

This is the 1st Affidavit  
of Telis Kardakaris in this case  
and was made on December 2, 2011

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

**AFFIDAVIT**

I, **TELIS KARDAKARIS**, of 333 Woodland Drive, Vancouver, B.C.,  
V5L 3P6, SWEAR THAT:

1. I am authorized by Please Mum Partnership, Elia Fashions Ltd. and Bossa Nova Fashions Ltd. (all collectively "**Please Mum**") to depose this Affidavit and do so on their behalf.
2. I am the Senior Accountant for Please Mum and 0710345 B.C. Ltd. ("**071**"), and as such, I have personal knowledge of the matters herein deposed to, except where stated to be based upon information and belief, in which case I do verily believe the same to be true.

3. Please Mum has been in very difficult financial circumstances for many months, which precipitated the filing of its Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act* in Supreme Court of British Columbia Vancouver Registry No. VLC-S-B-110732 (the "**BIA Proceeding**"). Deloitte and Touche Inc. was appointed as the Proposal Trustee of Please Mum in the BIA Proceeding.

4. Please Mum has been unable to remain current on its source deduction remittances to Canada Revenue Agency ("**CRA**") in relation to its head office employee and retail employee wages from October 5, 2011 to present. Please Mum is in arrears of approximately \$110,000 as of the date of my Affidavit.


5. Approximately two weeks ago, I was telephoned by Bev Breckles (Unit 462-01) of CRA regarding Please Mum's unremitted source deductions. I explained to Ms. Breckles that, due to Please Mum's financial difficulties, Please Mum had been unable to make timely payment of source deductions to CRA. I further explained to Ms. Breckles that 071, a company related to Please Mum, had an agreement to sell its land located at 333 Woodland Drive, Vancouver, B.C. (the "**Property**") and that the only remaining subject to the sale was anticipated to be removed in or about February 2012. I advised Ms. Breckles that Please Mum intended to remain current on source deduction remittances in relation to employee wages paid from January 1, 2012 onward and that 071 would pay the arrears on behalf of Please Mum from the sale proceeds following the closing of the sale of the Property. In response, Ms. Breckles informed me that she understood Please Mum's situation. To my knowledge, no steps were taken by CRA against Please Mum after my discussion with Ms. Breckles.

6. On November 30, 2011, after a discussion with the Proposal Trustee, I telephoned Ms. Breckles to further discuss Please Mum's arrears in source deduction remittances and Please Mum's proposal to pay those arrears with the assistance of 071 from the sale proceeds of the Property early next year. I informed Ms. Breckles that Please Mum would be applying on December 6, 2011 to continue the BIA Proceeding under the CCAA. Ms. Breckles reminded me that penalties would accrue on the arrears and informed me that CRA would require satisfactory provisions in any Proposal filed under the *Bankruptcy and Insolvency Act* or Plan of Compromise or Arrangement filed under the *Companies' Creditors Arrangement Act* dealing with payment of source deductions. Ms. Breckles

informed me that she understood Please Mum's difficult situation and that CRA was content for the time being.

7. To my knowledge, CRA has not taken any steps at this time to enforce collection of the arrears against Please Mum.

SWORN BEFORE ME at Vancouver,  
British Columbia, on December 2, 2011.

  
\_\_\_\_\_  
A Commissioner for taking Affidavits within  
British Columbia

  
\_\_\_\_\_  
**TELIS KARDAKARIS**

**CINDY CHEUK**  
*Barrister & Solicitor*  
**FRASER MILNER CASGRAIN LLP**  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460