions whereby funds are generated by the sale of all or part of the assets of the COMPANY, for greater certainty the TRANSACTION includes the transaction pursuant to the Asset Purchase Agreement between the COMPANY, Sixty Canada Retail Inc. and Sixty Canada Trading Inc. made as of December 31, 2012;

“TRUSTEE” means Richter Advisory Group Inc. / Richter Groupe Conseil Inc. (formerly RSM Richter Inc.) licensed trustee, acting as trustee to the PROPOSAL;

“UNSECURED CLAIMS” means the CLAIMS of any CREDITOR, which are not SECURED CLAIMS, PRIORITY CLAIMS, CLAIMS for PROPOSAL COSTS or POST-FILING OBLIGATIONS, including CLAIMS of any kind whatsoever, whether due or not on the date of the filing of the NOTICE OF INTENTION, including contingent or unliquidated CLAIMS resulting from any transaction concluded by the COMPANY prior to the filing of the NOTICE OF INTENTION and, as the case may be, all damages or other amounts due to the coming into force of the PROPOSAL that could be claimed by any CREDITOR of the COMPANY;

2. The SECURED CLAIMS shall be paid in priority to any other CLAIMS from the GROSS AMOUNT.
3. The amounts:
 - (a) due to Her Majesty the Queen in right of Canada or of any province, which are subject to a demand under subsection 224(1.2) of the *Income Tax Act* or of any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts, or of any provision of provincial legislation essentially similar to the foregoing provisions as provided in paragraph 60(1.1)(c) of the ACT, and that were outstanding at the

time of the filing of the NOTICE OF INTENTION shall be paid in their entirety, without interest, from the GROSS AMOUNT, within six months after the APPROVAL OF THE PROPOSAL;

- (b) which employees (past and present) would be entitled to receive pursuant to paragraph 136(1)(d) of the ACT if the COMPANY had been declared bankrupt on the date of the APPROVAL OF THE PROPOSAL shall be paid in their entirety immediately after the APPROVAL OF THE PROPOSAL from the GROSS AMOUNT.
4. The PROPOSAL COSTS shall be paid using either the RESERVE or the GROSS AMOUNT in priority to all CLAIMS other than the SECURED CLAIMS.
 5. The PRIORITY CLAIMS, without interest or penalty, shall be paid in their entirety from the GROSS AMOUNT in priority to all UNSECURED CLAIMS, within sixty (60) days following the APPROVAL OF THE PROPOSAL.
 6. The POST-FILING OBLIGATIONS shall be paid forthwith upon written instructions of the COMPANY using either the RESERVE or the GROSS AMOUNT in priority to any of the above mentioned CLAIM save and except the PROPOSAL COSTS.
 7. Each ORDINARY CREDITOR shall receive, in full and final payment of its UNSECURED CLAIM, without interest or penalty:
 - (a) Within sixty (60) days of the APPROVAL OF THE PROPOSAL, from the NET AMOUNT:
 - (i) The lesser of the first five hundred dollars (\$500) of the UNSECURED CLAIM or the payment in full of the UNSECURED CLAIM; and
 - (ii) A pro rata share of the balance of the NET AMOUNT at the moment the dividend is to be paid less any amount set aside for the RESERVE and the amount required to satisfy the payments described in paragraph 7(a)(i) hereof;
 - (b) When so decided by the COMMITTEE or, if no such COMMITTEE is in place, when the TRUSTEE so decides and subject to the TRUSTEE being satisfied that no CLAIM will be made pursuant to paragraph 149(3) of the ACT a pro rata share of the NET AMOUNT then available and of the balance of the RESERVE shall be distributed.
 8. In order to proceed with the payments set forth above, the COMPANY is hereby authorized to set up a reserve to be held by the TRUSTEE to

facilitate the payment by the COMPANY of any and all PROPOSAL COSTS and POST-FILING OBLIGATIONS (the "RESERVE").

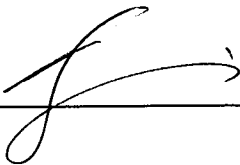
9. The COMPANY consents to the creation of a committee which shall be formed of at most three (3) individuals designated by the CREDITORS at the PROPOSAL MEETING, if they so wish. The COMMITTEE shall have the following powers:
 - (a) to advise the TRUSTEE with respect to the administration of the PROPOSAL;
 - (b) to waive any default in the execution of the PROPOSAL;
 - (c) to confirm that the COMPANY has satisfied all of the terms and conditions of the PROPOSAL; and
 - (d) to adjourn the payment of all dividends to ORDINARY CREDITORS provided for hereunder.
10. In conformity with section 101.1 of the ACT, sections 95 to 101 will not apply to the PROPOSAL.
11. By the APPROVAL OF THE PROPOSAL, all CREDITORS of the COMPANY give full and final discharge of all rights, CLAIMS or other recourses of any nature whatsoever which they had, have, or could have had against the COMPANY, its legal counsel, financial advisors, the DIRECTORS, management, representatives, agents and assignees.
12. All amounts payable under the PROPOSAL shall be remitted to the TRUSTEE so that it may distribute the dividends pursuant to the PROPOSAL.

IN CASE OF DISCREPANCY BETWEEN THE FRENCH AND ENGLISH VERSIONS OF THE PROPOSAL, THE ENGLISH VERSION SHALL PREVAIL.

MADE IN MONTREAL, QUEBEC, THIS 9TH DAY OF JANUARY, 2013.

SIXTY CANADA INC.

Witness



By:

Arpi BALOUZIAN
Duly authorised

