

C A N A D A
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
COURT. No.: 500-11-052159-171
ESTATE. No.: 41-2223474

S U P E R I O U R C O U R T
Commercial Division

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

BCBG MAX AZRIA CANADA INC., a legal person,
duly constituted under the *Canada Business
Corporations Act*, having its registered office at 1000
De La Gauchetière Street West, suite 2100, Montreal,
Quebec, H3B 4W5

Debtor

– and –

DELOITTE RESTRUCTURING INC.
(Martin Franco, CPA, CA, CIRP, LIT designated person
in charge), having a place of business at 1190
Avenue des Canadiens-de-Montréal, suite 500,
Montreal, Quebec, H3B 0M7

Trustee

**REPORT OF THE TRUSTEE ON THE MONITORING OF THE DEBTOR'S BUSINESS
AND FINANCIAL AFFAIRS**

(Subparagraph 50.4(7)(b)(ii) and Subsection 50.4(9) of the BIA)

I, the undersigned, Martin Franco, CPA, CA, CIRP, LIT, with the firm of Deloitte Restructuring Inc., Trustee acting in the matter of the Notice of intention to make a proposal ("**NOI**") of BCBG Max Azria Canada Inc. ("**BCBG Canada**" or the "**Company**"), the Debtor, am hereby reporting my principal observations regarding the Debtor's business and financial affairs to the Court pursuant to Subparagraph 50.4(7)(b)(ii) of the *Bankruptcy and Insolvency Act* ("**BIA**").

1. The above-mentioned Debtor filed a NOI on March 1, 2017.
2. On March 3, 2017, the Honourable David R. Collier, JSC, granted the Order approving a DIP Financing and a DIP Charge, an Administration Charge, a D&O Charge, a Consulting Agreement and Sale Guidelines and granting ancillary relief (the "**First Order**"), as appears from Court record.
3. On March 29, 2017, BCBG Canada filed a petition for an extension of delay in accordance with Section 50.4 paragraph 9 of the BIA. Said petition was granted, thereby extending the period in which to file a proposal until May 15, 2017 (the "**First Extension Period**").
4. On May 12, 2017, BCBG Canada filed a petition for an extension of delay in accordance with Section 50.4 paragraph 9 of the BIA. Said petition was granted, thereby extending the period in which to file a proposal until June 29, 2017 (the "**Second Extension Period**").

5. In preparing this fourth report (the "**Fourth Report**"), the Trustee has relied upon unaudited financial information, BCBG Canada's records and its discussion with the management of BCBG Canada (the "**Management**"), the chief Canadian restructuring advisor ("**CCRA**") and their advisors. While the Trustee has reviewed the information, he has not performed an audit or otherwise verified such information.
6. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars. Capitalized terms not defined in this Fourth Report are as defined in the First Application, in previous Trustee's reports or in the Canadian Forbearance Agreement.
7. BCBG Canada is an indirect wholly owned subsidiary of BCBG Max Azria Global Holdings, LLC ("**BCBG Global Holdings**"), a Delaware corporation, and the Canadian operating entity of the BCBG Max Azria group of companies ("**BCBG Group**"), a fashion design, wholesale and retail conglomerate specializing in women's apparel and accessories founded in 1989 and headquartered in California. The Company operated in Canada at the time of filing the NOI in 51 retail and factory stores (the "**Stores**") and 17 licensed partner shops within Hudson's Bay Company ("**HBC**") retail locations (the "**Partner Shops**").
8. Matters addressed in this Fourth Report are as follows:
 - a. Activities of the Trustee;
 - b. Activities of BCBG Canada;
 - c. Cash flow projections;
 - d. Extension of the time limit to file a proposal; and
 - e. Trustee's recommendation.

ACTIVITIES OF THE TRUSTEE

9. On May 15, 2017, a copy of the Third Report, Application and Order granting the Second Extension Period was posted on the Trustee's website at www.deloitte.com/ca/BCBG to inform creditors of the Second Extension Period.
10. The forecast cash flow statement was prepared for the period from May 1 to July 2, 2017, and was submitted to the Official Receiver on May 10, 2017, together with the report by the Debtor and the Trustee's report, pursuant to Subsection 50.4(2) of the BIA.
11. The Trustee maintained procedures to ensure a weekly monitoring of the receipts and disbursements, with a view of performing comparison and variance analysis against the aforementioned cash flow statement.
12. The Trustee has participated in several meetings and conference calls with the Company, the CCRA and their advisors in connection with their restructuring efforts.
13. The Trustee assisted the Debtor in its dealings with a number of suppliers and landlords in order to ensure an uninterrupted flow of goods and services.

ACTIVITIES OF BCBG CANADA

14. As explained in the Second Report, on March 3, 2017, BCBG Canada commenced a liquidation sale at all 51 Stores (the "**Liquidation Sale**"), with the assistance of its consultants, Gordon Brothers Canada ULC and Merchant Retail Solutions ULC.
15. The Liquidation Sale terminated on May 31, 2017. The results of a portion of the Liquidation Sale comprised in the 7-week period ended June 18, 2017 are detailed in paragraph 26.
16. As discussed in the Second Report, BCBG Canada retained the services of A&G Realty Partners, LLC to assist with Lease Sale Process. The Lease Sale Process was initiated on March 20, 2017. Approximately 350 Teasers were sent to potential purchasers, however no Qualified Bids had been received by the Final Bid Deadline.
17. As a result of the Lease Sale Process, on April 27, 2017, pursuant to Subsection 65.2(1) of the BIA, BCBG Canada provided a 30-day notice of its disclaimer of 9 Store leases. As of May 1, 2017, the Company provided a 30-day notice of its disclaimer of the remaining 42 Stores' property leases. The Company vacated the last of the Stores on May 31, 2017.
18. As of the date hereof, the liquidation and wind down of BCBG Canada's Stores is complete.
19. BCBG Canada has continued to operate the Partner Shop business in the ordinary course since the date of the NOI, and continues to do so.
20. On March 28, 2017, an Order was granted in the United States in the context of the larger restructuring proceedings of the BCBG Group under Chapter 11 of the Bankruptcy Code. The Order approved the commencement of a sales and solicitation process for the assets of the BCBG Group including the Partner Shop business.
21. Subject notably to the approval of this Court, on June 9, 2017, BCBG Global Holdings, BCBG Canada and certain of their affiliates (the "**Sellers**") entered into two asset purchase agreements engaged with Marquee Brands, LLC (the "**IPCo Purchaser**") and GBG USA Inc. (the "**OpCo Purchaser**"). The IPCo Purchaser will purchase the BCBG Global Holdings' intellectual property and certain other assets, whereas the OpCo Purchaser will purchase certain businesses and related assets (the "**Sale Transaction**"), including BCBG Canada's Partner Shops and the assets relating thereto, collectively the "**Canadian Assets**". The contemplated asset purchase agreement with the OpCo Purchaser stipulates a purchase price for the assets as a whole. However at this time, it does not provide for a purchase price allocation for the Canadian Assets. The purchase price allocation among the assets is to be determined in the coming weeks. Consequently, the cash flow projections in Appendix B does not consider proceeds from the Sale Transaction.
22. The closing of the Sale Transaction is expected to occur on or before July 31, 2017. There are a number of conditions precedent to the closing, including this Court's approval and issuance of a vesting order in respect of the sale of the Canadian Assets in connection with the Sale Transaction (the "**Vesting Order**").
23. BCBG Canada expects to return before this Court to present an application seeking the Vesting Order in the coming weeks. We understand the Company is undergoing an appraisal of the Canadian Assets, the results of which will be compared the to the ultimate purchase price allocation for the Canadian Assets contemplated in paragraph 21 above.

CASH FLOW PROJECTIONS

Period from May 1 to June 18, 2017

24. When the Application for the Extension was filed on May 12, 2017, the Debtor submitted to the Official Receiver a projected cash flow statement covering the extension period from May 1 to July 2, 2017.
25. Since the filing of the NOI, the Debtor is paying its suppliers in the ordinary course of business based on negotiated terms or on cash-on-delivery basis. The Debtor advises that it is working to pay all unpaid liabilities since the filing.
26. Appendix A provides the comparative cash flow statement for the 7-week period ended June 18, 2017. Net cash flow of approximately \$2.5M for the 7-week period was approximately \$1.3M greater than initially forecasted:
- a. Total receipts for BCBG Canada were approximately \$8.5M, or approximately \$0.7M less than initially forecasted.
 - b. Total disbursements were approximately \$6.0M, or approximately \$2.0M less than initially forecasted. This is primarily due to the following:
 - i. Payroll and related payments were \$0.6M less than initially forecasted.
 - ii. Sales taxes remittance were \$0.5M higher than initially forecasted primarily due to timing.
 - iii. Liquidation fees and expense were \$0.9M less than initially forecasted primarily due to timing.
 - iv. Professional fees were \$0.5M less than initially forecasted.
27. At the time of writing this Fourth Report, BCBG Canada advised the Trustee that it was in compliance with the conditions under the Canadian Forbearance Agreement, including its compliance with the Borrowing Base Calculation, with the exception of two Events of Default. The Company has been provided a waiver for both of the Events of Default. The Trustee was provided with a copy of the Borrowing Base Certificates duly signed by the CCRA since the commencement of these proceedings.

Period from June 19 to August 13, 2017

28. In support of its third application for an extension of the time limit to file a proposal, the Debtor revised and extended its cash flow projections for the period from June 19 to August 13, 2017 (refer to Appendix B and summary below). As demonstrated in Appendix B, the Company has access to sufficient funds to cover the projected net cash flow deficit over the third extension period, without considering the proceeds from the Sale Transaction.

BCBG MAX AZRIA CANADA INC.	
Summary Cash Flow Forecast	
For the 8-week period ending August 13, 2017	
(Unaudited, in C\$000s)	
	Amount (\$)
Receipts	663
TOTAL RECEIPTS	663
DISBURSEMENTS	
Liquidation fees and expenses	(926)
Sales taxes on expenses and remittances	(665)
Trade vendor payments (third party)	(410)
Payroll and related payments	(300)
Professional fees	(100)
Operating leases, credit card and bank fees	(8)
TOTAL DISBURSEMENTS	(2,409)
NET CASH FLOW FROM OPERATIONS	(1,746)

29. The projections reflect the following general assumptions:

- a. Granting of the 45-day period extension to file a proposal;
- b. Continuation of the Partner Shops until the closing of the Sale Transaction;
- c. Does not include proceeds from the Sale Transaction; and
- d. Compliance with the conditions under the Canadian Forbearance Agreement, including its compliance with the Borrowing Base Calculation.

EXTENSION OF THE TIME LIMIT TO FILE A PROPOSAL

30. The Debtor advised the Trustee of its intention to file a third application for a 45-day extension of the time limit to file a proposal to its creditors pursuant to Subsection 50.4(9) of the BIA (the "**Third Application**").

31. The Company requires additional time to (i) complete the Sale Transaction, including to prepare and present the Vesting Order application and (ii) potentially formulate a proposal.

TRUSTEE'S RECOMMENDATION

32. The Trustee is of the opinion that the reasons invoked in the Third Application are reasonable.

33. The Trustee is of the opinion, based on the requested relief in the Third Application, that:

- a. It is in the creditors' best interest that an extension of the stay proceedings be granted in order to allow BCBG Canada additional time for the reasons detailed in paragraph 31;
- b. BCBG Canada has acted, and is continuing to act, in good faith and with due diligence; and
- c. No creditor will be materially prejudiced by the granting of the extension.

DATED AT MONTREAL on this 23rd day of June, 2017.



Martin Franco, CPA, CA, CIRP, LIT
Senior Vice President

DELOITTE RESTRUCTURING INC.
In its capacity as Trustee

APPENDIX A

BCBG Max Azria Canada Inc.
Weekly Cash Flow Forecast
For the 7-week period ended June 18, 2017
(Unaudited, in C\$000s)

	Cumulative Period: 7 Weeks Ended June 18, 2017		
	<u>Forecast</u>	<u>Actual</u>	<u>Variance</u>
TOTAL RECEIPTS	9,224	8,489	(735)
DISBURSEMENTS			
Payroll & related payments	(2,756)	(2,134)	622
Occupancy costs (Stores)	(1,625)	(1,615)	10
Trade vendor payments (third party)	(294)	(91)	203
Inventory purchases	-	-	-
Property taxes	(69)	(5)	64
Sales taxes on expenses	(281)	(196)	85
Sales taxes remittance	(1,204)	(1,660)	(456)
Operating leases, credit card and bank fees	(136)	(87)	49
Liquidation fees and expenses	(871)	-	871
Professional fees	(660)	(198)	462
Interest and fees	(84)	-	84
Other expenses	-	-	-
TOTAL DISBURSEMENTS	(7,979)	(5,987)	1,992
NET CASH FLOW FROM OPERATIONS	1,245	2,502	1,257
Beginning cash balance	2,435	2,435	-
Net cash flow	1,245	2,502	1,257
Net Revolver draw / (repayment)	(3,195)	(2,898)	297
ENDING CASH BALANCE (COMPANY)	485	2,039	1,554
Add: outstanding checks	-	29	29
ENDING CASH BALANCE (BANK)	485	2,068	1,583
CONTINUITY OF FINANCING			
Canadian Revolver			
Opening balance	4,289	4,289	-
Pre-filing repayment	-	-	-
Post-filing repayment	(9,224)	(8,489)	(735)
Post-filing draws	6,029	5,591	438
ENDING REVOLVER BALANCE	1,094	1,391	(297)

APPENDIX B

BCBG MAX AZRIA CANADA INC.
Weekly Cash Flow Forecast
For the 8-week period ending August 13, 2017
(Unaudited, in C\$000s)

<i>Week Ended >>>></i>	Note	25-Jun-17	02-Jul-17	09-Jul-17	16-Jul-17	23-Jul-17	30-Jul-17	06-Aug-17	13-Aug-17	Total
Receipts	1	411	-	84	-	84	-	84	-	663
TOTAL RECEIPTS		411	-	84	-	84	-	84	-	663
DISBURSEMENTS										
Payroll and related payments	2	-	(75)	-	(75)	-	(75)	-	(75)	(300)
Trade vendor payments (third party)	3	(50)	(100)	(100)	(50)	(50)	(50)	(5)	(5)	(410)
Sales taxes on expenses	4	(64)	(69)	(13)	(7)	(7)	(7)	(1)	(1)	(167)
Sales taxes remittance	4	(45)	(403)	-	-	-	-	(50)	-	(498)
Operating leases, credit card and bank fees	5	-	(4)	-	-	-	(4)	-	-	(8)
Liquidation fees and expenses	6	(442)	(483)	-	-	-	-	-	-	(926)
Professional fees	7	-	(50)	-	-	-	-	(50)	-	(100)
TOTAL DISBURSEMENTS		(602)	(1,184)	(113)	(132)	(57)	(136)	(106)	(81)	(2,409)
NET CASH FLOW FROM OPERATIONS		(191)	(1,184)	(29)	(132)	28	(136)	(22)	(81)	(1,746)
Beginning cash balance		2,039	1,437	253	140	100	100	100	100	2,039
Net cash flow		(191)	(1,184)	(29)	(132)	28	(136)	(22)	(81)	(1,746)
Net Revolver draw / (repayment)		(411)	-	(84)	92	(28)	136	22	81	(193)
ENDING CASH BALANCE		1,437	253	140	100	100	100	100	100	100
CONTINUITY OF FINANCING										
Canadian Revolver										
Opening balance		1,391	980	980	896	988	960	1,096	1,118	1,391
Pre-filing repayment		-	-	-	-	-	-	-	-	-
Post-filing repayment		(411)	-	(84)	-	(84)	-	(84)	-	(663)
Post-filing draws		-	-	-	92	56	136	106	81	471
ENDING REVOLVER BALANCE		980	980	896	988	960	1,096	1,118	1,199	1,199

To be read in conjunction with the attached Notes and Summary of Assumptions.

Notes and Summary of Assumptions

1. *Receipts* include product sales from Partner Shops but excludes proceeds from the Sale Transaction. Forecast product sales from Partner Shops are net of all partner fees (including credit card fees) and are based on historical sales patterns on a weekly basis.
2. *Payroll and related payments* include Partner Shops, corporate-related payroll, and fringe benefits. Amounts are Management's estimate based on current average payrolls of hourly, temporary and salaried employees.
3. *Trade vendor payments (third party)* include payments to suppliers as well as amounts for security, maintenance and equipment, based on historical expense patterns. Amounts exclude sales tax.
4. *Sales taxes on expenses and remittance* include sales taxes on remittance which reflect the net PST, HST, and GST amounts remitted (collected) to (from) the provinces and federal government in line with the prior month's activity. Sales taxes on expenses are calculated based on the amount disbursed (paid weekly/biweekly). Amounts are Management's best estimate based on historical results.

APPENDIX B

5. *Operating leases, credit card and bank fees* include credit card fees which are forecast at 1.6% of all credit sales; monthly bank fees and operating lease costs determined based on historical expense patterns.
6. *Liquidation fees and expenses* include the unpaid Consultant Fee, supervision fee, and advertising and freight costs related specifically to the Liquidation Sale.
7. *Professional fees* include estimated fees for the CCRA. Fees incurred for the Trustee, its legal advisors and the Company's legal counsel will be applied against deposits on hand by the various parties.

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
COURT N°: 500-11-052159-171
ESTATE N°: 41-2223474

SUPERIOR COURT
Commercial Division

**IN THE MATTER OF THE
PROPOSAL OF:**

BCBG MAX AZRIA CANADA INC., a legal person,
duly constituted under the *Canada Business
Corporations Act*, having its registered office at 1000
De La Gauchetière Street West, Suite 2100,
Montréal, Québec, H3B 4W5

Debtor

- and -

DELOITTE RESTRUCTURING INC.
(Martin Franco, CPA, CA, CIRP, LIT designated
person in charge), having a place of business at
1190 des Canadiens-de-Montréal Avenue, Suite
500, Montréal, Québec, H3B 0M7

Trustee

REPORT ON CASH FLOW STATEMENT BY THE PERSON MAKING THE PROPOSAL
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

The cash flow projection was prepared on June 23, 2017, by the Debtor, with the assistance of the Chief Canadian Restructuring Advisor (the "CCRA"), based on financial information available at that date.

The purpose of this projection is to provide the Official Receiver with future-oriented financial information, in connection with the filing on the Notice of Intention to Make a Proposal to the creditors, in accordance with the terms of the Bankruptcy and Insolvency Act. Readers are cautioned that this information may not be appropriate for other purposes.

The cash flow projection has been prepared based on assumptions that reflect the Debtor's planned courses of action for the period from June 19, 2017 to August 13, 2017, given a set of economic conditions that, in the Debtor and the CCRA's opinion, are the most probable.

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

DATED AT MONTREAL, this 23rd day
of June 2017

BCBG Max Azria Canada Inc.



FAAN Advisors Group Inc., in its capacity as Chief
Canadian Restructuring Advisor.

BCBG Max Azria Canada Inc.
Weekly Cash Flow Forecast
For the period from June 19, 2017 to August 13, 2017.

BCBG MAX AZRIA CANADA INC.
 Weekly Cash Flow Forecast
 For the 8-week period ending August 13, 2017
 (Unaudited, in C\$000s)

Week Ended >>>>	Note	25-Jun-17	02-Jul-17	09-Jul-17	16-Jul-17	23-Jul-17	30-Jul-17	06-Aug-17	13-Aug-17	Total
Receipts	1	411	-	84	-	84	-	84	-	663
TOTAL RECEIPTS		411	-	84	-	84	-	84	-	663
DISBURSEMENTS										
Payroll and related payments	2	-	(75)	-	(75)	-	(75)	-	(75)	(300)
Trade vendor payments (third party)	3	(50)	(100)	(100)	(50)	(50)	(50)	(5)	(5)	(410)
Sales taxes on expenses	4	(64)	(69)	(13)	(7)	(7)	(7)	(1)	(1)	(167)
Sales taxes remittance	4	(45)	(403)	-	-	-	-	(50)	-	(498)
Operating leases, credit card and bank fees	5	-	(4)	-	-	-	(4)	-	-	(8)
Liquidation fees and expenses	6	(442)	(483)	-	-	-	-	-	-	(926)
Professional fees	7	-	(50)	-	-	-	-	(50)	-	(100)
TOTAL DISBURSEMENTS		(602)	(1,184)	(113)	(132)	(57)	(136)	(106)	(81)	(2,409)
NET CASH FLOW FROM OPERATIONS		(191)	(1,184)	(29)	(132)	28	(136)	(22)	(81)	(1,746)
Beginning cash balance		2,039	1,437	253	140	100	100	100	100	2,039
Net cash flow		(191)	(1,184)	(29)	(132)	28	(136)	(22)	(81)	(1,746)
Net Revolver draw / (repayment)		(411)	-	(84)	92	(28)	136	22	81	(193)
ENDING CASH BALANCE		1,437	253	140	100	100	100	100	100	100
CONTINUITY OF FINANCING										
Canadian Revolver										
Opening balance		1,391	980	980	896	988	960	1,096	1,118	1,391
Pre-filing repayment		-	-	-	-	-	-	-	-	-
Post-filing repayment		(411)	-	(84)	-	(84)	-	(84)	-	(663)
Post-filing draws		-	-	-	92	56	136	106	81	471
ENDING REVOLVER BALANCE		980	980	896	988	960	1,096	1,118	1,199	1,199

To be read in conjunction with the attached Notes and Summary of Assumptions.

FAAN Advisors Group Inc.
 In its capacity as CCRA
 BCBG Max Azria Canada Inc.

This statement of projected cash flow of BCBG Max Azria Canada Inc., prepared in accordance with Subsection 50.4(2) of the *Bankruptcy and Insolvency Act*, should be read in conjunction with the Trustee's Report.

June 23, 2017

Martin Franco, CPA, CA, CIRP, LIT
 Senior Vice President

DELOITTE RESTRUCTURING INC.
 In its capacity as Trustee



Deloitte Restructuring Inc. /
Restructuration Deloitte Inc.
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C A N A D A
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
COURT. No.: 500-11-052159-171
ESTATE. No.: 41-2223474

S U P E R I O R C O U R T
Commercial Division

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

BCBG MAX AZRIA CANADA INC., a legal person,
duly constituted under the *Canada Business
Corporations Act*, having its registered office at 1000
De La Gauchetière Street West, Suite 2100, Montréal,
Québec, H3B 4W5

Debtor/Petitioner

- and -

DELOITTE RESTRUCTURING INC.
(Martin Franco, CPA, CA, CIRP, LIT designated
person in charge), having a place of business at
1190 des Avenue des Canadiens-de-Montréal
Avenue, Suite 500, Montréal, Québec, H3B 0M7

Trustee

TRUSTEE'S REPORT ON CASH FLOW STATEMENT
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

To: Official Receiver
Office of the Superintendent of Bankruptcy
Sun Life Building
1155, rue Metcalfe, bureau 1071
Montréal, QC H3B 2V

The attached statement of projected cash flow of BCBG Max Azria Canada Inc., as of the 23rd day of June, 2017, consisting of the period beginning on the 19th day of June, 2017 and ending on the 13th day of August, 2017, has been prepared by the Debtor, with the assistance of the Chief Canadian Restructuring Advisor ("the **CCRA**") for the purpose described below, using the assumptions set out in the attached Notes and Summary of Assumptions.

The purpose of this projection is to provide the Official Receiver with future-oriented financial information, in connection with the filing of the Notice of Intention to Make a Proposal to the creditors, in accordance with the terms of the *Bankruptcy and Insolvency Act*.

Our review consisted of inquiries, analytical procedures, and discussions related to information supplied to us by the Debtor, the CCRA and employees of the Debtor. We have also reviewed the support provided by the Debtor for the assumptions and the 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 assumptions are not consistent with the purpose of the projection;
- b) as at the date of this report, the assumptions developed by the Debtor and the CCRA are not suitably supported and consistent with the plans of the Debtor or do not provide a reasonable basis for the projection.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, 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 above, and readers are cautioned that it may not be appropriate for other purposes.

DATED AT MONTREAL, this 23rd day of June,
2017.



Martin Franco, CPA, CA, CIRP, LIT
Senior Vice President

DELOITTE RESTRUCTURING INC.
In its capacity as Trustee