

Vancouver

08-Jun-21

REGISTRY

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF

**PLEASE MUM PARTNERSHIP**  
**AND**  
**ELIA FASHIONS LTD.**  
**AND**  
**BOSSA NOVA FASHIONS LTD.**  
(collectively, "Please Mum" or the "Company")

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**FOURTH REPORT TO THE COURT**  
**SUBMITTED BY DELOITTE RESTRUCTURING INC.**  
**IN ITS CAPACITY AS MONITOR**

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May 27, 2021

**PLEASE MUM  
MONITOR'S FOURTH REPORT TO COURT  
MAY 27, 2021**

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## INTRODUCTION

1. On December 6, 2011, Please Mum Partnership, Elia Fashions Ltd. (“**Elia**”) and Bossa Nova Fashions Ltd. (“**Bossa**”) (collectively, “**Please Mum**” or the “**Company**”) sought and obtained protection from its creditors under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended, (the “**CCAA**”) pursuant to an Order of the Supreme Court of British Columbia (the “**Initial Order**”). A copy of the Initial Order is attached hereto as **Appendix A**.
2. Pursuant to the Initial Order, Deloitte & Touche Inc. (now Deloitte Restructuring Inc., “**Deloitte**”) was appointed as monitor of the Company (the “**Monitor**”). The Monitor has made the Initial Order and other information related to these insolvency proceedings available on its website at [www.deloitte.com/ca/please-mum](http://www.deloitte.com/ca/please-mum) (the “**Deloitte Website**”).
3. On January 5, 2012, the Court granted an Order extending the stay of proceedings to April 5, 2012 (the “**First Extension Order**”). A copy of the First Extension Order is attached hereto as **Appendix B**.
4. On March 28, 2012, the Court granted an Order approving a beneficial asset purchase transaction related to the lands situated at 333 Woodland Drive, Vancouver, B.C. (the “**Woodland Property**”) owned by 0710345 B.C. Ltd. (“**071**”). The transaction enabled Bossa to utilize tax losses and partially shelter the gain on the sale of the Woodland Property (the “**Woodland Property Order**”). A copy of the Woodland Property Order is attached hereto as **Appendix C**.
5. On April 5, 2012, the Court granted an Order extending the stay of proceedings to May 7, 2012 (the “**Second Extension Order**”). A copy of the Second Extension Order is attached hereto as **Appendix D**.
6. On May 11, 2012, the Court granted an Order approving the Asset Purchase Agreement (the “**071 APA**”) whereby 071 would purchase substantially all of the current assets and certain of the non-current assets of Please Mum (the “**071 Asset Sale**”) and extending the stay of proceedings to June 15, 2012 (the “**Third Extension Order**”). A copy of the Third Extension Order is attached hereto as **Appendix E**.

## **PURPOSE, QUALIFICATIONS AND RESTRICTIONS OF THIS REPORT**

7. This report is the Monitor's fourth report ("**Fourth Report**") to the Court. This Fourth Report should be read in conjunction with the Monitor's first report to the Court dated January 4, 2012 ("**First Report**"), the Monitor's second report to the Court dated April 3, 2012 ("**Second Report**"), the Monitor's third report to the Court dated May 7, 2012 ("**Third Report**") and Proposal Trustee's reports dated August 2, 2011, September 14, 2011 and December 5, 2011, which can be found on the Monitor's website at [www.deloitte.com/ca/please-mum](http://www.deloitte.com/ca/please-mum).
8. Terms not defined in this report shall have meanings ascribed to them in the First Report, Second Report, and the Third Report, as applicable.
9. The purpose of this Fourth Report is to provide this Honourable Court with information and comments in respect of the following:
  - (a) activities of the Monitor since the Third Report; and
  - (b) approving the discharge of Deloitte as Monitor and Proposal Trustee.

## **TERMS OF REFERENCE**

10. In preparing this Fourth Report and making the comments herein, the Monitor has been provided with, and has relied upon certain unaudited, draft and/or internal financial information, Company records, Company prepared financial information and projections, discussions with management and employees of the Company, and information from other third party sources (collectively, the "**Information**").
11. The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with generally accepted assurance standards, and accordingly the Monitor expresses no opinion or other form of assurance in respect of the Information.

12. The Monitor has prepared this Fourth Report in its capacity as the Court appointed monitor of the Company. The reader is cautioned that this report may not be appropriate for any other purpose and consequently should not be used for any other purpose.
13. The Monitor assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction or use of this report. Any use which any party makes of this report, or any reliance or decisions to be made based on this report, is the sole responsibility of such party.
14. All dollar amounts identified in this report are expressed in Canadian dollars, unless otherwise specified.

## **BACKGROUND**

15. Elia and Bossa were formed on April 29, 1986 and January 23, 1989, respectively. Please Mum Partnership was subsequently established on August 5, 2001 as a general partnership between Elia and Bossa. The founder and Chief Executive Officer, Ms. Kathryn Adrian, controlled Please Mum through a majority ownership of Elia.
16. On July 7, 2011, Please Mum filed a notice of intention to make a proposal (“NOI”) pursuant to Section 50.4 of the *Bankruptcy and Insolvency Act* and Deloitte & Touche Inc. (now Deloitte Restructuring Inc.) was appointed as trustee under the proposal (“**Proposal Trustee**”). The NOI stay of proceedings was extended, by Orders of this Honourable Court, to December 6, 2011.
17. On December 6, 2011, upon the expiration of the NOI stay of proceedings, Please Mum Partnership, Elia and Bossa sought and obtained protection from its creditors under the CCAA pursuant to the Initial Order.

## **ACTIVITIES OF THE COMPANY SINCE THE NOI FILING**

18. Since filing of the NOI (and the CCAA), and as part of its restructuring, the Company has:
  - a) Closed 77 stores nationally and redistributed inventory between its remaining 13 stores and e-commerce site. In addition, inventory was consolidated to achieve an optimum product mix;

- b) Undertook an orderly liquidation sales strategy to realize inventory and generate sufficient cash to continue the operations of the business through a reduced store network;
- c) Reduced headcount from approximately 869 employees to 123 employees across the retail network, warehouse and head office location;
- d) Removed all gift cards from Please Mum stores and deactivated gift cards distributed through other retail channels;
- e) Secured a refinancing of the Royal Bank of Canada credit facilities through 071, a related party;
- f) Engaged environmental consultants to undertake environmental assessment work at the Woodland Property;
- g) Assisted 071 to complete the sale of the Woodland Property on March 29, 2012 (the “**Woodland Sale**”);
- h) Held negotiations with financiers and investors with respect to funding the ongoing operations of the Company in the long term;
- i) Assessed the viability of a potential plan of arrangement with the Company’s creditors; and
- j) Completed the sale of assets in accordance with the Third Extension Order and the 071 APA between the Company and 071.

#### **ACTIVITIES OF THE MONITOR SINCE THE THIRD REPORT**

19. Since the Third Report, the Monitor’s activities included:

- a) Attending to ongoing enquiries from creditors, customers, landlords, federal and provincial government agencies and other stakeholders of the Company; and
- b) Continuing correspondence with the Company and its counsel in relation to the next steps after the completion of the 071 Asset Sale, as further detailed in this Fourth Report.

## **THE 071 ASSET SALE AND THE EXPIRATION OF THE STAY OF PROCEEDINGS**

20. Pursuant to the Third Extension Order, the sale of assets concluded in or around June 2012. Upon the sale of assets, the Company was left with no realizable assets, while the liabilities (except where specifically included in the APA) remained with the Company.
21. As noted in the Third Report, 071 held approximately \$2.5 million in priority security over the Company's assets prior to the 071 Asset Sale. Given the appraised value of the assets contemplated for sale, 071 suffered a significant shortfall in realizations and there was no distributions available to remaining creditors of the Please Mum estate.
22. Accordingly, subsequent to the sale of assets, the stay of proceedings for the Company expired on June 12, 2012. While the Monitor reached out to the Company to discuss the termination of the CCAA and the discharge of the Monitor's duties upon the sale of assets, no actions have been initiated by the Company to either extend the stay of proceedings or to terminate the CCAA proceedings.
23. The Company refused to provide sufficient funds to the Monitor and its counsel, Gowling WLG LLP (formerly Gowling Lafleur Henderson LLP, "Gowlings"), to prepare for its discharge, or to settle the Monitor and Gowlings' outstanding fees in full. Since the Monitor had not been provided funds by the Company, Gowlings made significant write-downs to its fees.
24. While both the Monitor and Gowlings were granted an administration charge on the Company's assets from this Honourable Court, the 071 Asset Sale left the Company with no assets to settle the outstanding fees of the professionals. Due to the lack of funding, the Monitor has delayed bringing its discharge application until now. This Fourth Report and the discharge application have been prepared by the Monitor, with assistance from Gowlings, at the professionals' own costs.

## **SUMMARY OF THE MONITOR'S ACTIVITIES IN THE NOI AND CCAA PROCEEDINGS**

25. In its prior reports to this Honourable Court, Deloitte, in its capacity as Proposal Trustee and Monitor, has described many of the activities that it has completed since the commencement of the NOI proceedings. A summary of the Monitor's more significant activities during the NOI and CCAA proceedings to date include:
  - a) Complied with all the statutory requirements as the Proposal Trustee and the Monitor under the BIA and CCAA, respectively;

- b) Established the Deloitte Website and posted updates and Court materials with respect to the NOI and CCAA proceedings;
- c) Assisted the Company with the preparation of their NOI and CCAA cash flow forecasts;
- d) Monitored the Company's cash flow and business affairs, in accordance with the BIA and the terms of the Initial Order;
- e) Provided ongoing consultation and input to Management with respect to various matters through the period of the NOI and CCAA proceedings;
- f) Assisted the Company with the Woodland Sale and the 071 Asset Sale;
- g) Dealt with inquiries from various of the Company's creditors and other stakeholders with respect to matters pertaining to the NOI and CCAA proceedings;
- h) Prepared various reports to this Honourable Court in its capacity as Proposal Trustee and Monitor, and attended at related hearings to respond to its inquiries about a number of matters; and
- i) Attended to various other matters which are normal and customary in proceedings of this nature.

26. The Monitor is of the view that it has completed its duties, and the Monitor is in a position to be discharged in relation to the CCAA proceedings.

#### **FEES AND DISBURSEMENTS OF THE MONITOR AND ITS COUNSEL**

27. Deloitte's fees and disbursements and those of its counsel, Gowlings, in relation to the NOI and CCAA proceedings are summarized in the tables below:



NOI Invoice Summary - Deloitte						
Invoice No.	Period	Fees	Disbursements	Subtotal	Taxes	Invoice Amount
2903348	Jul 5 to 16, 2011	\$ 23,705.00	\$ 152.73	\$ 23,857.73	\$ 2,862.93	\$ 26,720.66
2909850	Jul 18 to Aug 6, 2011	25,780.00	-	25,780.00	3,093.60	28,873.60
2919201	Aug 8 to 27, 2011	16,088.00	472.15	16,560.15	1,987.22	18,547.37
2936634	Aug 29 to Sep 24, 2011	27,373.50	31.93	27,405.43	3,288.65	30,694.08
2952937	Sept 26 to Oct 29, 2011	25,625.50	-	25,625.50	3,075.06	28,700.56
2968704	Oct 31 to Nov 26, 2011	38,144.50	-	38,144.50	4,577.34	42,721.84
2979123	Expenses - Inventory appraisal	-	11,500.00	11,500.00	1,380.00	12,880.00
2993873	Nov 27 to Dec 6, 2011	19,110.00	31.07	19,141.07	2,296.93	21,438.00
		<u>\$ 175,826.50</u>	<u>\$ 12,187.88</u>	<u>\$ 188,014.38</u>	<u>\$ 22,561.73</u>	<u>\$ 210,576.11</u>

CCAA Invoice Summary - Deloitte						
Invoice No.	Period	Fees	Disbursements	Subtotal	Taxes	Invoice Amount
2991921	Expenses - Newspaper ad	\$ -	\$ 1,747.24	\$ 1,747.24	\$ 205.47	\$ 1,952.71
2993905	Dec 7, 2011 to Jan 6, 2012	31,470.00	-	31,470.00	3,776.40	35,246.40
3004202	Jan 9 to Feb 4, 2012	14,105.00	-	14,105.00	1,692.60	15,797.60
3023138	Feb 6 to Mar 3, 2012	8,542.50	-	8,542.50	1,025.10	9,567.60
3041350	Mar 4 to Mar 31, 2012	12,632.50	-	12,632.50	1,515.90	14,148.40
3087929	Apr 1 to May 12, 2012	23,536.00	-	23,536.00	2,824.32	26,360.32
		<u>\$ 90,286.00</u>	<u>\$ 1,747.24</u>	<u>\$ 92,033.24</u>	<u>\$ 11,039.79</u>	<u>\$ 103,073.03</u>

Grand Total \$ 266,112.50 \$ 13,935.12 \$ 280,047.62 \$ 33,601.52 \$ 313,649.14

NOI Invoice Summary - Gowlings						
Invoice No.	Period	Fees	Disbursements	Subtotal	Taxes	Invoice Amount
17347758	Oct 11 to 13, 2011	\$ 640.00	\$ 1.00	\$ 641.00	\$ 76.92	\$ 717.92
17368733	Nov 7 to Nov 28, 2011	3,720.00	1.15	3,721.15	446.54	4,167.69
		<u>\$ 4,360.00</u>	<u>\$ 2.15</u>	<u>\$ 4,362.15</u>	<u>\$ 523.46</u>	<u>\$ 4,885.61</u>

CCAA Invoice Summary - Gowlings						
Invoice No.	Period	Fees	Disbursements	Subtotal	Taxes	Invoice Amount
17368735	Nov 29 to 30, 2011	\$ 760.00	\$ -	\$ 760.00	\$ 91.20	\$ 851.20
17389892	Dec 1 to 16, 2011	5,440.00	176.65	5,616.65	674.00	6,290.65
17419474	Jan 2 to 25, 2012	4,095.00	17.90	4,112.90	493.55	4,606.45
17452430	March 19 to 27, 2012	462.00	11.00	473.00	56.76	529.76
17469200	March 26 to Apr 26, 2012	3,915.00	25.42	3,940.42	472.85	4,413.27
17487545	Apr 26 to May 18, 2012	14,144.00	96.67	14,240.67	1,708.88	15,949.55
17513014	June 4 to 15, 2012	450.00	1.17	451.17	54.14	505.31
17524857	June 22 to July 4, 2012	500.00	3.17	503.17	60.38	563.55
17589723	Aug 29, 2012	450.00	1.42	451.42	54.17	505.59
		<u>\$ 30,216.00</u>	<u>\$ 333.40</u>	<u>\$ 30,549.40</u>	<u>\$ 3,665.93</u>	<u>\$ 34,215.33</u>

Grand Total \$ 34,576.00 \$ 335.55 \$ 34,911.55 \$ 4,189.39 \$ 39,100.94

28. The Monitor's fees and disbursements for the NOI and CCAA proceedings total \$280,047.62 (before taxes).
29. Gowlings' fees and disbursements for the NOI proceedings total \$4,362.51 (before taxes). These fees have been submitted for taxation by the taxing officer pursuant to R. 18 of the *Bankruptcy and Insolvency General Rules*.
30. Gowlings' fees and disbursements for the CCAA proceedings total \$30,549.40 (before taxes).

31. Copies of the invoices described herein, including detailed time analysis, are attached to the first affidavits of Colin Brousson and Jeff Keeble filed herein.
32. While Deloitte was able to collect all of its professional fees in relation to the NOI, the CCAA fees were not paid in full by the Company. As such, the Monitor had to write off approximately \$37,000 in fees, representing approximately 36% of the total fees incurred during the CCAA proceedings. Gowlings was also required to make significant write downs of its fees.
33. The Monitor is of the view that the work performed by the Monitor and Gowlings was necessary and appropriate in the circumstances for the NOI and CCAA proceedings, and that the rates charged are reasonable and in keeping with the rates charged by other trustees and lawyers in the market performing similar work.

#### **MONITOR'S RECOMMENDATION**

34. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court make an order approving the following:
  - a) the fees and disbursements of Deloitte as Proposal Trustee in the NOI proceedings;
  - b) the activities of Deloitte (formerly Deloitte & Touche Inc.) as Monitor, during the CCAA proceedings, as set out in this Fourth Report;
  - c) the fees and disbursements of Deloitte as Monitor, and those of its counsel, Gowlings, in the CCAA proceedings; and
  - d) the discharge of Deloitte in its capacity as Court Officer (Proposal Trustee and Monitor) of the Company.

All of which is respectfully submitted this 27<sup>th</sup> day of May, 2021.

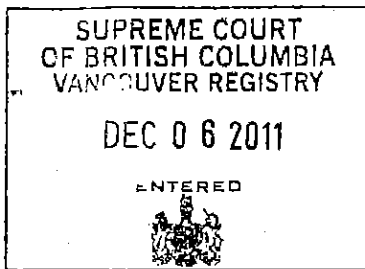
#### **DELOITTE RESTRUCTURING INC.**

In its capacity as Court-appointed Monitor of  
Please Mum Partnership, Elia Fashions Ltd. and Bossa Nova Fashions Ltd.  
and not in its personal capacity.



Per: Jeff Keeble, CPA, CA, CIRP, LIT, CBV  
Senior Vice President

**APPENDIX A**  
**INITIAL ORDER DATED DECEMBER 6, 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**

**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**

**INITIAL ORDER**

BEFORE THE HONOURABLE )  
MR. JUSTICE BURNYEAT ) TUESDAY, the 6<sup>th</sup> DAY OF  
) DECEMBER 2011  
)

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 6<sup>th</sup> day of December, 2011 (the "Order Date"); AND ON HEARING John R. Sandrelli and Cindy Cheuk, counsel for the Petitioners and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed, including the Affidavit #1 of Kathryn Adrian sworn November 29, 2011, the Affidavit #2 of Fran Thibodeau, sworn November 28, 2011, the Affidavit #1 of Telis Kardakaris, sworn December 2, 2011, the Affidavit #2 of Telis Kardakaris, sworn December 5, 2011, the Third Report of Deloitte & Touche Inc., submitted in its capacity as Proposal Trustee and Proposed Monitor, and the consent of Deloitte & Touche Inc. to act as Monitor; AND UPON BEING ADVISED that the secured creditors and others who are likely to be affected have been given notice; AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "CCA"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

### **JURISDICTION**

1. The Petitioners, Elia Fashions Ltd. ("**Elia**") and Bossa Nova Fashions Ltd. ("**Bossa Nova**"), are companies to which the CCAA applies.
2. The business of Elia and Bossa Nova are so closely connected and intertwined with Please Mum Partnership (the "**Partnership**") that, although not a Petitioner, the Partnership shall enjoy the benefit of the protections of and the authorizations provided by this Initial Order.
3. The proceedings commenced under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**") in Supreme Court of British Columbia Vancouver Registry No. VLC-S-B-110732 (the "**BIA Proceeding**") on July 7, 2011 (the "**BIA Stay Date**") by Elia, Bossa Nova and the Partnership (collectively, "**Please Mum**") as Petitioners, be continued herein, pursuant to section 11.6 of the CCAA.

### **SUBSEQUENT HEARING DATE**

4. The hearing of Please Mum's application for an extension of the Stay Period (as defined in paragraph 19 of this Order) and for any ancillary relief shall be held at the Courthouse at 800 Smithe Street, Vancouver, British Columbia at 10:00 a.m. on Thursday, the 5<sup>th</sup> day of January, 2012 or such other date as this Court may order.

### **PLAN OF ARRANGEMENT**

5. Please Mum shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").
6. Please Mum shall not make any payments to unsecured creditors under any Plan filed herein until Please Mum has paid in full all amounts owing to landlords of retail premises disclaimed by Please Mum pursuant to section 65.2 of the BIA on account of arrears of unpaid

rents for the period of the BIA Stay Date to the expiry date of the applicable notice period under section 65.2 of the BIA in respect of such premises.

## **POSSESSION OF PROPERTY AND OPERATIONS**

7. Subject to this Order and any further Order of this Court, Please Mum shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), and continue to carry on its business (the "**Business**") in the ordinary course and in a manner consistent with the preservation of the Business and the Property. Please Mum shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.

8. Please Mum shall be entitled, but not required, to pay the following expenses which may have been incurred prior to the BIA Stay Date:

- (a) all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Order Date, in each case incurred in the ordinary course of business and consistent with the relevant compensation policies and arrangements existing at the time incurred (collectively "**Wages**"); and
- (b) the fees and disbursements of any Assistants retained or employed by Please Mum which are related to Please Mum's restructuring, at their standard rates and charges, including payment of the fees and disbursements of legal counsel retained by Please Mum, whenever and wherever incurred, in respect of:
  - (i) these proceedings, the BIA Proceeding or any other similar proceedings in other jurisdictions in which Please Mum or any subsidiaries or affiliated companies of Please Mum are domiciled;
  - (ii) any litigation in which Please Mum is named as a party or is otherwise involved, whether commenced before or after the BIA Stay Date; and

- (iii) any related corporate matters.
- (c) with the written consent of the Monitor, those creditors who are determined by Please Mum and the Monitor to be critical to the ongoing Business of Please Mum on the following terms:
- (i) pay the entire amount of Please Mum's obligations to any creditor if the amount of such obligations, as agreed between Please Mum and the creditor, is \$2,000 or less as at the BIA Stay Date;
  - (ii) pay \$2,000 to any creditor to which the outstanding obligations of Please Mum are greater than \$2,000 as at the BIA Stay Date, provided that such creditor agrees to accept that amount in full satisfaction of all obligations of Please Mum to such creditor as at the BIA Stay Date;
  - (iii) pay any such lesser amount as may be required to maintain supply or services for Please Mum; or
  - (iv) pay such other amount as may be authorized by further Order of this Court.

9. Except as otherwise provided herein, Please Mum shall be entitled to pay all expenses reasonably incurred by Please Mum in carrying on the Business in the ordinary course following the BIA Stay Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditure reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services, provided that any capital expenditure exceeding \$10,000 shall be approved by the Monitor;
- (b) all obligations incurred by Please Mum after the BIA Stay Date, including without limitation, with respect to goods and services actually supplied to Please Mum following the BIA Stay Date (including those under purchase orders outstanding at the BIA Stay Date but excluding any interest on Please Mum's obligations incurred prior to the BIA Stay Date); and

- (c) fees and disbursements of the kind referred to in paragraph 8(b) which may be incurred after the BIA Stay Date.
10. Please Mum is authorized to remit, in accordance with legal requirements, or pay:
- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;
  - (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by Please Mum in connection with the sale of goods and services by Please Mum, but only where such Sales Taxes accrue or are collected after the BIA Stay Date, or where such Sales Taxes accrued or were collected prior to the BIA Stay Date but not required to be remitted until on or after the BIA Stay Date; and
  - (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.
11. Until such time as a real property lease is disclaimed in accordance with the CCAA, Please Mum shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated between Please Mum and the landlord from time to time ("**Rent**"). In the case of a lease disclaimed in accordance with the CCAA, Please Mum shall pay such Rent up to and including the effective date of such disclaimer.



12. Except as specifically permitted herein, Please Mum is hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by Please Mum to any of its creditors as of the BIA Stay Date except as authorized by this Order;
- (b) to make no payments in respect of any financing leases which create security interests;
- (c) to grant no security interests, trust, mortgages, liens, charges or encumbrances upon or in respect of any of its Property, nor become a guarantor or surety, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this Order;
- (d) to not grant credit except in the ordinary course of the Business only to its customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by Please Mum to such customers as of the BIA Stay Date; and
- (e) to not incur liabilities except in the ordinary course of Business.

13. Notwithstanding paragraph 12(c) of this Order, Please Mum may, with the consent of the Monitor, grant a purchase money security interest to any consignor in relation to any goods consigned by such consignor to Please Mum.

#### **FINANCIAL ARRANGEMENTS**

14. Notwithstanding any other provision in this Order:

- (a) Please Mum is hereby authorized and empowered to borrow, repay and reborrow from its lenders (the "**Lenders**") such amounts from time to time as Please Mum considers necessary, and the Lenders shall be entitled to revolve their operating loan facilities (the "**Lender Loan Facilities**") and collect interest, fees and costs

on the Lender Loan Facilities, subject to such amendments as are agreed between the Lender and Please Mum;

- (b) to the extent that any Lender Loan Facilities are secured, such Lender Loan Facilities shall be secured by the same charge (the "**Lender Charge**") as secured the Lender Loan Facility as at the BIA Stay Date; and
- (c) Please Mum is authorized to deal with any Lender in respect of the Lender Loan Facility on such terms as may be negotiated and agreed upon between Please Mum and the Lender.

## **RESTRUCTURING**

15. Subject to such requirements as are imposed by the CCAA, Please Mum shall have the right to:

- (a) permanently or temporarily cease, downsize or shut down all or any part of its Business or operations and commence marketing efforts in respect of any of its redundant or non-material assets and to dispose of redundant or non-material assets not exceeding \$50,000 in any one transaction or \$100,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing for its Business or Property, in whole or part;

all of the foregoing to permit Please Mum to proceed with an orderly restructuring of the Business (the "**Restructuring**").

16. Please Mum shall provide each of the relevant landlords with notice of Please Mum's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes Please Mum's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors who claim a security interest in the fixtures, such landlord and Please Mum, or by further Order of this Court upon application by Please Mum, the landlord or the applicable

secured creditors on at least two (2) clear days' notice to the other parties. If Please Mum disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any dispute concerning such fixtures (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to Please Mum's claim to the fixtures in dispute.

17. If a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then: (a) during the period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours on giving Please Mum and the Monitor 24 hours' prior written notice; and (b) at the effective time of the disclaimer, the landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims the landlord may have against Please Mum, or any other rights the landlord might have, in respect of such lease or leased premises and the landlord shall be entitled to notify Please Mum of the basis on which it is taking possession and gain possession of and re-lease such leased premises to any third party or parties on such terms as the landlord considers advisable, provided that nothing herein shall relieve the landlord of its obligation to mitigate any damages claimed in connection therewith.

18. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronics Documents Act*, S.C. 2000, c. 5 and Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, and any regulations promulgated under authority of either Act, as applicable (the "**Relevant Enactment**"), Please Mum, in the course of these proceedings, is permitted to, and hereby shall, disclose personal information of identifiable individuals in its possession or control to stakeholders, its advisors, prospective investors, financiers, buyers or strategic partners (collectively, "**Third Parties**"), but only to the extent desirable or required to negotiate and complete the Restructuring or to prepare and implement the Plan or transactions for that purpose; provided that the Third Parties to whom such personal information is disclosed enter into confidentiality agreements with Please Mum, binding them in the same manner and to the same extent with respect to the collection, use and disclosure of that information as if they were an organization as defined under the Relevant Enactment, and limiting the use of such information to the extent desirable or required to negotiate or complete the Restructuring or to prepare and implement the Plan or transactions for that purpose, and attorning to the jurisdiction of this Court for the purposes of that agreement. Upon the completion of the use of personal

information for the limited purposes set out herein, the Third Parties shall return the personal information to Please Mum or destroy it. If the Third Parties acquire personal information as part of the Restructuring or the preparation and implementation of the Plan or transactions in furtherance thereof, such Third Parties may, subject to this paragraph and any Relevant Enactment, continue to use the personal information in a manner which is in all respects identical to the prior use thereof by Please Mum.

#### **STAY OF PROCEEDINGS, RIGHTS AND REMEDIES**

19. Until and including 5:00 p.m. on January 5, 2012, or such later date as this Court may order (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal (each, a "**Proceeding**") in respect of any claim or obligation arising prior to the BIA Stay Date against or in respect of Please Mum, or the Monitor, or affecting the Business or the Property, shall be commenced or continued except with the written consent of Please Mum and the Monitor or with leave of this Court, and any and all Proceedings currently under way against or in respect of Please Mum or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

20. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") in respect of any claim or obligation arising prior to the BIA Stay Date, against or in respect of Please Mum or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of Please Mum and the Monitor or leave of this Court.

21. Nothing in this Order, including paragraphs 19 and 20, shall: (i) empower Please Mum to carry on any business which Please Mum is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on Please Mum.

### **NO INTERFERENCE WITH RIGHTS**

22. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by Please Mum, except with the written consent of Please Mum and the Monitor or leave of this Court.

### **CONTINUATION OF SERVICES**

23. During the Stay Period, all Persons having oral or written agreements with Please Mum or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or Please Mum, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by Please Mum, and that Please Mum shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the BIA Stay Date are paid by Please Mum in accordance with normal payment practices of Please Mum or such other practices as may be agreed upon by the supplier or service provider and Please Mum and the Monitor, or as may be ordered by this Court.

### **NON-DEROGATION OF RIGHTS**

24. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the BIA Stay Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to Please Mum on or after the BIA Stay Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

## PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

25. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of Please Mum with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of Please Mum whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of Please Mum, if one is filed, is sanctioned by this Court or is refused by the creditors of Please Mum or this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of Please Mum that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

## DIRECTORS AND OFFICERS INDEMNIFICATION AND CHARGE

26. Please Mum shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of Please Mum after the commencement of the within proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

27. The directors and officers of Please Mum shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$150,000 as security for the indemnity provided in paragraph 26 of this Order. The Directors' Charge shall have the priority set out in paragraphs 38 and 40 herein.

28. Notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) Please Mum's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy,

or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 26 of this Order.

#### **APPOINTMENT OF MONITOR**

29. Deloitte & Touche Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of Please Mum with the powers and obligations set out in the CCAA or set forth herein, and that Please Mum and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by Please Mum pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

30. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor Please Mum's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise Please Mum, to the extent required by Please Mum, in its development of the Plan and any amendments to the Plan;
- (d) assist Please Mum, to the extent required by Please Mum, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of Please Mum to the extent that is necessary to adequately assess Please Mum's business and financial affairs or to perform its duties arising under this Order;

- (f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (g) perform such other duties as are required by this Order or by this Court from time to time.

31. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

32. Nothing herein contained shall require or allow the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Fisheries Act*, the *British Columbia Environmental Management Act*, the *British Columbia Fish Protection Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, the Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

33. The Monitor shall provide any creditor of Please Mum with information provided by Please Mum in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that



the Monitor has been advised by Please Mum is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and Please Mum may agree.

34. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

#### **ADMINISTRATION CHARGE**

35. The Monitor, counsel to the Monitor, and counsel to Please Mum shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by Please Mum as part of the cost of these proceedings. Please Mum is hereby authorized to pay the accounts of the Monitor, counsel to the Monitor and counsel to Please Mum on a periodic basis and, in addition, Please Mum is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to Please Mum, retainers in such amounts as may be agreed between Please Mum and its counsel, and between Please Mum and the Monitor and the Monitor's counsel, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

36. The Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the British Columbia Supreme Court and may be heard on a summary basis.

37. The Monitor, counsel to the Monitor, and counsel to Please Mum shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$350,000 as security for their respective fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order which are related to Please Mum's restructuring which, for greater clarity, shall include the respective fees and disbursements incurred in relation to the BIA Proceeding. The Administration Charge shall have the priority set out in paragraphs 38 and 40 hereof.

## VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

38. The priorities of the Administration Charge and the Directors' Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$350,000);

Second - Directors' Charge (to the maximum amount of \$150,000)

39. Any security documentation evidencing, or the filing, registration or perfection of, the Administration Charge and the Directors' Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be effective as against the Property and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect any such Charges.

40. Each of the Administration Charge and the Directors' Charge (all as constituted and defined herein) shall constitute a mortgage, security interest, assignment by way of security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**"), in favour of any Person.

41. Except as otherwise expressly provided herein, or as may be approved by this Court, Please Mum shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless Please Mum obtains the prior written consent of the Monitor, and the beneficiaries of the Administration Charge and the Director's Charge.

42. The Administration Charge and the Director's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; or (d) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances,

contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds Please Mum; and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall create or be deemed to constitute a breach by Please Mum of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting the creation of the Charges; and
- (c) the payments made by Please Mum pursuant to this Order and the granting of the Charges by Please Mum do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in Please Mum's interest in such real property leases.

#### **SERVICE AND NOTICE**

44. The Monitor shall (i) without delay, publish in the Globe and Mail a notice containing the information prescribed under the CCAA, (ii) within five days after the Order Date, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against Please Mum of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

45. Please Mum and the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to Please Mum's creditors or other interested parties at their respective addresses as last shown on the

records of Please Mum and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

46. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Monitor. The Monitor shall post and maintain an up to date form of the Service List on its website at: [www.deloitte.com/ca/please-mum](http://www.deloitte.com/ca/please-mum)

47. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on its website at: [www.deloitte.com/ca/please-mum](http://www.deloitte.com/ca/please-mum)

48. Notwithstanding paragraphs 46 and 47 of this Order, service of the Petition, the Notice of Hearing of Petition, the Affidavit #1 of Kathryn Adrian, the Affidavit #1 of Fran Thibodeau, the Affidavits #1 and #2 of Telis Kardakaris, this Order and any other pleadings in this proceeding (collectively, the "**Materials**"), shall be made on the federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

#### **GENERAL**

49. Please Mum or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

50. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of Please Mum, the Business or the Property.

51. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any Federal or State Court or administrative body in the United States of America, to

act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to Please Mum and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist Please Mum and the Monitor and their respective agents in carrying out the terms of this Order.

52. Each of Please Mum and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as a foreign representative of Please Mum to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Bankruptcy Code*, 11 U.S.C. §§ 101-1330, as amended.

53. Please Mum may (subject to the provisions of the CCAA and the BIA) at any time file a voluntary assignment in bankruptcy or a proposal pursuant to the commercial reorganization provisions of the BIA if and when Please Mum determines that such a filing is appropriate.

54. Please Mum is hereby at liberty to apply for such further interim or interlocutory relief as it deems advisable within the time limited for Persons to file and serve Responses to the Petition.

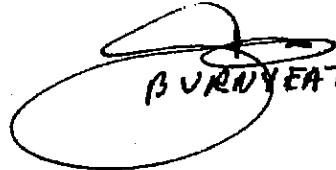
55. Leave is hereby granted to hear any application in these proceedings on two (2) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

56. Any interested party (including Please Mum and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

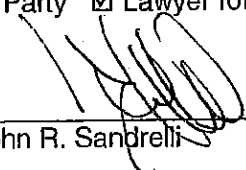
57. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

58. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

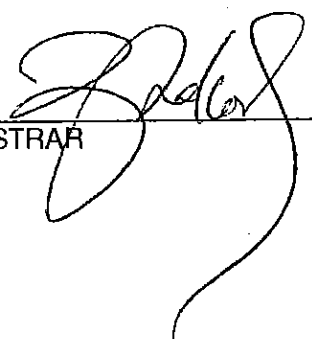
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

  
BURNYEAT, J.

Signature of  
 Party  Lawyer for the Petitioners

  
\_\_\_\_\_  
John R. Sandrelli

BY THE COURT

  
\_\_\_\_\_  
REGISTRAR

Schedule "A"

(List of Counsel)

Name of Counsel:	Representing:
John R. Sandrelli Cindy Cheuk	Petitioners
Colin Brousson	- Deloitte & Touche Inc.
Grey Gehlen	Zu Vec Management Inc. Crombie Real Estate Investment
	Ivanhoe Cambridge.
	Morguard Investments Limited.
	Primoris Retail Real Estate Investment Trst.
	Retrocom Mid Market Reit

No.  
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

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

PETITIONER

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CCAA INITIAL ORDER

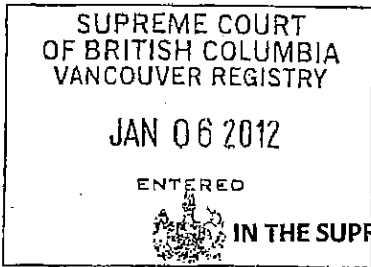
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Fraser Milner Casgrain LLP  
250 Howe Street, 20<sup>th</sup> Floor  
Vancouver, BC. V6C 3R8

Counsel: John R. Sandrelli / Cindy Cheuk  
Matter No 546438-1



**APPENDIX B**  
**FIRST EXTENSION ORDER DATED JANUARY 5, 2012**



NO. S118142  
VANCOUVER REGISTRY

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**

*[CONFIRMATION OF INITIAL ORDER AND EXTENSION OF STAY OF PROCEEDINGS]*

BEFORE THE HONOURABLE ) THURSDAY, THE 5<sup>th</sup> DAY  
 )  
MR. JUSTICE BURNYEAT ) OF JANUARY, 2012  
 )

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 5<sup>th</sup> day of January, 2012; AND ON HEARING Cindy Cheuk, counsel for the Petitioners and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed, including the Affidavit #2 of Kathryn Adrian sworn January 3, 2012, the Fourth Report of Deloitte & Touche Inc.; AND pursuant to section 11.02 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, and the inherent jurisdiction of this Honourable Court:

THIS COURT ORDERS AND DECLARES THAT:

- 1. The stay of proceedings and other relief granted to Elia Fashions Ltd., Bossa Nova Fashions Ltd. and Please Mum Partnership in the Initial Order of this Court made herein on December 6, 2011 is hereby confirmed and extended to 11:59 p.m. on April 5, 2012 or such later date as this Court may subsequently allow.

*DC* ~~2. Approval as to the form of this Order by counsel appearing on this application is hereby~~  
~~dispensed with.~~ *DC*

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.

BY THE COURT  
*Anderson*  
REGISTRAR

APPROVED AS TO FORM:  
*Cheuk*  
Signature of Lawyer for the Petitioners  
(Cindy Cheuk)

*Brousseau*  
Signature of Lawyer for the Monitor, Deloitte & Touche Inc.  
(Colin Brousseau)

**SCHEDULE "A"**

List of Counsel Appearing

<b>Counsel:</b>	<b>Appearing for:</b>
Cindy Cheuk	The Petitioners
Colin Brousson	The Monitor

NO. S118142  
VANCOUVER REGISTRY

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**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.**

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**ORDER OF JANUARY 2008**

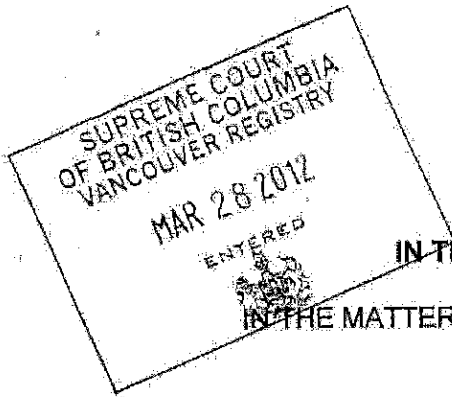
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FRASER MILNER CASGRAIN LLP  
20<sup>th</sup> Floor - 250 Howe Street  
Vancouver, British Columbia  
V6C 3R8

6134-546438-1

Attention: Cindy Cheuk

**APPENDIX C**  
**WOODLAND PROPERTY ORDER DATED MARCH 28, 2012**



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**

BEFORE THE HONOURABLE

MR. JUSTICE BURNYEAT

)  
)  
)  
)

WEDNESDAY, the 28<sup>th</sup> DAY

OF MARCH, 2012

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 28<sup>th</sup> day of March, 2012; AND ON HEARING John Sandrelli, counsel for the Petitioners and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the material filed, including the Affidavit #3 of Kathryn Adrian sworn March 25, 2012; AND pursuant to section 74(1)(a) of the *Business Corporations Act*, S.B.C. 2002, c. 57 as amended, and the inherent jurisdiction of this Honourable Court:

THIS COURT ORDERS AND DECLARES THAT:

1. Bossa Nova Fashions Ltd. ("**Bossa**")'s purchase of 0710345 B.C. Ltd. ("**071**")'s beneficial interest in the lands located at 333 Woodland Drive, Vancouver, B.C. (the "**Beneficial Asset**") and legally described as:

Firstly: City of Vancouver, PID: 015-292-835, Lot 1 Block 4 of Block C District Lot 183 Plan 417; and

Secondly: City of Vancouver, PID: 015-292-851, Lot A (Explanatory Plan 2993)  
Block 4 of Block C District Lot 183 Plan 417

(collectively, the "Lands")

in exchange for 1,335,000 Class A Non-Voting Preferred Shares (the "Pref Shares"), to be issued by Bossa to 071, as described in the Affidavit #3 of Kathryn Adrian, sworn March 25, 2012 (the "071/Bossa Beneficial Asset Purchase Transaction"), is hereby approved such that:

- (a) Bossa is hereby authorized and approved to:
  - (i) increase its authorized capital by creating an unlimited number of Class A Non-Voting Preferred Shares without par value;
  - (ii) enter into and execute a section 85 of the *Income Tax Act* (Canada) asset purchase agreement to purchase the Beneficial Asset from 071 (the "071/Bossa Agreement");
  - (iii) issue the Pref Shares to 071 as consideration for the purchase of the Beneficial Asset, increase the capital of Bossa attached to the Pref Shares by \$13,350,000 and set both the aggregate redemption price and issue price for the Pref Shares at \$13,350,000;
  - (iv) enter into and execute a bare trust and agency agreement whereby Bossa will direct 071 to hold the legal title to the Lands to give effect to the 071/Bossa Agreement;
  - (v) enter into and execute an indemnity agreement whereby 071 agrees to indemnify Bossa for any debts or liabilities registered against title to the Lands and any property taxes owing with the respect to the Lands; and
- (b) Bossa and its directors and shareholders are hereby authorized and approved to take such additional steps and execute such additional documents



as may be necessary or desirable for the completion of the 071/Bossa Beneficial Asset Purchase Transaction.

2. Upon the closing of the 071/Bossa Beneficial Asset Purchase Transaction, the Beneficial Asset shall vest in Bossa free and clear of:

(a) the "Administration Charge", as defined and created pursuant to the Initial Order granted on December 6, 2011 (the "Initial Order");

(b) the "Directors' Charge", as defined and created pursuant to the Initial Order; and

(c) any estate, right, title, equity of redemption, interest (beneficial or otherwise) or any other claim whatsoever of any creditor or claimant of Bossa or of any other party claiming against the Lands through or against Bossa

(collectively, the "Claims").

3. Bossa is hereby authorized and approved, after the closing of the 071/Bossa Beneficial Asset Purchase Transaction, to reduce the capital of Bossa attached to the Pref Shares by \$13,350,000 (the "Reduced Amount") pursuant to sections 74(1)(a) and 74(1.2) of the *Business Corporations Act* (British Columbia) as amended, and Bossa is hereby further authorized and approved to pay the Reduced Amount to 071 by way of a transfer of the Beneficial Asset to 071 and upon such transfer, the Beneficial Asset shall vest in 071 free and clear of the Claims.

4. For greater certainty, notwithstanding:

(a) the pendency of these proceedings,

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of Bossa and any bankruptcy order issued pursuant to such applications;

(c) any assignment in bankruptcy made in respect of Bossa; and

8/1/12

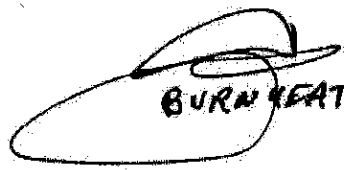
(d) any applications for an order now or hereafter issued pursuant to the *Winding Up and Restructuring Act (Canada)* in respect of Bossa and any winding up order issued pursuant to such application.

the transactions approved herein including the 071/Bossa Agreement, Bossa's reduction of the capital attached to the Pref Shares by the Reduced Amount and payment of such Reduced Amount to 071 by way of a transfer of the Beneficial Asset to 071, the vesting of the Beneficial Asset in Bossa free and clear of the Claims and the vesting of the Beneficial Asset in 071 free and clear of the Claims (collectively, the "Transactions") shall be binding on any trustee in bankruptcy that may be appointed in respect of Bossa and shall not be void or voidable by creditors of Bossa, nor shall any of the Transactions constitute or be deemed to be a settlement, assignment, fraudulent preference, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *Bankruptcy and Insolvency Act (Canada)* or any other applicable federal or provincial legislation, nor shall any of the Transactions constitute oppressive or unfairly prejudicial conduct pursuant to any applicable or provincial legislation.

5. Nothing in this Order shall affect any encumbrances registered against title to the Lands as of the date of this Order:

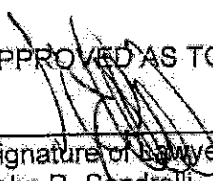
6. Approval as to the form of this Order by counsel appearing on this application is hereby dispensed with.

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.

  
BURNHEAT, J.

BY THE COURT

  
REGISTRAR

APPROVED AS TO FORM:  
  
Signature of lawyer for the Petitioners,  
John R. Sagdrelli

**SCHEDULE "A"**

List of Counsel Appearing

<b>Counsel:</b>	<b>Appearing for:</b>
John Sandrelli	Petitioners

**APPENDIX D**  
**SECOND EXTENSION ORDER DATED APRIL 5, 2012**

APR 05 2012

NO. S118142  
VANCOUVER REGISTRY

ENTERED

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**

[EXTENSION OF RELIEF GRANTED UNDER INITIAL ORDER]

BEFORE THE HONOURABLE )  
MR. JUSTICE BURNYEAT ) THURSDAY, THE 5<sup>th</sup> DAY  
) OF APRIL, 2012  
)

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 5<sup>th</sup> day of April, 2012; AND ON HEARING Cindy Cheuk, counsel for the Petitioners and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed, including the Affidavit #4 of Kathryn Adrian sworn April 2, 2012, the Second Report of the Monitor, Deloitte & Touche Inc.; AND pursuant to section 11.02 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, and the inherent jurisdiction of this Honourable Court:

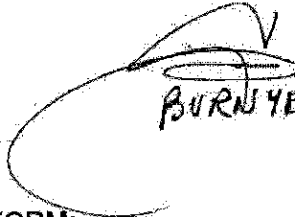
THIS COURT ORDERS AND DECLARES THAT:

1. The stay of proceedings and other relief granted to Elia Fashions Ltd., Bossa Nova Fashions Ltd. and Please Mum Partnership in the Initial Order of this Court made herein on December 6, 2011, as confirmed and extended by the Order made on

January 5, 2012, is hereby confirmed and further extended to 11:59 p.m. on May 7, 2012 or such later date as this Court may subsequently allow.

2. Approval as to the form of this Order by counsel appearing on this application 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.

  
BURNYEAT, J.

BY THE COURT

  
REGISTRAR

APPROVED AS TO FORM:

  
Signature of Lawyer for the Petitioners

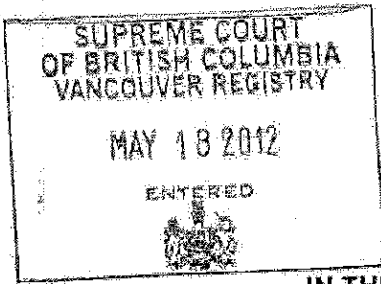
**SCHEDULE "A"**

**List of Counsel Appearing**

<b>Counsel:</b>	<b>Appearing for:</b>
Cindy Cheuk	The Petitioners
Colin Bronsson	The Monitor

**APPENDIX E**  
**THIRD EXTENSION ORDER DATED MAY 11, 2012**





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.

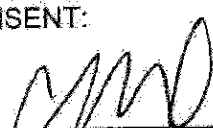
4. Upon the closing of the sale contemplated by the Asset Purchase Agreement, 071 shall pay the Cash Component in trust to Fraser Milner Casgrain LLP ("FMC") and FMC shall hold the Cash Component in trust solely and exclusively for former employees of Please Mum not hired by 071 or World Shake on account 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.

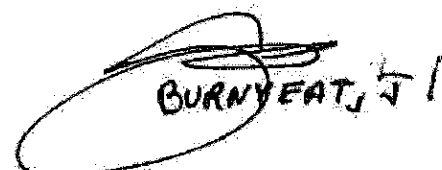
5. The stay of proceedings and other relief granted to Please Mum pursuant to the Initial Order of this Court made December 6, 2011, as confirmed and extended by the Orders made January 5, 2012 and April 5, 2012, is hereby confirmed and further extended to **11:59 pm on June 15, 2012** or such later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

Counsel	Name of Party
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
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 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**