



NO. S118142  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF ELIA FASHIONS LTD. (in its own capacity and in its capacity as a partner of PLEASE MUM PARTNERSHIP) and  
BOSSA NOVA FASHIONS LTD. (in its own capacity and in its capacity as a partner of PLEASE MUM PARTNERSHIP)

PETITIONERS

**ORDER MADE AFTER APPLICATION**

BEFORE THE HONOURABLE )  
MR. JUSTICE BURNYEAT )  
FRIDAY, the 11<sup>th</sup> DAY  
OF MAY, 2012

**ON THE APPLICATION** of the Petitioners coming on for hearing at Vancouver, British Columbia on May 11, 2012; **AND ON HEARING** Cindy Cheuk, counsel for the Petitioners and those other counsel listed in **Schedule "A"** hereto; **AND ON READING** the Petitioners' Notice of Application, dated May 2, 2012, the Affidavit #5 of Kathryn Adrian and the Monitor's 3<sup>rd</sup> Report to the Court; **AND PURSUANT TO** sections 11.3 and 36 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "CCAA");

**THIS COURT ORDERS** that:

1. The sale of the "**Assets**", as defined in paragraph 1 of the Asset Purchase Agreement (the "**Asset Purchase Agreement**"), dated May 11, 2012, a copy of which is attached as **Schedule "B"** to this Order, of Elia Fashions Ltd., Bossa Nova Fashions Ltd.

and Please Mum Partnership (collectively, "**Please Mum**"), on the terms and conditions set out in the Asset Purchase Agreement, for the purchase price of \$150,000 (the "**Purchase Price**") to be paid by way of cash in the amount of \$83,700 (the "**Cash Component**") and credit bid in the amount of \$66,300 (the "**Credit Bid Component**") by 0710345 B.C. Ltd. ("**071**") to Please Mum, is hereby authorized and approved.

2. Upon payment in full of the Purchase Price by way of the Cash Component and the Credit Bid Component by 071 in accordance with the terms of the Asset Purchase Agreement, all of Please Mum's right, title and interest in and to the Assets shall be transferred to and vest absolutely and exclusively in the name of the assignee of the benefit of the Asset Purchase Agreement, World Shake Productions Inc. ("**World Shake**"), as the registered and beneficial owner without further instrument of transfer or discharge, free and clear of any and all security interests (whether contractual, statutory or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory or otherwise), liens, executions, levies, charges or other financial or monetary claims in favour of any person, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including without limitation all charges created by any Order of this Court, all equities of redemption of Please Mum and its successors and assigns and all persons claiming by or through Please Mum, provided however that nothing herein shall affect the rights and remedies of any landlord against either 071 or World Shake that may exist or arise under or in respect of any real property lease that is assigned to 071 or World Shake in connection with the Asset Purchase Agreement, except as may otherwise be agreed to by such landlord and 071 or World Shake or on further Order of the Court.

3. Nothing in this Order shall amend or vary, or be deemed to amended or vary, the terms of a real property lease, and where any real property leases are not, in accordance with their terms, transferable or assignable without first obtaining the consent of the applicable landlord, none of the real property leases referred to in the Asset Purchase Agreement, shall be transferred, conveyed, assigned or vested in 071 or World Shake by operation of this Order, save and except to the extent that respective consents have been, or are in the future, obtained from the respective landlords or on further order of the Court.

4. Upon the closing of the sale contemplated by the Asset Purchase Agreement, 071 shall pay the Cash Component in trust to Fraser Milner Casgrain LLP ("FMC") and FMC shall hold the Cash Component in trust solely and exclusively for former employees of Please Mum not hired by 071 or World Shake on account of the payments described in section 36(7) of the CCAA and FMC shall distribute all of the Cash Component to such former employees not hired by 071 or World Shake in the amounts and in the manner as directed by the Monitor or the Court. For greater certainty, no part of the Cash Component shall be used to pay any administrative expenses, including without limitation, professional fees or disbursements of the Petitioners' counsel, the Monitor's counsel or the Monitor.

5. The stay of proceedings and other relief granted to Please Mum pursuant to the Initial Order of this Court made December 6, 2011, as confirmed and extended by the Orders made January 5, 2012 and April 5, 2012, is hereby confirmed and further extended to **11:59 pm on June 15, 2012** or such later date as this Court may subsequently allow.

6. The parties may apply for such further orders or directions as may be necessary to carry out this Order.


7. Endorsement of this Order by counsel or parties appearing in person on this application, other than counsel for the Petitioners, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

  
Cindy Cheuk, Lawyer for the Elia Fashions Ltd.,  
Bossa Nova Fashions Ltd. and Please Mum Partnership

  
BURNYEAT, J.

By the Court.

  
Registrar

### Schedule A – List of Counsel

<b>Counsel</b>	<b>Name of Party</b>
Cindy Cheuk	Petitioners.
Colin Brousson Emelie Kozak (articling student)	The Monitor
Carol Cash	20 VIC Management Inc., Crombie Real Estate Investment Trust, Ivanhoe Cambridge Inc., Morguard Investments Limited, Primaris Retail Real Estate Investment Trust and Retrocom Mid Market REIT
Emily Stock	ENCON Group Inc.
N/A	Rosanne Bubas, appearing in person on behalf of George Bubas Motors Ltd.

## Schedule B - Asset Purchase Agreement

## ASSET PURCHASE AGREEMENT

This Agreement dated for reference the 11<sup>th</sup> day of May, 2012.

BETWEEN:

Elia Fashions Ltd., Bossa Nova Fashions Ltd. and Please Mum Partnership  
(the "Vendor"),

AND:

0710345 B.C. Ltd.

the ("Purchaser")

WHEREAS:

- A. The Vendor is the owner of the "Assets" (as herein defined).
- B. The Vendor has obtained creditor protection pursuant in proceedings commenced under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, in Supreme Court of British Columbia (the "Court") Vancouver Registry No. S118142 (the "CCAA Proceeding");
- C. The Vendor is indebted to the Purchaser in the amount of \$2,746,625 as at April 22, 2012, which amount is secured pursuant to the security (the "Security") described in **Schedule "A"** to this Agreement, which was assigned to the Vendor by the Assignment of Security made between Royal Bank of Canada, as Assignor, and the Purchaser, as Assignee;
- D. The Purchaser has agreed to purchase and the Vendor has agreed to sell the "Assets" (as herewith defined) on the terms and conditions hereinafter set forth in this Agreement.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH that for consideration the parties hereto agree as follows:

1. Upon the terms and conditions hereof the Vendor agrees to sell to the Purchaser and the Purchaser hereby agrees to buy for the sum of \$150,000 (the "Purchase Price"), payable by way of cash in the amount of \$83,700 and credit bid in the amount of \$66,300 by the Purchaser, all of the personal property of the Vendor wheresoever situate as of the date of the closing (the "Closing") of the asset purchase provided for herein (the "Assets"), which shall include, without limiting the generality of the foregoing, the interests of the Vendor as tenant pursuant to real property leases with certain landlords for the retail store spaces described in **Schedule "B"** to this Agreement, provided however that the Assets shall exclude such personal property, if any, which is charged by perfected security

interests registered against the Vendor's personal property in accordance with applicable provincial personal property security legislation in priority to the Purchaser.

2. The Purchase Price will be paid and satisfied at Closing by way of cash in the amount of \$83,700 and credit bid in the amount of \$66,300 by the Purchaser.
3. All of the Assets are sold on an "as is where is" basis.
4. The Vendor makes no representations or warranties, express, implied, statutory or otherwise as to the physical condition of the Assets, their fitness for any particular purpose or the quality thereof.
5. The Vendor's acceptance of this Agreement is subject to approval by the Court in the CCAA Proceeding on or before May 11, 2012 and shall become effective from the time an Order is made approving this Agreement.
6. The Purchaser is liable for and will pay any applicable registration charges and transfer fees properly payable upon and in connection with the sale and transfer of the Assets by the Vendor to the Purchaser.
7. The Closing of this Agreement shall take place one business day after Court approval.
8. At the Closing, the Vendor shall deliver to the Purchaser:
  - (a) a Bill of Sale, substantially in the form attached as **Schedule "C"** to this Agreement, duly executed by the Vendor appropriate to evidence transfer of title to the Assets to the Purchaser to the extent contemplated by this Agreement; and
  - (b) a copy of the Court Order approving the sale of the Assets.
9. At the Closing, the Purchaser shall deliver to the Vendor the sum of \$83,700 in certified funds and an Acknowledgment of Partial Payment, substantially in the form attached as **Schedule "D"**, duly executed by the Purchaser, appropriate to evidence that the indebtedness of the Vendor to the Purchaser has been reduced by the sum of \$66,300.
10. The Purchaser shall have possession and all right, title and interest of and to the Assets upon completion of Closing.
11. The Vendor and the Purchaser agree that the Purchaser shall have the right to assign the benefit of this Agreement to its nominee, World Shake Productions Inc. ("**World Shake**") and, in the event of such assignment, both the Purchaser and World Shake shall be bound by the obligations and covenants of the Purchaser set out in this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

**ELIA FASHIONS LTD.**

Per:  \_\_\_\_\_

**BOSSA NOVA FASHIONS LTD.**

Per:  \_\_\_\_\_

**PLEASE MUM PARTNERSHIP, by its Partners:**

**ELIA FASHIONS LTD.**

Per:  \_\_\_\_\_

**BOSSA NOVA FASHIONS LTD.**

Per:  \_\_\_\_\_

**We, Elia Fashions Ltd. and Bossa Nova Fashions Ltd., have the capacity to bind Please Mum Partnership.**

**0710345 B.C. LTD.**

Per:  \_\_\_\_\_



## SCHEDULE A

### Security Relating to Purchaser's Credit Bid

1. General Security Agreement, dated May 14, 2002, granted by Please Mum Partnership (the "**Partnership**") in favour of Royal Bank of Canada ("**RBC**");
2. General Security Agreement, dated May 14, 2002, granted by Bossa Nova Fashions Ltd. ("**Bossa**") in favour of RBC;
3. General Security Agreement, dated July 21, 1997, granted by Elia Fashions Ltd. ("**Elia**") in favour of RBC;
4. Guarantee and Postponement of Claim limited to the amount of \$7,000,000, dated January 14, 2008, granted by Bossa and Elia in respect of the obligations of the Partnership to RBC;
5. Postponement of Claim, dated December 31, 2007, granted by World Shake Productions Inc. in respect of the obligations of the Partnership and Elia to RBC; and
6. Guarantee and Postponement of Claim limited to the amount of \$1,000,000, dated July 2011, granted by Kathryn Adrian in respect of the obligations of the Partnership and Elia to RBC.

## SCHEDULE B

### Retail Store Locations for Leases to be Assigned from Vendor to Purchaser

Store Name	Shopping Mall	Address	Landlord
Londonderry	Londonderry Mall	Unit 27 - 66 <sup>th</sup> Street & 137 <sup>th</sup> Avenue, Edmonton, AB	Londonderry Shopping Centre Inc.
St. Vital	St. Vital Center	Unit 92 - 1225 St. Mary's Road, Winnipeg, MB	OPB Realty Inc. (c/o 20 VIC Management Inc.)
Sherwood Park	Sherwood Park Mall	Unit 212 - 2020 Sherwood Drive, Sherwood Park, AB	Sherwood Park Mall Limited (c/o T&T Properties)
West Edmonton	West Edmonton Mall	1083 - 8882, 170 <sup>th</sup> Street, Edmonton, AB	West Edmonton Mall Property Inc.
Shoppers	Shoppers Mall	Unit 4B - 1570, 18 <sup>th</sup> Street, Brandon, MB	Morguard Investments Limited
Avalon	Avalon Mall	Unit 0230 - 48 Kenmount Road, St. John's, NFLD	Crombie Real Estate Investment Trust
Kildonan Place	Kildonan Place	Unit T10 - 1555 Regent Avenue West, Winnipeg, MB	Ivanhoe Cambridge Inc.
Vaughan Mills	Vaughan Mills Shopping Center	Unit 267 - 1 Bass Pro Mills Drive, Vaughan, ON	Ivanhoe Cambridge Inc.
Mayflower	Mayflower Mall	Unit 2 - 800 Grand Lake Road, Sydney, NS	HPI Realty Management Inc.
County Fair	County Fair Mall	Unit 0275 - 9526 Commercial Street, New Minas, NS	Crombie Real Estate Investment Trust
Highland	Highland Square	Unit 0165 - 689 Westville Road, New Glasgow, NS	Crombie Real Estate Investment Trust
Broadway	N/A	2951 West Broadway, Vancouver, BC	477474 B.C. Ltd., Kenji Hasegawa and Yoshiko Hasegawa (c/o Pacific Asset Management Corporation)
Midtown Plaza	Midtown Plaza	Unit T066 - 201, 1 <sup>st</sup> Street South, Saskatoon, SK	Primaris REIT

SCHEDULE C

**BILL OF SALE (ABSOLUTE)**

THIS AGREEMENT made the \_\_\_ day of MAY, 2012.

BETWEEN:

Elia Fashions Ltd., Bossa Nova Fashions Ltd. and Please Mum Partnership  
(the "Vendor"),

AND:

0710345 B.C. Ltd.  
the ("Purchaser")

WHEREAS

A. The Vendor is the owner of the "Assets" as defined in the Asset Purchase Agreement (the "Asset Purchase Agreement"), dated May 11, 2012, between the Vendor and the Purchaser ;

B. Pursuant to the Asset Purchase Agreement, authorized and approved by the Supreme Court of British Columbia on May 11, 2012, the Vendor agreed to sell and the Purchaser agreed to purchase the Assets.

NOW THIS INDENTURE WITNESSETH:

1. In consideration of and for the sum of \$150,000, paid by way of cash in the amount of \$83,700 and credit bid in the amount of \$66,300, by the Purchaser to the Vendor, the receipt whereof the Vendor hereby acknowledges, the Vendor does hereby transfer, convey, assign and set over unto the Purchaser, its successors and assigns, all of its right, title and interest in and to the Assets on an as-is-where-is basis, including the interests of the Vendor as tenant pursuant to real property leases with certain landlords for the retail spaces described in **Schedule "A"** to this Bill of Sale.

2. The Vendor shall from time to time and at all times hereafter upon request and at the cost of the Purchaser, execute such further assurances and do all such further acts as may be reasonably required for the purpose of vesting in the Purchaser all the right, title and interest of the Vendor in and to the Assets.

3. This Bill of Sale is supplemental to the Asset Purchase Agreement and is to be construed in connection therewith. The terms and conditions of the Asset Purchase Agreement shall not merge into this Bill of Sale and vice-versa.

4. This Bill of Sale shall enure to the benefit of and binding upon the parties hereto and their respective assigns and successors.

IN WITNESS WHERE the parties have executed this Bill of Sale as of the day and year first above written.

**ELIA FASHIONS LTD.**

Per: \_\_\_\_\_

**BOSSA NOVA FASHIONS LTD.**

Per: \_\_\_\_\_

**PLEASE MUM PARTNERSHIP, by its Partners:**

**ELIA FASHIONS LTD.**

Per: \_\_\_\_\_

**BOSSA NOVA FASHIONS LTD.**

Per: \_\_\_\_\_

**We, Elia Fashions Ltd. and Bossa Nova Fashions Ltd., have the capacity to bind Please Mum Partnership.**

**0710345 B.C. LTD.**

Per: \_\_\_\_\_

### SCHEDULE A

Store Name	Shopping Mall	Address	Landlord
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West Edmonton	West Edmonton Mall	1083 - 8882, 170 <sup>th</sup> Street, Edmonton, AB	West Edmonton Mall Property Inc.
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Avalon	Avalon Mall	Unit 0230 - 48 Kenmount Road, St. John's, NFLD	Crombie Real Estate Investment Trust
Kildonan Place	Kildonan Place	Unit T10 - 1555 Regent Avenue West, Winnipeg, MB	Ivanhoe Cambridge Inc.
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Broadway	N/A	2951 West Broadway, Vancouver, BC	477474 B.C. Ltd., Kenji Hasegawa and Yoshiko Hasegawa (c/o Pacific Asset Management Corporation)
Midtown Plaza	Midtown Plaza	Unit T066 - 201, 1 <sup>st</sup> Street South, Saskatoon, SK	Primaris REIT

SCHEDULE D

ACKNOWLEDGMENT OF PARTIAL PAYMENT

Dated May \_\_\_\_, 2012

BETWEEN:

Elia Fashions Ltd., Bossa Nova Fashions Ltd. and Please Mum Partnership  
(collectively, the "Debtor")

OF THE FIRST PART

AND:

0710345 B.C. Ltd.  
(the "Creditor")

OF THE SECOND PART

WHEREAS:

A. The Debtor was indebted to the Creditor in the amount of \$2,746,625 as of April 22, 2012 (the "Debt");

B. The "Assets" of the Debtor, as defined in the Asset Purchase Agreement (the "Asset Purchase Agreement"), dated May 11, 2012, between the Debtor, as Vendor, and the Creditor, as Purchaser, attached as Schedule "A" to this Acknowledgment of Partial Payment, were sold to the Creditor as authorized and approved by the Supreme Court of British Columbia on May 11, 2012 for the purchase price of \$150,000, paid by the Creditor to the Debtor by way of cash in the amount of \$83,700 and credit bid in the amount of \$66,300 against the Debt;

C. The sale of the Assets pursuant to the Asset Purchase Agreement was completed on May \_\_\_\_, 2012.

NOW, THEREFORE, THE CREDITOR HEREBY ACKNOWLEDGES that the Debt is hereby reduced by the Credit Bid such that the Debtor is now indebted to the Creditor in the amount of \$2,680,325 as of the date of this Acknowledgment.

0710345 B.C. LTD.

Per: \_\_\_\_\_

**SCHEDULE A**  
**Asset Purchase Agreement**