

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**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
MARTIN ROSS GROUP INC.**

EIGHTH REPORT OF THE MONITOR

June 25, 2015

TABLE OF CONTENTS

I. INTRODUCTION.....3

II. PURPOSE OF REPORT.....3

III. TERMS OF REFERENCE4

IV. SALE TO BEARINGTON5

V. REMAINING ASSETS5

VI. SHERFAM DISTRIBUTION.....6

VII. DISCLAIMERS OF LEASE.....6

VIII. CLAIMS PROCEDURE7

IX. PROPOSED INTERIM DISTRIBUTION8

X. STAY EXTENSION REQUEST9

XI. MONITOR’S FEES AND DISBURSEMENTS.....10

XII. MONITOR’S RECOMMENDATIONS AND REQUEST10

Appendices

Appendix A – Initial Order

Appendix B – Claims Procedure order

Appendix C – Monitor’s Correspondence to Creditors

Appendix D – Globe and Mail newspaper tear sheet

Appendix E – Claims Schedule

Appendix F – Affidavit of Daniel Weisz re Monitor’s Accounts

Appendix G – Affidavit of Jeffrey Simpson re Torkin Accounts

I. INTRODUCTION

1. This is the eighth report (the “**Eighth Report**”) prepared by Collins Barrow Toronto Limited (the “**Monitor**”), in its capacity as the Monitor of Martin Ross Group Inc. (“**MRG**” or the “**Company**”) appointed pursuant to section 11.7 of the *Companies’ Creditors Arrangement Act* by an Order of Mr. Justice Penny dated August 7, 2014 (the “**Initial Order**”). The Initial Order stayed all proceedings against the Company until September 6, 2014 (the “**Stay Period**”). A copy of the Initial Order is attached hereto as Appendix “A”. The Stay Period was subsequently extended by further Orders of the Court, and the Stay Period is currently set to expire, unless extended further, on July 31, 2015.
2. The Initial Order, Monitor’s reports and other documents filed in these proceedings (the “**CCAA Proceedings**”) have been posted on the Monitor’s website at www.collinsbarrow.com/en/toronto-ontario/martin-ross-group. The Monitor will continue to post to its website documents in accordance with the E-service Protocol for the Commercial List in the Toronto region.
3. Capitalized terms not otherwise defined in the Eighth Report are as defined in the Initial Order, and in the first seven reports of the Monitor.

II. PURPOSE OF REPORT

4. The purpose of this Eighth Report is to provide the Court with information regarding:
 - a) the sale of certain finished goods to 1028462 Ontario Ltd. o/a Bearington Fine Jewellery (“**Bearington**”);
 - b) the status of the Company’s remaining assets, including cash, outstanding accounts receivable and other assets;

-
- c) the results of the Company's claims solicitation process pursuant to the Claims Procedure Order made on May 1, 2015 (the "**Claims Procedure Order**");
 - d) the Company's request to make an interim distribution to its creditors;
 - e) the Company's request for an extension of the Stay Period to October 31, 2015 and the Monitor's recommendation thereon;
 - f) the Monitor's activities since the Monitor's report dated April 29, 2015 (the "**Monitor's Seventh Report**") and the Company's request for an Order approving the Monitor's activities and its invoices #9 and 10 for the period April 1, 2015 to May 31, 2015; and
 - g) the Company's request for an Order approving the accounts of Torkin Manes LLP for the period May 1, 2015 to May 29, 2015.

III. TERMS OF REFERENCE

- 5. In preparing this Eighth Report and making the comments herein, the Monitor has relied upon unaudited financial information prepared or provided by the Company, discussions with management of the Company, MRG's counsel and information from other third-party sources (collectively, the "**Information**"). As the Information included in this Eighth Report has been provided by MRG or other parties, the Monitor has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Monitor has not audited 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 pursuant to the CPA Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the Information.
- 6. All references to dollars are in Canadian currency unless otherwise noted.

IV. SALE TO BEARINGTON

7. On April 24, 2015, the Company and Bearington entered into an agreement, subject to Court approval, for the sale of certain inventory.
8. As referred to in the affidavit of Allen Shechtman affirmed on June 22, 2015 (the “**June 2015 Shechtman Affidavit**”), pursuant to the Approval and Vesting Order made on May 1, 2015, the Company completed the transaction. The proceeds of sale realized from the transaction were \$228,500 plus HST. The Monitor executed the Monitor’s Certificate on May 5, 2015. The Monitor’s Certificate was filed with the Court on May 13, 2015.

V. REMAINING ASSETS

9. The Company’s remaining assets and their net book values set out in the Monitor’s Seventh Report were:

Description	Net Book Value
Cash – Canadian dollars	\$6.43 million
Cash – United States dollars	1.12 million
Accounts receivable	2.12 million
Other assets – surplus finished goods, precious scrap metal, loose diamonds	Not quantified by MRG

10. Since that time, and as set out in the June 2015 Shechtman Affidavit, the Company continues to collect its accounts receivable. As at June 22, 2015, the Company has informed the Monitor that the book value of its accounts receivable is approximately \$1.15 million after taking into account collections and the write-off of accounts that are not considered collectible. The Company is continuing its collection efforts through the use of the Consultant, collection agents and/or legal counsel, and the deposit of post-dated cheques it has on hand, certain of which are dated into 2016. The Company estimates that it may be able to collect an additional \$500,000 or more from the remaining accounts receivable.
11. The Company has sold small quantities of scrap metal, loose diamonds and finished goods which it had previously been unsuccessful in selling pursuant to the liquidation

processes conducted earlier in the CCAA Proceedings. The Company is continuing to make efforts to sell its remaining finished goods, scrap precious metal and loose diamonds, which, as set out in the June 2015 Shechtman Affidavit, have an approximate realizable value of \$125,000.

12. As at June 22, 2015, the Company had approximately \$6,899,000 in its Canadian bank accounts and approximately \$1,064,000 USD in its US dollar bank account.

VI. SHERFAM DISTRIBUTION

13. Pursuant to the Interim Distribution and Stay Extension Order made on May 1, 2015, the Company made a distribution of USD \$86,995.48 to Sherfam.

VII. DISCLAIMERS OF LEASE

14. As referred to in the June 2015 Shechtman Affidavit, the Company issued on June 1, 2015 disclaimers of lease (“**Disclaimers**”) to five creditors (“**Disclaimer Recipients**”) with whom the Company had executory contracts. The Monitor approved the issuance of the Disclaimers.
15. In its letters, the Company informed the Disclaimer Recipients of the Claims Bar Date of June 5, 2015 and indicated to the Disclaimer Recipients that, if they would not be able to file their proof of claim by June 5, 2015, due to insufficient time following the issuance of the Disclaimer, that they should advise the Company, with a copy to the Monitor, by June 5, 2015 and that the Company would consider applying to the Court for relief to provide them with additional time to file a proof of claim. As of the Claims Bar Date, two of those parties had not filed proofs of claim nor requested an extension to the date by which they were required to file their proofs of claim.
16. No communications have been received by either the Company or the Monitor challenging the Disclaimers.

VIII. CLAIMS PROCEDURE

17. In accordance with the Claims Procedure Order, claims have been solicited from unsecured creditors in order to identify and determine the validity, classification and quantum of claims against MRG as at the date of the Initial Order (the “**Claims**”). A copy of the Claims Procedure Order is attached hereto as Appendix “**B**”.
18. The significant steps undertaken by the Monitor are set out below. Defined terms are those set out in the Claims Procedure Order:
 - a) on May 7, 2015, the Monitor sent by ordinary mail to each known Affected Creditor a Proof of Claim together with a copy of the Claims Procedure Order. A copy of the Monitor’s correspondence to creditors is attached hereto as Appendix “**C**”;
 - b) the Monitor caused to be placed on May 12, 2015 in The Globe and Mail (National Edition) a Notice to Creditors. A copy of the tear sheet of the newspaper is attached hereto as Appendix “**D**”;
 - c) the Monitor reviewed all Proofs of Claim that were received by the Claims Bar Date, and forwarded those Proofs of Claim to the Company for its review and comment. The Monitor also engaged in discussions with creditors of the Company on the claims process and proofs of claim filed or to be filed; and
 - d) on June 16, 2015, pursuant to the Claims Procedure Order, the Monitor provided notice to three creditors that the Monitor was continuing to review the Proofs of Claim filed by those creditors with the Monitor and that the Monitor had decided to extend to 11:59 p.m. on June 23, 2015 the date by which the Monitor was to advise those creditors whether their claims were revised or rejected. On June 23, 2015, the Monitor notified two creditors whose claims were not accepted by June 23, 2015 that the date by which the Monitor was to advise those creditors whether their claims were revised or rejected was being extended to July 9, 2015.

19. The Monitor has worked with the Company in order to minimize the need to issue Notices of Revision or Disallowance in order to expedite the completion of the Claims Process.
20. As at June 23, 2015, the description of the type of claims, the number of claims and their value, in Canadian dollars, that have been filed and accepted by the Company and the Monitor, is set out below:

Description	#	CDN\$
Secured claims (Cdn)	1	143,055.80
Unsecured claims (Cdn)	28	29,975,205.61
Unsecured claims (US)	22	4,639,640.80
Total unsecured claims	50	34,614,846.41

21. The secured claim was filed by Sherfam and is in respect of the Company's obligations to Sherfam, as landlord, to November 14, 2015 for rent, utilities, etc. under its lease which was disclaimed on June 1, 2015. The Monitor has received Torkin Manes LLP's, counsel to the Monitor, opinion that Sherfam's secured claim is valid and enforceable. The Company and Monitor have accepted this claim.
22. A detailed schedule prepared by the Monitor setting out the unsecured claims accepted by the Company and the Monitor is attached hereto as Appendix "E" ("**Claims Schedule**"). The Monitor's acceptance of the claims was based on information contained in financial statements and other financial information provided by the Company to the Monitor, information provided by the respective creditors and the Company's acceptance of the claims filed.

IX. PROPOSED INTERIM DISTRIBUTION

23. As set out in the June 2015 Shechtman Affidavit, the Company is proposing to make an interim distribution to creditors in the amount of \$7.5 million.

-
24. Based on the Claims Schedule, the interim distribution to those unsecured creditors whose claims have been accepted will be \$.2125 per dollar of claim, calculated as follows:

Description	
Interim distribution amount	\$7,500,000.00
Amount to be distributed to secured creditor	(143,055.80)
Amount to be distributed to unsecured creditors, whose claims have been proven and admitted to date	7,356,944.20
Total proven and accepted claims of unsecured creditors to date (Canadian funds)	34,614,846.41
Percentage distribution	21.25%

25. The Monitor supports the Company's proposed distribution.

X. STAY EXTENSION REQUEST

26. The Stay Period, most recently extended pursuant to the Order of the Court dated May 1, 2015, will expire, unless extended, on July 31, 2015.
27. The Company wishes to have the Stay Period extended to October 31, 2015 in order to, among other things, allow the Claims Process to be completed and to continue to collect its accounts receivable. The Monitor is of the view that extending the stay period will allow the Company to continue to realize on its accounts receivable, with the least amount of disruption, complete the Claims Process, while at the same time allowing for the finalization of the liquidation of the Company.
28. The Company has not filed a cash flow statement with its motion materials herein since the Company no longer has any ongoing operations, employees, or obligations in respect of executory contracts. The Company will have, following the interim distribution proposed by the Company, between approximately \$675,000 to \$700,000 in cash to

address additional amounts owing to parties with whom the Company has contracted, as well as any remaining unsettled claims and ongoing professional fees.

29. The Monitor is of the view that the Company is continuing to proceed in good faith and diligently during these proceedings and that the Company's request for an extension of the stay period to October 31, 2015 is appropriate and reasonable in the circumstances. Accordingly, the Monitor recommends to the Court that it grant the requested extension.

XI. MONITOR'S FEES AND DISBURSEMENTS

30. The Monitor has maintained detailed records of its professional fees and disbursements during the course of these proceedings.
31. The Monitor's accounts for the period ended March 31, 2015 have been approved by the Court. For the period April 1, 2015 to May 31, 2015, the Monitor's accounts total \$29,196.60 consisting of \$22,944.50 in fees, \$2,893.20 in disbursements plus HST of \$3,358.90 (the "**Monitor's Accounts**"). Copies of the Monitor's Accounts, together with a summary of the accounts, the total billable hours charged per the accounts, and the average hourly rate charged per the accounts, is set out in the Affidavit of Daniel Weisz sworn June 25, 2015 that is attached hereto as Appendix "**F**".
32. The accounts of the Monitor's counsel, Torkin Manes LLP for the period ended April 28, 2015 have been approved by the Court. The accounts of Torkin Manes LLP for the period May 1, 2015 to May 29, 2015 total \$3,000.00 in fees, \$270.88 in disbursements and \$425.21 in HST for a total of \$3,696.09 (the "**Torkin Accounts**"). A copy of the Torkin Accounts, together with a summary of the personnel, hours and hourly rates described in the Torkin Accounts, supported by the Affidavit of Jeffrey Simpson sworn June 24, 2015, is attached hereto as Appendix "**G**".

XII. MONITOR'S RECOMMENDATIONS AND REQUEST

33. Based on the information set out in this report, the Monitor recommends that:

-
- a) the Court approve the Interim Distribution as described herein; and
 - b) the Stay Period be extended to October 31, 2015.

34. The Monitor requests that the Court grant an Order:

- a) approving the Eighth Report and the Monitor's activities described herein;
- b) approving the fees and disbursements of the Monitor to May 31, 2015; and
- c) approving the fees and disbursements of Torkin Manes LLP to May 29, 2015.

All of which is respectfully submitted to this Court as of this 25th day of June, 2015.

COLLINS BARROW TORONTO LIMITED
in its capacity as the Monitor appointed in
the CCAA proceedings of Martin Ross Group Inc.,
and not in its personal capacity



Per: Daniel R. Weisz, CPA, CA, CIRP
Senior Vice President

APPENDIX A

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE Mr.)
JUSTICE Penny)
)

THURSDAY, THE 7TH
DAY OF AUGUST, 2014

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 MARTIN ROSS GROUP INC. (the
"Applicant")

INITIAL ORDER

THIS APPLICATION, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Cameron Gillies sworn August 5, 2014 and the Exhibits thereto, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicant, no one appearing for Sherfam Inc., RP Holdings Inc., or Dell Financial Services Canada Limited, although duly served as appears from the affidavit of service of Stephen Wolpert affirmed August 5, 2014 and on reading the consent of Collins Barrow Toronto Limited to act as the Monitor,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicant 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").

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicant 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"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "Business") and Property. The Applicant is 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 the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges:

6. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably 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; and
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

7. THIS COURT ORDERS that the Applicant shall 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 employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, 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 realty, municipal business 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 and which are attributable to or in respect of the carrying on of the Business by the Applicant.

8. THIS COURT ORDERS that until a real property lease is disclaimed in accordance with the CCAA, the Applicant 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 to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("Rent"), for the period

commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. THIS COURT ORDERS that, except as specifically permitted herein, the Applicant 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 the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

10. THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$1,000,000 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 of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

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

11. THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant'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 the Applicant'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, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant 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 such dispute (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 the Applicant's claim to the fixtures in dispute.

12. THIS COURT ORDERS that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice 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 the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

13. THIS COURT ORDERS that until and including September 6, 2014, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. THIS COURT ORDERS that 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") against or in respect of the

Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant 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 security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

15. THIS COURT ORDERS that 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 the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

16. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates 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 the Applicant, 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 the Applicant, and that the Applicant 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 date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

17. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or

licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

18. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant 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 the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION

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

APPOINTMENT OF MONITOR

20. THIS COURT ORDERS that Collins Barrow Toronto Limited is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant 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.

21. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant'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 the Applicant in its preparation of the Applicant's cash flow statements which information shall be reviewed with the Monitor;
- (d) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (g) 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
- (h) perform such other duties as are required by this Order or by this Court from time to time.

22. THIS COURT ORDERS that 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, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

23. THIS COURT ORDERS that nothing herein contained shall require 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 *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety 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. 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.

24. THIS COURT ORDERS that that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant 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 the Applicant 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 the Applicant may agree.

25. THIS COURT ORDERS that, 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 protections afforded the Monitor by the CCAA or any applicable legislation.

26. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a monthly basis and, in addition, the Applicant is hereby authorized

to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the amount[s] of \$50,000 , respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time

27. THIS COURT ORDERS that 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 Commercial List of the Ontario Superior Court of Justice.

28. THIS COURT ORDERS that the Monitor, counsel to the Monitor, if any, and the Applicant's counsel 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 \$500,000.00, as security for their professional 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 in respect of these proceedings. The Administration Charge shall have the priority set out in paragraph30 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

29. THIS COURT ORDERS that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

30. THIS COURT ORDERS that the Administration Charge (as constituted and defined herein) shall constitute a charge on the Property and such charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person.

31. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Administration Charge, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the Administration Charge, or further Order of this Court.

32. THIS COURT ORDERS that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge (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 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; (d) the provisions of any federal or provincial statutes; or (e) 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, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by the Applicant 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 from the creation of the Administration Charge; and
- (c) the payments made by the Applicant pursuant to this Order, and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

33. THIS COURT ORDERS that any charge created by this Order over leases of real property in Canada shall only be a charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

34. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in The National Post a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (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 the Applicant of more than \$1000, 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.

35. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <http://www.collinsbarrow.com/en/toronto-ontario/martin-ross-group>

36. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute 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 facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile 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.

GENERAL

37. THIS COURT ORDERS that the Applicant 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.

38. THIS COURT ORDERS that 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 the Applicant, the Business or the Property.


39. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give

effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant 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 the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

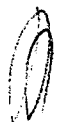
40. THIS COURT ORDERS that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that 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.

41. THIS COURT ORDERS that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice 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.

42. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Daylight Time on the date of this Order.



ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO.:
LE / DANS LE REGISTRE NO.:



AUG 7 2014

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 MARTIN ROSS GROUP INC.

Court File No. CV-14-10655-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

INITIAL ORDER

KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP
Barristers and Solicitors
8 King Street East, Suite 1000
Toronto ON M5C 1B5

Mervyn D. Abramowitz (LSUC # 28323R)
mabramowitz@krmc-law.com

Philip Cho (LSUC #456125U)
pcho@krmc-law.com

Stephen Wolpert (LSUC # 57609Q)
swolpert@krmc-law.com

Tel: (416) 225-8750
Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.

APPENDIX B

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) FRIDAY, THE 1ST DAY
JUSTICE NEWBOULD) OF MAY, 2015



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 MARTIN ROSS GROUP INC.

ORDER
(Claims Procedure Order)

THIS MOTION, made by Martin Ross Group Inc. (the "**Applicant**") for, among other things, an order approving and establishing a procedure for the identification, resolution and barring of certain claims against the Applicant was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Affidavit of Allen Shechtman sworn on April 23, 2015 and the Seventh Report (the "**Seventh Report**") of Collins Barrow Toronto Limited ("**CBTL**") in its capacity as court-appointed monitor of the Applicant (the "**Monitor**"), and on hearing the submissions of the lawyers for the Applicant and the Monitor, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Kelly Barrett sworn April 24, 2015, filed, and the affidavit of Janice Chen sworn April 29, 2015, filed:

Definitions

1. THIS COURT ORDERS that the following terms in this Order shall have the following meanings ascribed to them:

- (a) **“Affected Claim”** means all Claims other than Unaffected Claims;
- (b) **“Affected Creditor”** means all Creditors with Affected Claims;
- (c) **“Business Day”** means a day which is not: (a) a Saturday or a Sunday; or (b) a day observed as a holiday under the laws of the Province of Ontario or the federal laws of Canada applicable in the Province of Ontario;
- (d) **“CCAA”** means the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;
- (e) **“CCAA Proceedings”** means the proceedings before the Court in respect of the application by the Applicant commenced pursuant to the CCAA;
- (f) **“Claim”** means any right or claim of any Person against the Applicant, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind of the Applicant, which indebtedness, liability or obligation is in existence at the Commencement Date and which is not a Post-Filing Claim, and any interest that may accrue thereon in which there is an obligation to pay, and costs which such Person would be entitled to receive pursuant to the terms of any contract with such Person at law or in equity, any right of ownership of or title to property or assets or to a trust or deemed trust (statutory or otherwise) against any property or assets, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to

any matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which exist prior to the Commencement Date, together with any other claims that would have been claims provable in bankruptcy had the Applicant become bankrupt on the Commencement Date;

- (g) **“Claims Bar Date”** means 5:00 p.m. on June 5, 2015;
- (h) **“Claims Procedure”** means the claims procedure and schedules set out herein and as approved in the Filing Order, as may be amended from time to time;
- (i) **“Commencement Date”** means August 7, 2014;
- (j) **“Court”** means the Ontario Superior Court of Justice (Commercial List);
- (k) **“Creditor”** means any Person having a Claim and, if the context requires, an assignee or transferee of a Claim or a trustee, receiver, receiver-manager or other Person acting on behalf of such Person;
- (l) **“Dollars”** or **“\$”** means lawful money of Canada unless otherwise indicated;
- (m) **“Filing Order”** means this Order dated May 1, 2015 establishing, *inter alia*, the procedure for Creditors to prove their Claims;
- (n) **“Initial Order”** means the Initial Order dated August 7, 2014;
- (o) **“Notice to Creditors”** means the notice substantially in the form attached hereto as Schedule “A”;
- (p) **“Notice of Revision or Disallowance”** means the notice substantially in the form attached hereto as Schedule “C”;
- (q) **“Order”** means any order of the Court in connection with the CCAA Proceedings;

- (r) **“Person”** means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other juridical entity howsoever designated or constituted;
- (s) **“Proof of Claim”** means the Proof of Claim substantially in the form attached hereto as **Schedule “B”**;
- (t) **“Unaffected Claim”** means (a) Claims of the Monitor and its counsel, and Claims of the Applicant’s counsel arising before or after the Commencement Date; (b) Claims for wages, salary and vacation pay accruing due to employees; and (c) Claims for amounts due for goods or services actually supplied to the Applicant after the Commencement Date; and,
- (u) **“Unaffected Creditor”** means any Creditor with an Unaffected Claim.

General Provisions

2. THIS COURT ORDERS that copies of all Proofs of Claim and Notices of Revision or Disallowance, and determinations of Claims by the Court shall be maintained by the Monitor and, subject to further order of the Court, all Creditors will be entitled to have access thereto by appointment during normal business hours on written request to the Monitor.

3. THIS COURT ORDERS that for the purposes of this Claims Procedure, all Claims which are denominated in a foreign currency shall be converted to Canadian dollars as at the Commencement Date as provided by section 43 of the CCAA.

4. THIS COURT ORDERS that the Monitor is authorized to use reasonable discretion as to adequacy of compliance with respect to the manner in which Proofs of Claim and Notices of Revision or Disallowance are completed and executed, and may, where the Monitor is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure as to completion and execution of Proofs of Claim or Notices of Revision or Disallowance.

5. THIS COURT ORDERS that any document to be sent pursuant to this Claims Procedure may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission. An Affected Creditor shall be deemed to have received any document sent pursuant to this Claims Procedure five (5) calendar days after such document is sent by ordinary mail and registered mail and one calendar day after such document is sent by e-mail, courier or facsimile transmission.

6. THIS COURT ORDERS that in the event that any provision of the Claims Procedure is amended by or is contrary to a provision of an Order of the Court made in the CCAA Proceedings, the provision of such Order shall have precedence over the provision of the Claims Procedure.

7. THIS COURT ORDERS that all references to time herein shall mean local time in Toronto, Ontario, Canada and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.

8. THIS COURT ORDERS that references to the singular herein include the plural, the plural includes the singular and any gender includes the other gender.

Schedules

9. THIS COURT ORDERS that the following Schedules form part of this Filing Order:

- (a) **Schedule "A"** - Notice to Creditors (Publication)
- (b) **Schedule "B"** - Proof of Claim
- (c) **Schedule "C"** - Notice of Revision or Disallowance

Claims Procedure

10. THIS COURT ORDERS that the Monitor shall send, on or before 11:59 p.m. on May 8, 2015, to each known Affected Creditor a Proof of Claim substantially in the form attached as **Schedule "B"** hereto, together with a copy of this Filing Order.

11. THIS COURT ORDERS that, as soon as practicable after the date of this Filing Order, the Monitor shall cause to be published the Notice to Creditors substantially in the form attached as **Schedule "A"** hereto, in The Globe & Mail (National Edition).

12. THIS COURT ORDERS that the Monitor shall send to each Affected Creditor responding to the Notice to Creditors a Proof of Claim together with a copy of this Filing Order.

13. THIS COURT ORDERS that each Affected Creditor must return the Proof of Claim to the Monitor by no later than the Claims Bar Date for their Proof of Claim to be considered. Proofs of Claim may be delivered by mail, facsimile transmission or by e-mail. The Monitor shall forthwith provide a copy of such Proof of Claim to the Applicant.

14. THIS COURT ORDERS that any Affected Creditor that does not file a Proof of Claim by the Claims Bar Date: (a) shall not be entitled to attend or vote at any Affected Creditors Meeting; (b) shall not be entitled to receive any distribution and its Claim shall be forever extinguished and barred; and (c) shall not be entitled to notice of any further matters in the CCAA Proceedings.

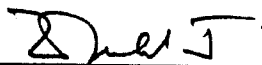
15. THIS COURT ORDERS that Unaffected Creditors shall not be required to participate in the Claims Procedure in respect of their Unaffected Claims. The Monitor will not review or consider any Proof of Claim filed in respect of an Unaffected Claim.

16. THIS COURT ORDERS that the Monitor shall review all Proofs of Claim received by the Claims Bar Date and by no later than 11:59 p.m. on June 17, 2015, or such other date as the Monitor may determine, shall notify each Creditor who has filed a Proof of Claim as to whether such Creditor's Claim as set out therein has been revised or rejected, and the reasons therefor, by sending a Notice of Revision or Disallowance substantially in the form attached as **Schedule "C"** hereto. Notices of Revision or Disallowance shall be sent to the address set forth on the corresponding Proof of Claim and may be delivered via facsimile transmission or e-mail. Where the Monitor does not send by such date a Notice of Revision or Disallowance to a Creditor who has submitted a Proof of Claim, the Applicant shall be deemed to have accepted such Creditor's Claim in the amount set out in the Proof of Claim.

17. THIS COURT ORDERS that any Creditor who intends to dispute a Notice of Revision or Disallowance shall, by no later than 5:00 p.m. on the day that is ten (10) calendar days after the Creditor's deemed receipt of the Notice of Dispute or Disallowance, serve a Notice of Motion on the Monitor seeking to appeal the Monitor's determination. The motion shall be made returnable for scheduling on July 15, 2015, or such other date as the Monitor and the Creditor may agree in writing.

18. THIS COURT ORDERS that the Monitor, with the assistance of the Applicant, may resolve any dispute with any Creditor, who has served a Notice of Motion seeking to appeal the Monitor's determination, at any time prior to the return date of any such motion.

19. THIS COURT ORDERS that where a Creditor that receives a Notice of Revision or Disallowance does not serve a Notice of Motion by the date required, the value of such Creditor's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance.



ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

MAY - 1 2015
NB

Schedule "A"

NOTICE TO CREDITORS OF MARTIN ROSS GROUP INC.

TAKE NOTE THAT Martin Ross Group Inc. (the "Applicant") intends to distribute certain monies realized by the Applicant (the "**Distribution**"). An Order of the Ontario Superior Court of Justice made May 1, 2015 (the "**Order**") provides for a procedure for the determination of all claims, contingent or otherwise, against the Applicant.

THE CLAIMS BAR DATE is 5:00 p.m. (Toronto time) on June 5, 2015. All Affected Creditors must file a Proof of Claim by the Claims Bar Date in order to participate in the Distribution. Any creditor who has not received a Proof of Claim in the mail must contact the Monitor immediately to determine if they are an Affected Creditor and obtain a Proof of Claim. The Monitor can be contacted at:

COLLINS BARROW TORONTO LIMITED
11 King Street West, Suite 700
PO Box 27
Toronto, Ontario M5H 4C7

Attention: Arif Dhanani
Telephone: (647) 725-0183
Facsimile: (416) 480-2646
E-mail: andhanani@collinsbarrow.com

HOLDERS OF AFFECTED CLAIMS WHO DO NOT FILE A PROOF OF CLAIM BY THE CLAIMS BAR DATE WILL NOT BE ENTITLED TO PARTICIPATE IN ANY DISTRIBUTION AND SUCH CLAIMS WILL BE BARRED AND EXTINGUISHED FOREVER.

Schedule "B"

Proof of Claim

A. Particulars of Creditor:

- (1) Full Legal Name of Creditor:
- (2) Full Mailing Address of Creditor:
- (3) Telephone Number of Creditor:
- (4) Facsimile Number of Creditor:
- (5) E-mail Address of Creditor:
- (6) Attention (Contact Person):

B. Particulars of Original Creditor from Whom You Acquired Claim, if Applicable:

- (1) Have you acquired this Claim by assignment?
Yes [] No []
(if yes, attach documents evidencing assignment)
- (2) Full Legal Name of original creditor(s):

C. Claim:

I,, [*name of Creditor or authorized representative of the Creditor*], do hereby certify that I am the Creditor/hold the position of of the Creditor and have knowledge of all the circumstances connected with the Claim described herein; and

The Creditor makes the following Claim (e.g. claims as at August 7, 2014) against the Applicant:

Claim Amount (specify whether USD or CDN)	Secured (Y or N)

D. Particulars of Claim:

The particulars of the undersigned's total Claim are attached.

(Attach a schedule setting forth full particulars of the Claim(s) against the Applicant and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim(s), name of any guarantor(s) which has guaranteed the Claim(s), and amount of Claim(s) allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the Applicant to Creditor or title retention arrangement with the Applicant and estimated value of such security or title retention arrangement).

THIS PROOF OF CLAIM MUST BE RETURNED TO AND RECEIVED BY THE MONITOR BY 5:00 P.M. (TORONTO TIME) ON THE CLAIMS BAR DATE (JUNE 5, 2015) AT THE FOLLOWING ADDRESS:

COLLINS BARROW TORONTO LIMITED
11 King Street West, Suite 700
PO Box 27
Toronto, Ontario M5H 4C7

Attention: Arif Dhanani
Telephone: (647) 725-0183
Facsimile: (416) 480-2646
E-mail: andhanani@collinsbarrow.com

DATED at this day of, 2015.

Witnessed by:

[If Creditor is individual]

_____ (sign) _____

Print Name: _____

[If Creditor is corporation]

[Print name of Creditor]

Per: (sign) _____
Authorized Signing Officer

Schedule "C"

Notice of Revision or Disallowance

TO: *[insert name and address of creditor]*

COLLINS BARROW TORONTO LIMITED (the "Monitor"), has reviewed your Proof of Claim dated the ____ day of _____, 2015, and has revised or rejected your claim for the following reasons:

[Please see attached]

Subject to further dispute by you in accordance with the provisions of the Claims Procedure, your Claim will be allowed as follows:

Claim as Filed	Claim as Allowed

If you intend to dispute this Notice of Revision or Disallowance, you must, no later than **ten (10) days after the receipt of this notice** (as deemed by the Claims Procedure), bring a Motion, by serving a Notice of Motion, seeking to appeal the Monitor's determination. Your Motion must be returnable for scheduling on **July 15, 2015**, or such other date as may be agreed by you and the Monitor, in writing, and served on the Monitor at:

COLLINS BARROW TORONTO LIMITED
11 King Street West, Suite 700
PO Box 27
Toronto, Ontario M5H 4C7

Attention: Daniel Weisz
Telephone: (416) 646-8778
Facsimile: (416) 480-2646
E-mail: dweisz@collinsbarrow.com

with a copy to:

TORKIN MANES LLP
151 Yonge Street, Suite 1500,
Toronto, Ontario M5C 2W7

Attention: Fay D. Sulley
Telephone: (416) 777-5419
Facsimile: (416) 225-3910
E-mail: fsulley@torkinmanes.com
Lawyers for the Monitor

If you do not bring a Motion appealing the decision of the Monitor, the value of your Claim shall be deemed to be as set out in this Notice of Revision or Disallowance.

DATED at Toronto, this _____ day of _____, 2015.

**COLLINS BARROW TORONTO LIMITED,
in its capacity as Court-Appointed Monitor of
Martin Ross Group Inc. and not in its personal
or corporate capacity**

Per: _____
Authorized Signing Officer

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 MARTIN ROSS GROUP INC.

Court File No. CV-14-10655-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

**ORDER
(Claims Procedure Order)
(May 1, 2015)**

**KRONIS, ROTSZTAIN,
MARGLES, CAPPEL LLP**
Barristers and Solicitors
8 King Street East, Suite 1000
Toronto ON M5C 1B5

Mervyn D. Abramowitz (LSUC # 28323R)
mabramowitz@krmc-law.com

Philip Cho (LSUC #456125U)
pcho@krmc-law.com

Tel: (416) 225-8750

Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.

APPENDIX C

Collins Barrow Toronto Limited
Collins Barrow Place
11 King Street West
Suite 700, PO Box 27
Toronto, Ontario
M5H 4C7 Canada

T. 416.480.0160
F. 416.480.2646

www.collinsbarrow.com

NOTICE TO CREDITORS OF MARTIN ROSS GROUP INC.

TAKE NOTE THAT Martin Ross Group Inc. (the “**Applicant**”) intends to distribute certain monies realized by the Applicant (the “**Distribution**”). An Order of the Ontario Superior Court of Justice made May 1, 2015 (the “**Order**”) provides for a procedure for the determination of all claims, contingent or otherwise, against the Applicant.

THE CLAIMS BAR DATE is 5:00 p. m. (Toronto time) on June 5, 2015. All Affected Creditors must file a Proof of Claim by the Claims Bar Date in order to participate in the Distribution. Any creditor who has not received a Proof of Claim in the mail must contact the Monitor immediately to determine if they are an Affected Creditor and obtain a Proof of Claim. The Monitor can be contacted at:

COLLINS BARROW TORONTO LIMITED
11 King Street West, Suite 700
PO Box 27
Toronto, Ontario M5H 4C7

Attention: Arif Dhanani
Telephone: (647) 725-0183
Facsimile: (416) 480-2646
E-mail: andhanani@collinsbarrow.com

HOLDERS OF AFFECTED CLAIMS WHO DO NOT FILE A PROOF OF CLAIM BY THE CLAIMS BAR DATE WILL NOT BE ENTITLED TO PARTICIPATE IN ANY DISTRIBUTION AND SUCH CLAIMS WILL BE BARRED AND EXTINGUISHED FOREVER.

Proof of Claim

A. Particulars of Creditor:

- (1) Full Legal Name of Creditor:
- (2) Full Mailing Address of Creditor:
- (3) Telephone Number of Creditor:
- (4) Facsimile Number of Creditor:
- (5) E-mail Address of Creditor:
- (6) Attention (Contact Person):

B. Particulars of Original Creditor from Whom You Acquired Claim, if Applicable:

- (1) Have you acquired this Claim by assignment?

Yes [] No []

(if yes, attach documents evidencing assignment)

- (2) Full Legal Name of original creditor(s):

C. Claim:

I,, [*name of Creditor or authorized representative of the Creditor*], do hereby certify that I am the Creditor/hold the position of of the Creditor and have knowledge of all the circumstances connected with the Claim described herein; and

The Creditor makes the following Claim (e.g. claims as at August 7, 2014) against:

Claim Amount (specify whether USD or CDN)	Secured (Y or N)

D. Particulars of Claim:

The Particulars of the undersigned's total Claim are attached.

(Attach a schedule setting forth full particulars of the Claim(s) against the Applicant and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim(s), name of any guarantor(s) which has guaranteed the Claim(s), and amount of Claim(s) allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the Applicant to Creditor or title retention arrangement with the Applicant and estimated value of such security or title retention arrangement).

THIS PROOF OF CLAIM MUST BE RETURNED TO AND RECEIVED BY THE MONITOR BY 5:00 P.M. (TORONTO TIME) ON THE CLAIMS BAR DATE (JUNE 5, 2015) AT THE FOLLOWING ADDRESS:

COLLINS BARROW TORONTO LIMITED
11 King Street West, Suite 700
PO Box 27
Toronto, Ontario M5H 4C7

Attention: Arif Dhanani
Telephone: (647) 725-0183
Facsimile: (416) 480-2646
E-mail: andhanani@collinsbarrow.com

DATED at this day of, 2015.

Witnessed by:

[If Creditor is individual]

(sign)

Print Name: _____

[If Creditor is corporation]

[Print name of Creditor]

Per: *(sign)* _____

Authorized Signing Officer

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) FRIDAY, THE 1ST DAY
JUSTICE NEWBOLD) OF MAY, 2015



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 MARTIN ROSS GROUP INC.

ORDER
(Claims Procedure Order)

THIS MOTION, made by Martin Ross Group Inc. (the "**Applicant**") for, among other things, an order approving and establishing a procedure for the identification, resolution and barring of certain claims against the Applicant was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Affidavit of Allen Shechtman sworn on April 23, 2015 and the Seventh Report (the "**Seventh Report**") of Collins Barrow Toronto Limited ("**CBTL**") in its capacity as court-appointed monitor of the Applicant (the "**Monitor**"), and on hearing the submissions of the lawyers for the Applicant and the Monitor, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Kelly Barrett sworn April 24, 2015, filed, and the affidavit of Janice Chen sworn April 29, 2015, filed:

Definitions

1. THIS COURT ORDERS that the following terms in this Order shall have the following meanings ascribed to them:

- (a) **“Affected Claim”** means all Claims other than Unaffected Claims;
- (b) **“Affected Creditor”** means all Creditors with Affected Claims;
- (c) **“Business Day”** means a day which is not: (a) a Saturday or a Sunday; or (b) a day observed as a holiday under the laws of the Province of Ontario or the federal laws of Canada applicable in the Province of Ontario;
- (d) **“CCAA”** means the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;
- (e) **“CCAA Proceedings”** means the proceedings before the Court in respect of the application by the Applicant commenced pursuant to the CCAA;
- (f) **“Claim”** means any right or claim of any Person against the Applicant, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind of the Applicant, which indebtedness, liability or obligation is in existence at the Commencement Date and which is not a Post-Filing Claim, and any interest that may accrue thereon in which there is an obligation to pay, and costs which such Person would be entitled to receive pursuant to the terms of any contract with such Person at law or in equity, any right of ownership of or title to property or assets or to a trust or deemed trust (statutory or otherwise) against any property or assets, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to

any matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which exist prior to the Commencement Date, together with any other claims that would have been claims provable in bankruptcy had the Applicant become bankrupt on the Commencement Date;

- (g) **“Claims Bar Date”** means 5:00 p.m. on June 5, 2015;
- (h) **“Claims Procedure”** means the claims procedure and schedules set out herein and as approved in the Filing Order, as may be amended from time to time;
- (i) **“Commencement Date”** means August 7, 2014;
- (j) **“Court”** means the Ontario Superior Court of Justice (Commercial List);
- (k) **“Creditor”** means any Person having a Claim and, if the context requires, an assignee or transferee of a Claim or a trustee, receiver, receiver-manager or other Person acting on behalf of such Person;
- (l) **“Dollars”** or **“\$”** means lawful money of Canada unless otherwise indicated;
- (m) **“Filing Order”** means this Order dated May 1, 2015 establishing, *inter alia*, the procedure for Creditors to prove their Claims;
- (n) **“Initial Order”** means the Initial Order dated August 7, 2014;
- (o) **“Notice to Creditors”** means the notice substantially in the form attached hereto as **Schedule “A”**;
- (p) **“Notice of Revision or Disallowance”** means the notice substantially in the form attached hereto as **Schedule “C”**;
- (q) **“Order”** means any order of the Court in connection with the CCAA Proceedings;

- (r) **“Person”** means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other juridical entity howsoever designated or constituted;
- (s) **“Proof of Claim”** means the Proof of Claim substantially in the form attached hereto as **Schedule “B”**;
- (t) **“Unaffected Claim”** means (a) Claims of the Monitor and its counsel, and Claims of the Applicant’s counsel arising before or after the Commencement Date; (b) Claims for wages, salary and vacation pay accruing due to employees; and (c) Claims for amounts due for goods or services actually supplied to the Applicant after the Commencement Date; and,
- (u) **“Unaffected Creditor”** means any Creditor with an Unaffected Claim.

General Provisions

2. THIS COURT ORDERS that copies of all Proofs of Claim and Notices of Revision or Disallowance, and determinations of Claims by the Court shall be maintained by the Monitor and, subject to further order of the Court, all Creditors will be entitled to have access thereto by appointment during normal business hours on written request to the Monitor.

3. THIS COURT ORDERS that for the purposes of this Claims Procedure, all Claims which are denominated in a foreign currency shall be converted to Canadian dollars as at the Commencement Date as provided by section 43 of the CCAA.

4. THIS COURT ORDERS that the Monitor is authorized to use reasonable discretion as to adequacy of compliance with respect to the manner in which Proofs of Claim and Notices of Revision or Disallowance are completed and executed, and may, where the Monitor is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure as to completion and execution of Proofs of Claim or Notices of Revision or Disallowance.

5. THIS COURT ORDERS that any document to be sent pursuant to this Claims Procedure may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission. An Affected Creditor shall be deemed to have received any document sent pursuant to this Claims Procedure five (5) calendar days after such document is sent by ordinary mail and registered mail and one calendar day after such document is sent by e-mail, courier or facsimile transmission.

6. THIS COURT ORDERS that in the event that any provision of the Claims Procedure is amended by or is contrary to a provision of an Order of the Court made in the CCAA Proceedings, the provision of such Order shall have precedence over the provision of the Claims Procedure.

7. THIS COURT ORDERS that all references to time herein shall mean local time in Toronto, Ontario, Canada and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.

8. THIS COURT ORDERS that references to the singular herein include the plural, the plural includes the singular and any gender includes the other gender.

Schedules

9. THIS COURT ORDERS that the following Schedules form part of this Filing Order:

- (a) **Schedule "A"** - Notice to Creditors (Publication)
- (b) **Schedule "B"** - Proof of Claim
- (c) **Schedule "C"** - Notice of Revision or Disallowance

Claims Procedure

10. THIS COURT ORDERS that the Monitor shall send, on or before 11:59 p.m. on May 8, 2015, to each known Affected Creditor a Proof of Claim substantially in the form attached as **Schedule "B"** hereto, together with a copy of this Filing Order.

11. THIS COURT ORDERS that, as soon as practicable after the date of this Filing Order, the Monitor shall cause to be published the Notice to Creditors substantially in the form attached as **Schedule "A"** hereto, in The Globe & Mail (National Edition).

12. THIS COURT ORDERS that the Monitor shall send to each Affected Creditor responding to the Notice to Creditors a Proof of Claim together with a copy of this Filing Order.

13. THIS COURT ORDERS that each Affected Creditor must return the Proof of Claim to the Monitor by no later than the Claims Bar Date for their Proof of Claim to be considered. Proofs of Claim may be delivered by mail, facsimile transmission or by e-mail. The Monitor shall forthwith provide a copy of such Proof of Claim to the Applicant.

14. THIS COURT ORDERS that any Affected Creditor that does not file a Proof of Claim by the Claims Bar Date: (a) shall not be entitled to attend or vote at any Affected Creditors Meeting; (b) shall not be entitled to receive any distribution and its Claim shall be forever extinguished and barred; and (c) shall not be entitled to notice of any further matters in the CCAA Proceedings.

15. THIS COURT ORDERS that Unaffected Creditors shall not be required to participate in the Claims Procedure in respect of their Unaffected Claims. The Monitor will not review or consider any Proof of Claim filed in respect of an Unaffected Claim.

16. THIS COURT ORDERS that the Monitor shall review all Proofs of Claim received by the Claims Bar Date and by no later than 11:59 p.m. on June 17, 2015, or such other date as the Monitor may determine, shall notify each Creditor who has filed a Proof of Claim as to whether such Creditor's Claim as set out therein has been revised or rejected, and the reasons therefor, by sending a Notice of Revision or Disallowance substantially in the form attached as **Schedule "C"** hereto. Notices of Revision or Disallowance shall be sent to the address set forth on the corresponding Proof of Claim and may be delivered via facsimile transmission or e-mail. Where the Monitor does not send by such date a Notice of Revision or Disallowance to a Creditor who has submitted a Proof of Claim, the Applicant shall be deemed to have accepted such Creditor's Claim in the amount set out in the Proof of Claim.

17. THIS COURT ORDERS that any Creditor who intends to dispute a Notice of Revision or Disallowance shall, by no later than 5:00 p.m. on the day that is ten (10) calendar days after the Creditor's deemed receipt of the Notice of Dispute or Disallowance, serve a Notice of Motion on the Monitor seeking to appeal the Monitor's determination. The motion shall be made returnable for scheduling on July 15, 2015, or such other date as the Monitor and the Creditor may agree in writing.

18. THIS COURT ORDERS that the Monitor, with the assistance of the Applicant, may resolve any dispute with any Creditor, who has served a Notice of Motion seeking to appeal the Monitor's determination, at any time prior to the return date of any such motion.

19. THIS COURT ORDERS that where a Creditor that receives a Notice of Revision or Disallowance does not serve a Notice of Motion by the date required, the value of such Creditor's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance.



ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

MAY - 1 2015
NB

Schedule "A"

NOTICE TO CREDITORS OF MARTIN ROSS GROUP INC.

TAKE NOTE THAT Martin Ross Group Inc. (the "Applicant") intends to distribute certain monies realized by the Applicant (the "**Distribution**"). An Order of the Ontario Superior Court of Justice made May 1, 2015 (the "**Order**") provides for a procedure for the determination of all claims, contingent or otherwise, against the Applicant.

THE CLAIMS BAR DATE is 5:00 p.m. (Toronto time) on June 5, 2015. All Affected Creditors must file a Proof of Claim by the Claims Bar Date in order to participate in the Distribution. Any creditor who has not received a Proof of Claim in the mail must contact the Monitor immediately to determine if they are an Affected Creditor and obtain a Proof of Claim. The Monitor can be contacted at:

COLLINS BARROW TORONTO LIMITED
11 King Street West, Suite 700
PO Box 27
Toronto, Ontario M5H 4C7

Attention: Arif Dhanani
Telephone: (647) 725-0183
Facsimile: (416) 480-2646
E-mail: andhanani@collinsbarrow.com

HOLDERS OF AFFECTED CLAIMS WHO DO NOT FILE A PROOF OF CLAIM BY THE CLAIMS BAR DATE WILL NOT BE ENTITLED TO PARTICIPATE IN ANY DISTRIBUTION AND SUCH CLAIMS WILL BE BARRED AND EXTINGUISHED FOREVER.

Schedule "B"

Proof of Claim

A. Particulars of Creditor:

- (1) Full Legal Name of Creditor:
- (2) Full Mailing Address of Creditor:
- (3) Telephone Number of Creditor:
- (4) Facsimile Number of Creditor:
- (5) E-mail Address of Creditor:
- (6) Attention (Contact Person):

B. Particulars of Original Creditor from Whom You Acquired Claim, if Applicable:

- (1) Have you acquired this Claim by assignment?
Yes [] No []
(if yes, attach documents evidencing assignment)

- (2) Full Legal Name of original creditor(s):

C. Claim:

I,, [*name of Creditor or authorized representative of the Creditor*], do hereby certify that I am the Creditor/hold the position of of the Creditor and have knowledge of all the circumstances connected with the Claim described herein; and

The Creditor makes the following Claim (e.g. claims as at August 7, 2014) against the Applicant:

Claim Amount (specify whether USD or CDN)	Secured (Y or N)

D. Particulars of Claim:

The particulars of the undersigned's total Claim are attached.

(Attach a schedule setting forth full particulars of the Claim(s) against the Applicant and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim(s), name of any guarantor(s) which has guaranteed the Claim(s), and amount of Claim(s) allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the Applicant to Creditor or title retention arrangement with the Applicant and estimated value of such security or title retention arrangement).

THIS PROOF OF CLAIM MUST BE RETURNED TO AND RECEIVED BY THE MONITOR BY 5:00 P.M. (TORONTO TIME) ON THE CLAIMS BAR DATE (JUNE 5, 2015) AT THE FOLLOWING ADDRESS:

COLLINS BARROW TORONTO LIMITED
11 King Street West, Suite 700
PO Box 27
Toronto, Ontario M5H 4C7

Attention: Arif Dhanani
Telephone: (647) 725-0183
Facsimile: (416) 480-2646
E-mail: andhanani@collinsbarrow.com

DATED at this day of, 2015.

Witnessed by:

[If Creditor is individual]

_____ (sign) _____

Print Name: _____

[If Creditor is corporation]

[Print name of Creditor]

Per: (sign) _____
Authorized Signing Officer

Schedule "C"

Notice of Revision or Disallowance

TO: *[insert name and address of creditor]*

COLLINS BARROW TORONTO LIMITED (the "**Monitor**"), has reviewed your Proof of Claim dated the ____ day of _____, 2015, and has revised or rejected your claim for the following reasons:

[Please see attached]

Subject to further dispute by you in accordance with the provisions of the Claims Procedure, your Claim will be allowed as follows:

Claim as Filed	Claim as Allowed

If you intend to dispute this Notice of Revision or Disallowance, you must, no later than **ten (10) days after the receipt of this notice** (as deemed by the Claims Procedure), bring a Motion, by serving a Notice of Motion, seeking to appeal the Monitor's determination. Your Motion must be returnable for scheduling on **July 15, 2015**, or such other date as may be agreed by you and the Monitor, in writing, and served on the Monitor at:

COLLINS BARROW TORONTO LIMITED
11 King Street West, Suite 700
PO Box 27
Toronto, Ontario M5H 4C7

Attention: Daniel Weisz
Telephone: (416) 646-8778
Facsimile: (416) 480-2646
E-mail: dweisz@collinsbarrow.com

with a copy to:

TORKIN MANES LLP
151 Yonge Street, Suite 1500,
Toronto, Ontario M5C 2W7

Attention: Fay D. Sulley
Telephone: (416) 777-5419
Facsimile: (416) 225-3910
E-mail: fsulley@torkinmanes.com
Lawyers for the Monitor

If you do not bring a Motion appealing the decision of the Monitor, the value of your Claim shall be deemed to be as set out in this Notice of Revision or Disallowance.

DATED at Toronto, this ____ day of _____, 2015.

**COLLINS BARROW TORONTO LIMITED,
in its capacity as Court-Appointed Monitor of
Martin Ross Group Inc. and not in its personal
or corporate capacity**

Per: _____
Authorized Signing Officer

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 MARTIN ROSS GROUP INC.

Court File No. CV-14-10655-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

**ORDER
(Claims Procedure Order)
(May 1, 2015)**

**KRONIS, ROTSZTAIN,
MARGLES, CAPPEL LLP**
Barristers and Solicitors
8 King Street East, Suite 1000
Toronto ON M5C 1B5

Mervyn D. Abramowitz (LSUC # 28323R)
mabramowitz@krmc-law.com

Philip Cho (LSUC #456125U)
pcho@krmc-law.com

Tel: (416) 225-8750
Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.

APPENDIX D

COMMERCIAL REAL ESTATE

RECENT ASSET TRANSACTIONS

STATION OFFICE	MULTI-FAMILY	COMMERCIAL
17 Prince Arthur Ave., Toronto \$16,200,000 \$310 psf	3450 Hartley Ave., Coquitlam \$3,700,000 \$298 per sq ft	900 Railway Ave., Cranston \$5,050,000 \$315 PSF

GREATER TORONTO AREA					
SECTION	MUNICIPALITY	ADDRESS	PRICE	UNIT PRICE	PARAMETER
Industrial	Vaughan	125 Buttermill Avenue	\$3,000,000	\$203	per sq. ft.
Industrial	North York	1125 Fleck Avenue West	\$4,500,000	\$111	per sq. ft.
Res Land	Markham	7089 Yonge Street	\$2,651,372		1.19 acres

GREATER VANCOUVER AREA					
SECTION	MUNICIPALITY	ADDRESS	PRICE	UNIT PRICE	PARAMETER
Industrial	Coquitlam	63-63 Glacier St.	\$8,000,000	\$119	per sq. ft.
Industrial	Delta	575 Ebury Pl.	\$2,230,000	\$156	per sq. ft.
Industrial	Delta	1873-1889 Cliveden Ave.	\$11,000,000	\$143	per sq. ft.

GREATER CALGARY AREA					
SECTION	MUNICIPALITY	ADDRESS	PRICE	UNIT PRICE	PARAMETER
ICI	Airdrie	109 Gateway Dr NE	\$2,460,000		3.85 Acres
Industrial	Calgary	4205 118 Ave SE	\$6,500,000	N/A	
Retail	Okotoks	A1 Elizabeth St	\$1,280,000	\$188	per sq. ft.

Source: Realtek Canada Inc. Information last updated: 11/2014. Information is for informational purposes only. This information is not intended to constitute an offer of real estate. Information is not intended to constitute an offer of real estate. Information is not intended to constitute an offer of real estate. Information is not intended to constitute an offer of real estate.

35 WOODBINE DOWNS BOULEVARD

IDEAL FOR HEALTHCARE OFFICE OR CLINIC

- Available for lease immediately. 7,618 sq. ft. - 9,029 sq. ft. with various configurations
- Neighbours include Service Ontario and Factory Direct
- Ideal space for a pharmacy, walk-in clinic, dental office or doctor's office
- Public transit within walking distance (TTC, GO Transit, Brampton and Mississauga Transit)
- Excellent exposure/signage onto Highway 27

For more information, please call:
John LaFontaine*
 john.lafontaine@cbre.com
416 798 6229
 www.cbre.ca

* Sales Representative
 ** Broker

CBRE
 CBRE Limited, Real Estate Brokerage

FOR SALE: RESIDENTIAL INFILL OPPORTUNITY

1142 Mona Rd., Mississauga

- 1.23 acre site
- Desirable south Mississauga location - Mississauga, Port Credit
- Adjacent to Fort Credit GO Station
- Offers considered on or after May 28th, 2015

Noah Rechtman 416.359.2753
 Megan Sauro-Love 416.359.2391

CUSHMAN & WAKEFIELD.
 * Sales Rep. Cushman & Wakefield Ltd. Brokerage

7 BLAIR DRIVE FOR SALE

- 174,668 sq. ft. on 7.77 acres
- 37' Clear height
- 2 Truck level, 5 drive-ins
- 8 Cranes available

For further information, please call:
Adam Ziob*
 adam.ziob@cbre.com
416 798 6269
John LaFontaine*
 john.lafontaine@cbre.com
416 798 6229
 www.cbre.ca

* Sales Representative
 ** Broker

CBRE
 CBRE Limited, Real Estate Brokerage

For Sale Kenora Shoppers Mall

Key Tenants:
 Sobeys, Home Depot, Home Hardware, Home Depot, Home Hardware, Home Depot, Home Hardware

- Grocery Anchored Mall
- 154,944 SF

For further information, please call:
Matthew Smith* matthew.smith@jll.com
 Senior Vice President 416.416.308.8004
Ralph O'Donnell* ralph.odonnell@jll.com
 Senior Vice President 416.416.308.8015
Nick MacCortell* nick.maccortell@jll.com
 Sales Associate 416.416.238.5874

www.jll.ca
JLL
 Jones Lang LaSalle

IDEAL LOCATION IN MONTREAL

CORNER OF ST. HUBERT & JEAN-TALON

- Commercial Building 50'x100' for sale
- 2 Stores + Basement
- 7139-7141 St. Hubert & 810 Jean-Talon East
- \$3.5 million - For Sale by owner

http://the7141.com 514-984-0022

FOR SALE

Wicksteed Business Park Office Condominiums

ROCKPORT

- Lease at Eglinton & Laird
- 1000 SF and up from \$300's
- 12' ceilings, move-in ready,

JOHN ROBB, Sales Representative
 Blyssful Real Estate Ltd., Brokerage
 416-440-0056

Colliers
 Commercial Real Estate

GIA CFIA Food Plant Available

Rarely Available Freehold | Church Street

FREEZER, COOLERS AND MORE

Call: Gene Forrester
 416.620.0623
 gene.forrester@colliers.com

Call: Bob Robertson
 416.643.3785
 bob.robertson@colliers.com

LEGALS

IN THE ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED (the "CCAA")

AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF ARMTEC INFRASTRUCTURE INC., ARMTEC HOLDINGS LIMITED, DURISOL CONSULTING SERVICES INC., ARMTEC US LIMITED, INC., AND ARMTEC LIMITED PARTNER CORP. (the "Applicants")

Take notice that on April 29, 2015, the Applicants commenced court-supervised restructuring proceedings under the CCAA. The Applicants' stated objective of these proceedings is to implement a going concern sale of substantially all of their assets to Armtec Operating LP ("New Armtec"), an affiliate of Brookfield Capital Partners Fund III LP. Pursuant to this transaction, New Armtec has agreed to acquire substantially all of the Applicants' assets on a going concern basis, assume substantially all of the Applicants' obligations to trade creditors and all employee obligations, and assume or repay the obligations to the Applicants' operating lenders, subject to the approval of the Ontario Superior Court of Justice (Commercial List) (the "Court").

Ernst & Young Inc. has been appointed by the Court as Monitor (the "Monitor") in the Applicants' CCAA proceedings pursuant to the Order of the Court dated April 29, 2015 (the "Initial Order") (Court File No. CV-15-10950-00CL). The Initial Order provides, among other things, for a stay of proceedings until May 29, 2015 (the "Stay Period") in respect of the Applicants and Armtec Limited Partnership (together with the Applicants, the "Armtec Companies"). The Stay Period may be extended by the Court from time to time.

Copies of the Initial Order and the Applicants' application materials have been posted on the Monitor's website at: www.ey.com/ca/armtec (the "Monitor's Website").

During the Stay Period, all parties are prohibited from commencing or continuing legal proceedings or enforcement actions against the Armtec Companies and all rights and remedies of any party against or in respect of the Armtec Companies or their assets are stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of the Court.

Creditors are not required to file a proof of claim at this time.

Persons requiring further information that is not available on the Monitor's Website should call the Monitor's Hotline at 1-855-941-1795.

Ernst & Young Inc. in its capacity as Court Appointed Monitor of Armtec Infrastructure Inc., Armtec Holdings Limited, Durisol Consulting Services Inc., Armtec US Limited, Inc. and Armtec Limited Partner Corp.
 P.O. Box 251, 222 Bay Street
 Toronto, ON M5K 1J7 Canada
 Fax: 613-691-0525

EY

NOTICE TO CREDITORS OF MARTIN ROSS GROUP INC.

TAKE NOTE THAT Martin Ross Group Inc. (the "Applicant") intends to distribute certain monies realized by the Applicant (the "Distribution"). An Order of the Ontario Superior Court of Justice made May 1, 2015 (the "Order") provides for a procedure for the determination of all claims, contingent or otherwise, against the Applicant.

THE CLAIMS BAR DATE is 5:00 p.m. (Toronto time) on June 5, 2015. All Affected Creditors must file a Proof of Claim by the Claims Bar Date in order to participate in the Distribution. Any creditor who has not received a Proof of Claim in the mail must contact the Monitor immediately to determine if they are an Affected Creditor and obtain a Proof of Claim. The Monitor can be contacted at:

COLLINS BARROW TORONTO LIMITED
 11 King Street West, Suite 700
 PO Box 27
 Toronto, Ontario M5H 4C7
 Attention: Arif Dhanani
 Telephone: (647) 725-0183
 Facsimile: (416) 460-2646
 E-mail: aridhanani@collinsbarrow.com

HOLDERS OF AFFECTED CLAIMS WHO DO NOT FILE A PROOF OF CLAIM BY THE CLAIMS BAR DATE WILL NOT BE ENTITLED TO PARTICIPATE IN ANY DISTRIBUTION AND SUCH CLAIMS WILL BE BARRED AND EXTINGUISHED FOREVER.

Collins Barrow

NOTICE OF DIVIDEND

NOTICE is hereby given that a quarterly dividend of \$0.2800 per Common Share has been declared by Industrial Alliance Insurance and Financial Services Inc. The dividend is payable in cash on June 15, 2015, to common shareholders of record at May 22, 2015.

NOTICE is hereby given that a quarterly dividend of \$0.2875 per Non-Cumulative Class A Preferred Share - Series B has been declared by Industrial Alliance Insurance and Financial Services Inc. The dividend is payable in cash on June 30, 2015, to preferred shareholders of record at May 29, 2015.

NOTICE is hereby given that a quarterly dividend of \$0.26875 per Non-Cumulative Class A Preferred Share - Series G has been declared by Industrial Alliance Insurance and Financial Services Inc. The dividend is payable in cash on June 30, 2015, to preferred shareholders of record at May 29, 2015.

Dated at Quebec City, Quebec, May 7, 2015.

BY ORDER OF THE BOARD
 Douglas A. Carrothers
 Secretary

IAI
 Groupe financier
 ia.ca

Globe2Go

Register now to receive a FREE 2-week trial
globeandmail.com/globe2go

BUSINESS TO BUSINESS

AIRCRAFT
 2000 Astra SPX, 3355 AFTT, Engines & APU on MSP Gold, Call John Hopkinson & Associates at 403-291-9027 or www.hopkinsonassociates.com

CAPITAL WANTED/AVAILABLE
 PROJECT FINANCING avail. Real Estate, Oil & Gas, Mining & clean energy. WTE. businesscapital@hotmail.com

INVESTMENT OPPORTUNITIES
 Commercial funds, \$1 Million +
 All project types considered, US & Cdn
 For information call 1.877.336.3545

*97 Hawker 800 XP - 8 pas, 2,200 miles, MSP, CON, \$1.4M USD, Jamie Spears 416-203-0600, www.jaspears.com

Globe Sports

TO SUBSCRIBE CALL 1-866-36 GLOBE THE GLOBE AND MAIL

APPENDIX E

**IN THE MATTER OF THE CCAA PROCEEDING OF
MARTIN ROSS GROUP INC.
PROOF OF CLAIM LISTING**

Name of Creditor	Proof of Claim Amount (USD)	Proof of Claim CDN
United Precious Metals	\$ 13,344.50	\$ 14,574.86
Euler Hermes North America Insurance Company	29,528.74	32,251.29
Lotus Colours, Inc.	2,709.80	2,959.64
Diamond House	43,938.60	47,989.74
Shivani Gems	26,822.45	29,295.48
Star Asia, Inc.	62,201.10	67,936.04
Evvan Importers, Inc.	5,278.92	5,765.64
Asian Star Co.	160,037.20	174,792.63
Newsmith Inc. dba Southern Jewellery News	800.00	873.76
Grand Central Jewellery	4,739.07	5,176.01
Jacoby Enterprises (claim assigned to Claims Recovery Group LLC)	13,009.70	14,209.19
Emby International	47,978.85	52,402.50
Disons Gems Inc.	231,459.55	252,800.12
Persona Limited	43,448.68	47,454.65
JPI Limited	16,321.22	17,826.04
S. Vinod Kumar	459,290.95	501,637.58
Star Rays NY Inc.	30,205.25	32,990.17
Sparkling Jewels - POC	37,038.00	40,452.90
Gem Scan Laboratories Inc.	6,098.06	6,660.30
Unity Jewels	21,777.00	23,784.84
HK Designs	7,302.00	7,975.24
Sherfam (USD unsecured)	2,984,647.65	3,259,832.16
	<u>\$ 4,247,977.29</u>	<u>\$ 4,639,640.80</u>
BOC exchange rate (noon) as at August 7, 2014		1.09
Total converted to CDN	<u>\$ 4,639,640.80</u>	

**IN THE MATTER OF THE CCAA PROCEEDING OF
MARTIN ROSS GROUP INC.
PROOF OF CLAIM LISTING**

Name of Creditor	Proof of Claim Amount (CDN)
Bell Canada	\$ 969.52
Roy Turk Industrial Sales Ltd.	1,762.95
Remgold Jewellery Wholesale Ltd.	3,960.65
Pulse Tech Corp.	565.00
Simplex Grinnell	1,333.86
Gunther Mele Limited	35,633.95
Orkin Canada	440.14
BFI Canada	3,310.10
Purolator Courier	1,620.17
Mormark Print Productions	31,721.48
Allstream	706.39
CGL - GRS Swiss Canadian Gem Lab (claim assigned to Claims Recovery Group LLC)	10,930.50
Sharp Electronics Corp	1,031.65
Minuteman Press	370.42
Office Central	1,327.26
MC Gems	1,356.57
Alphachem Limited	3,266.15
Canada Revenue Agency	39,051.38
Toronto Hydro	11,820.69
Brinks Canada	6,542.31
Cieri SRL (need €47,127.06 converted at appropriate rate of exchange)	64,308.00
Transcontinental Tool	3,465.10
Sharp Electronics of Canada	22,616.37
HCH Lazerman	675.56
Imperial Coffee Services	945.77
Pause Productions	589.01
Outfront Media Canada LP	35,854.50
Sherfam (CDN unsecured)	29,689,030.16
	<u>\$ 29,975,205.61</u>
 Total claims CDN	 <u>\$ 34,614,846.41</u>

APPENDIX F

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**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
MARTIN ROSS GROUP INC.**

**AFFIDAVIT OF DANIEL WEISZ
(Sworn on June 25, 2015)**

I, DANIEL WEISZ, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Senior Vice-President of Collins Barrow Toronto Limited (“**CBTL**”), in its capacity as Court-appointed Monitor (in such capacity, the “**Monitor**”), of all of the assets, undertakings and properties of Martin Ross Group Inc. (the “**Company**”) and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto and marked as **Exhibit “A”** are detailed invoices (the “**Invoices**”) issued to the Company by CBTL for fees and disbursements incurred by CBTL in connection with the Company’s proceedings pursuant to the Companies Creditors Arrangement Act for the period April 1, 2015 to May 31, 2015 (the “**Appointment Period**”). The total fees

charged by CBTL to the Company during the Appointment Period were \$22,944.50 plus disbursements of \$2,893.20, plus HST of \$3,358.90 totaling \$29,196.60.

3. The Invoices are a fair and accurate description of the services provided and the amounts charged by CBTL.

4. Attached hereto and marked as **Exhibit "B"** is a schedule summarizing the invoices in Exhibit "A" including the total billable hours charged, the total fees charged and the average hourly rate charged.

5. I make this affidavit in support of a motion for an Order approving the Monitor's fees and disbursements and for no other or improper purpose.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, on the
25th day of June, 2015

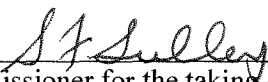


Commissioner for Taking Affidavits
(or as may be)



DANIEL WEISZ

This is Exhibit "A" to the Affidavit of
Daniel Weisz, sworn on June 25, 2015


A Commissioner for the taking of affidavits, etc.

To Martin Ross Group Inc.
 250 Canarctic Drive
 Toronto, Ontario
 M3J 2N7

T. 416.480.0160
 F. 416.480.2646

www.collinsbarrow.com

Date May 8, 2015

Client File 112096

GST/HST: 80784 1440 RT 0001

Invoice 9

No. C000053

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Monitor pursuant to the Companies' Creditors Arrangement Act ("**CCAA**") proceeding of Martin Ross Group Inc. ("**Martin Ross**" or the "**Company**") for the period April 1, 2015 to April 30, 2015.

Date	Professional	Description
4/1/2015	Daniel Weisz	Discussion with E. Corrado regarding preparation of report to court.
4/2/2015	Daniel Weisz	Review summary of activities.
4/6/2015	Daniel Weisz	Review and reply to email from M. Robinson regarding accounts receivable amounts from creditors of Martin Ross; review final summary of activities and forward to M. Robinson.
4/9/2015	Daniel Weisz	Discussion with P. Cho of Kronis, Rotsztain, Margles, Cappel LLP ("KRMC") regarding proposed sale of fixed assets by the Company and Monitor's requirements regarding same; discussion with A. Dhanani on information provided by the Company regarding proposed sale and respond to P. Cho regarding same.
4/10/2015	Daniel Weisz	Review email from M. Robinson regarding proposal to sell inventory lot and discussion with A. Dhanani on same, emails to M. Robinson in this regard.
4/14/2015	Arif Dhanani	Review forecast to actual variance analysis for the period March 30 to April 10, 2015 received from M. Robinson; email to M. Robinson with questions; review explanations for variances received from M. Robinson.
4/15/2015	Arif Dhanani	Commence review of A. Shechtman affidavit.
4/16/2015	Daniel Weisz	Prepare for and attend conference call with J. Grauman and M. Robinson regarding remaining inventory on hand and CCAA proceedings; telephone call with P. Cho regarding claims process; email to M. Robinson regarding HST audit results, exchange emails with M. Robinson regarding same; discussion with A. Dhanani on draft materials; review draft affidavit of A. Shechtman; reply to M. Robinson's email regarding HST.
4/16/2015	Arif Dhanani	Review materials provided by Martin Ross, including A. Shechtman affidavit, Notice of Motion and draft Order; complete initial draft of Monitor's Seventh Report to Court.
4/17/2015	Daniel Weisz	Exchange emails regarding HST enquiry.

Date	Professional	Description
4/21/2015	Daniel Weisz	Telephone call with M. Robinson regarding status of CCAA proceedings; exchange emails with P. Cho; review in detail draft affidavit of A. Shechtman, draft court orders, provide comments to P. Cho and telephone discussion with P. Cho regarding same.
4/21/2015	Arif Dhanani	Review draft orders provided by KRMC (approval and claims procedure) and email comments to D. Weisz on same.
4/23/2015	Daniel Weisz	Telephone call with P. Cho regarding status of materials and leased premises; review email from P. Cho regarding Sherfam secured indebtedness.
4/23/2015	Arif Dhanani	Review amended Affidavit and Motion materials provided by KRMC; discussion with D. Weisz; telephone call with P. Cho.
4/24/2015	Daniel Weisz	Review revised affidavit and notice of motion and P. Cho on comments regarding same; discussion with A. Dhanani regarding report to court.
4/24/2015	Arif Dhanani	Amend draft of Monitor's Seventh Report, including review of A. Shechtman Affidavit and Martin Ross Notice of Motion.
4/27/2015	Daniel Weisz	Review and update portions of the report to court; conference call with A. Sarangi and M. Robinson regarding HST audit at the Company.
4/27/2015	Arif Dhanani	Finalize first draft of Seventh Report, including fee affidavit; send to D. Weisz for review.
4/28/2015	Altaf Sarangi	Review Sales Tax Audit proposal and provide analysis.
4/28/2015	Arif Dhanani	Review and accept/reject amendments made by D. Weisz to Seventh Report; send report to Martin Ross and its counsel and Monitor's counsel for comments; discussion with D. Weisz regarding certain feedback from Martin Ross counsel.
4/28/2015	Daniel Weisz	Discussion with F. Sulley of Torkin Manes regarding status of Monitor's report; finalize review and update of draft report; meet with A. Sarangi regarding HST considerations; review comments on draft report from KRMC and M. Robinson; update report for comments and forward revised version to F. Sulley.
4/29/2015	Bryan Tannenbaum	Review of seventh report to court.
4/29/2015	Daniel Weisz	Review and make final changes to report to court; attend at Torkin Manes to deliver report and swear affidavit of fees; meet with S. Thom to discuss various matters.
4/29/2015	Arif Dhanani	Review Torkin Manes' fee affidavit; assemble Monitor's Seventh Report for execution.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP	President	0.70	\$ 495	\$ 346.50
Daniel R. Weisz, CPA, CA, CIRP	Senior Vice President	13.30	\$ 495	6,583.50
Altaf Sarangi, CPA, CA	Tax Partner	1.00	\$ 495	495.00
Arif N. Dhanani, CPA, CA, CIRP	Senior Manager	15.30	\$ 350	5,355.00
Total hours and professional fees		30.30		\$ 12,780.00
HST @ 13%				1,661.40
Total payable				\$ 14,441.40

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CAS Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce
 Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

PLEASE RETURN ONE COPY WITH REMITTANCE

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.
 The Collins Barrow trademarks are used under license.

To Martin Ross Group Inc.
 250 Canarctic Drive
 Toronto, Ontario
 M3J 2N7

T. 416.480.0160
 F. 416.480.2646

www.collinsbarrow.com

Date June 5, 2015

Client File 112096

GST/HST: 80784 1440 RT 0001

Invoice 10

No. C000063

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Monitor pursuant to the Companies' Creditors Arrangement Act ("**CCAA**") proceeding of Martin Ross Group Inc. ("**Martin Ross**" or the "**Company**") for the period May 1, 2015 to May 31, 2015.

Date	Professional	Description
5/1/2015	Daniel Weisz	Prepare for and attend in Court regarding motion for approval of claims procedure, sale to Bearington and approval of activities.
5/4/2015	Arif Dhanani	Review of Claims Procedure Order; draft Notice to Creditors and Proof of Claim; meet with D. Nishimura regarding mailing to creditors; draft newspaper ad and telephone call to Globe and Mail regarding publication of Notice to Creditors.
5/5/2015	Daniel Weisz	Review approval and vesting order regarding sale to Bearington, review emails received from Bearington and Martin Ross regarding completion of the sale; complete and sign the Monitor's Certificate and send to Bearington and Martin Ross; email to F. Sulley of Torkin Manes LLP regarding filing of certificate with the Court.
5/5/2015	Arif Dhanani	Telephone call with The Globe and Mail regarding placement of advertisement in National Edition and email details to The Globe and Mail pursuant to their request to do so.
5/6/2015	Arif Dhanani	Review email and proof of advertisement from The Globe and Mail; discussion with D. Weisz regarding same; telephone call with The Globe and Mail regarding changes required.
5/7/2015	Arif Dhanani	Review the revised proof from The Globe and Mail and approve same; emails to/from The Globe and Mail; facilitate payment of The Globe and Mail invoice.
5/7/2015	Donna Nishimura	Prepare and send out Notice to Creditors regarding claims procedure.
5/8/2015	Arif Dhanani	Telephone call with Bell Canada regarding claims procedure; email to Bell Canada with creditors' package.
5/8/2015	Daniel Weisz	Review summary of activities and update and email to M. Robinson regarding same.
5/11/2015	Daniel Weisz	Review emails.
5/11/2015	Altaf Sarangi	Discussion with D. Weisz and M. Robinson regarding the results of the HST audit at the Company.

Date	Professional	Description
5/11/2015	Arif Dhanani	Draft spreadsheet to summarize proofs of claim, pursuant to claims procedure; review proofs of claim from Bell, United Precious Metals and Euler Hermes.
5/12/2015	Daniel Weisz	Review emails.
5/12/2015	Arif Dhanani	Review proof of claim received from Remgold Jewellery; email from Lotus Colours and respond thereto; email to M. Robinson regarding claims against Libman; review proof of claim and support thereto from Pulse Tech Corp.; telephone call with Shivani Gems regarding submission of proof of claim; review claims from Diamond House Inc. and Shivani Gems; emails with M. Robinson regarding Libman; email to Lotus Colours regarding proof of delivery for invoice.
5/13/2015	Arif Dhanani	Emails with M. Robinson regarding claims and validity of same; emails to/from Lotus Colors regarding proof of delivery and emails to/from M. Robinson in this regard.
5/14/2015	Arif Dhanani	Review proof of claim from Gunther Mele Limited and email to M. Robinson in this regard; review of email from M. Robinson regarding Network Repairs, including attachments, email to Network Repairs setting out the Company's position with respect to certain items in Network Repairs' proof of claim and request for revised proof of claim.
5/14/2015	Daniel Weisz	Telephone call with a representative of Allstream regarding completion of claim form.
5/15/2015	Arif Dhanani	Review of proofs of claim from Purolator and BFI Canada; telephone call with Purolator; emails to M. Robinson with proofs of claim.
5/19/2015	Arif Dhanani	Review message from J. Woodward of Momark Printing Group and return telephone call regarding proof of claim; emails to/from Network Repairs with regard to proof of claim and distribution to be made; emails and telephone call with Purolator courier regarding adjustment to proof of claim; telephone call with Diamond House regarding proof of claim; review proofs of claim received in mail and scan same.
5/19/2015	Daniel Weisz	Discussion with P. Cho of Kronis, Rotsztain, Margles, Cappel LLP ("KRMC") on status of leases and forthcoming request from the Company to disclaim leases.
5/20/2015	Arif Dhanani	Review of proofs of claim and support thereto received from Sharp Electronics, Evvan Importers, Allstream and forward same to the Company.
5/25/2015	Daniel Weisz	Review files regarding creditors; telephone call with P. Cho regarding status of claims.
5/25/2015	Arif Dhanani	Review proofs of claim received and forward same to M. Robinson; telephone call with Sharp Direct regarding proof of claim and payment for balance of contract; emails with M. Robinson regarding Sharp Direct proof of claim and email to Sharp Direct with further questions.
5/26/2015	Arif Dhanani	Review of claim from Grand Central Jewellery and email to same requiring revision of proof of claim from secured to unsecured status and email to M. Robinson in this regard; email from Sharp Direct regarding return of equipment and forward same to M. Robinson; review claim from Jacoby Enterprises and forward to M. Robinson; telephone call with Star Rays NY Inc.; telephone call with MC Gems regarding proof of claim; discussion with D. Weisz regarding other potential creditors that did not receive notice and contact creditors by phone or email.

Date	Professional	Description
5/26/2015	Daniel Weisz	Telephone call with M. Robinson regarding amounts owing to the Company; review information provided by M. Robinson and email to M. Robinson regarding same, telephone discussion with J. Grauman regarding status of Sherfam proof of claim, prepare email to A. Shechtman regarding outstanding amounts.
5/27/2015	Arif Dhanani	Review amended proof of claim from Grand Central Jewellery and send same to M. Robinson; responding to questions from Mormark Print Productions.
5/27/2015	Daniel Weisz	Review email from P. Cho regarding lease disclaimers and email to F. Sulley re same.
5/28/2015	Daniel Weisz	Discussion with F. Sulley regarding disclaimers requested to be acknowledged by the Monitor; telephone call with P. Cho.
5/28/2015	Arif Dhanani	Review and forward to M. Robinson various proofs of claim.
5/29/2015	Arif Dhanani	Review and forward various proofs of claim to M. Robinson; discussion with Bell Canada regarding CCAA Proceedings; discussions with D. Weisz regarding Sherfam claim; review of parties to receive disclaimers, review mailing list for notice to creditors and email to KRMC regarding same.
5/29/2015	Daniel Weisz	Review email from KRMC regarding draft disclaimers; review the disclaimers and reply to P. Cho; preliminary review of draft claim of Sherfam and discussion with M. Robinson on same; reply to enquiry from T. Stack of Argo Partners.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CIRP	Senior Vice President	5.60	\$ 495	2,772.00
Altaf Sarangi, CPA, CA	Tax Partner *	0.50	\$ 525	262.50
Arif N. Dhanani, CPA, CA, CIRP	Senior Manager	19.90	\$ 350	6,965.00
Donna Nishimura	Estate Administrator	1.50	\$ 110	165.00
Total hours and professional fees		27.50		\$ 10,164.50
Disbursements				
Photocopies re Notice	\$ 418.14			
Postage re Notice	211.54			
Globe & Mail Advertisement	2,263.52			
Total disbursements				2,893.20
Total professional fees and disbursements				\$ 13,057.70
HST @ 13%				1,697.50
Total payable				\$ 14,755.20

* Partner - Collins Barrow Toronto LLP

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____
 Name on Card _____ Amount _____


WIRE PAYMENT DETAILS

For CAS Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce
 Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

PLEASE RETURN ONE COPY WITH REMITTANCE

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.
 The Collins Barrow trademarks are used under license.

This is Exhibit "B" to the Affidavit of
Daniel Weisz, sworn on June 25, 2015



A Commissioner for the taking of affidavits, etc.

EXHIBIT "B"

Calculation of Average Hourly Billing Rates of Collins Barrow Toronto Limited for the Appointment Period

Invoice No.	Billing Period	Total Fees	Disbursements	HST	Hours	Average Hourly Rate	Total
9	April 1, 2015 to April 30, 2015	\$12,780.00	-	\$1,661.40	30.30	\$421.78	\$14,441.40
10	May 1, 2015 to May 31, 2015	10,164.50	2,893.20	1,697.50	27.50	369.62	14,755.20
	Total	\$22,944.50	\$2,893.20	\$3,358.90	57.80	\$396.96	\$29,196.60

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 MARTIN ROSS GROUP INC.

Court File No. CV-14-10655-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**AFFIDAVIT OF DANIEL WEISZ
DATED JUNE 25, 2015**

TORKIN MANES LLP

Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto ON M5C 2W7

S. Fay Sulley (24257D)
fsulley@torkinmanes.com
Tel: 416-777-5419
Fax: 1-888-587-5769

Tel: 416-863-1188
Fax: 416-863-0305

Lawyers for the Monitor
Collins Barrow Toronto Limited

APPENDIX G

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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 MARTIN ROSS GROUP INC.

AFFIDAVIT OF JEFFREY J. SIMPSON

I, **JEFFREY J. SIMPSON** of the City of Toronto, in the Province of Ontario **MAKE OATH AND SAY AS FOLLOWS:**

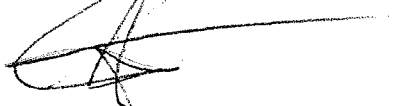
1. I am an Associate with the law firm of TORKIN MANES LLP ("**Torkin Manes**"), which has been engaged as independent counsel to Collins Barrow Toronto Limited, ("**Collins Barrow**"), in its capacity as Monitor, over all of the assets, undertakings and properties of Martin Ross Group Inc. ("**Martin Ross**") in this proceeding and as such have knowledge of the matters to which I hereinafter depose either through my own knowledge or by informing myself with respect thereto in which case I have indicated the source of my information and belief.

2. Attached hereto as **Exhibit "A"** is a true copy of an account issued by Torkin Manes to Collins Barrow, in its capacity as Monitor in this proceeding, which includes detailed descriptions for the work performed for the period from May 1, 2015 to and including May 29, 2015. The total fees charged by Torkin Manes to Collins Barrow during this period were \$3,000.00 plus HST of \$390.00 plus disbursements of \$270.88 plus HST of \$35.21 for a total invoice of \$3,696.09.

3. I confirm that the account described above accurately reflect the services provided by Torkin Manes in this matter and the fees and disbursements claimed by it during the period described above.

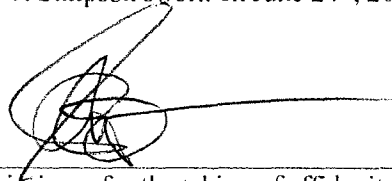
4. Additionally, attached hereto as **Exhibit "B"** is a summary of additional information with respect to the aforesaid account indicating all members of Torkin Manes who worked on this matter during the period described above, their year of call to the bar, total time charges and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

SWORN before me at the City of
Toronto, in the Province of Ontario, this
24th day of June, 2015.


A Commissioner for taking affidavits.


JEFFREY J. SIMPSON

This is Exhibit "A" to the Affidavit of
Jeffrey J. Simpson sworn on June 24th, 2015

A handwritten signature in black ink, appearing to be "Jeffrey J. Simpson", written over a horizontal line.

A Commissioner for the taking of affidavits, etc.

Torkin Manes LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto, ON M5C 2W7

Tel: 416 863 1188
Fax: 416 863 0305
torkinmanes.com



June 24, 2015

Invoice No.: 263205

Attention: Bryan Tannenbaum
Collins Barrow Toronto Limited
11 King St. W., Suite 700
Box 27
Toronto, ON M5H 4C7

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Martin Ross Group Inc.
File No.: 34487.0001

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

May 01 15	SFS	Preparation for and attendance at motion	3.00
May 27 15	SFS	Review of correspondence re disclaimers of leases; correspondence to and from client and Philip Cho; telephone discussion with client	1.50
May 29 15	SFS	Review of notices of disclaimer	0.30
		Total Hours:	4.80

Page 2
June 24, 2015
Our File No.: 34487.0001
Invoice # 263205



OUR FEE:	\$3,000.00
HST:	\$390.00
SUB-TOTAL:	<hr/> \$3,390.00

LAWYERS' SUMMARY: FEES SUBJECT TO HST:

<u>LAWYERS AND LEGAL ASSISTANTS INVOLVED</u>	<u>HOURLY RATE</u>	<u>HOURS WORKED</u>
Fay Sulley	625.00	4.80
TOTAL HOURS		4.80

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Deliveries	6.48
Title search disbursements	40.00
Laser copies	104.40
Process Server	120.00
	<hr/> 270.88

Total Disbursements	\$270.88
HST on Disbursements	\$35.21

TOTAL DISBURSEMENTS AND HST:	<hr/> \$306.09
------------------------------	----------------

TOTAL FEE, DISBURSEMENTS & HST	\$3,696.09
--------------------------------	------------


Page 3
June 24, 2015
Our File No.: 34487.0001
Invoice # 263205

Torkin|Manes
Barristers & Solicitors

BALANCE DUE AND OWING BY YOU

\$3,696.09

TORKIN MANES LLP

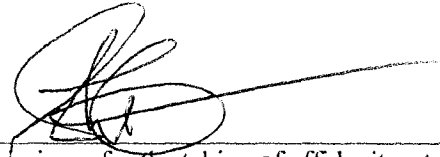
Per: 
Fay Sulley

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
Interest will be charged pursuant to the Solicitors Act at the
rate of 1.0 percent per year.

This is Exhibit "B" to the Affidavit of
Jeffrey J. Simpson sworn on June 24th, 2015

A handwritten signature in black ink, appearing to be 'J.J. Simpson', written over a horizontal line.

A Commissioner for the taking of affidavits, etc.

Summary of Lawyers

Lawyer	Year of Call	Hours Billed	Hourly Rate	Total Billed
S. Fay Sulley	1984	4.80	\$625.00	\$3,000.00
TOTAL				\$3,000.00

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

AND

AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF MARTIN ROSS GROUP INC.

Court File Number CV-14-10655-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF JEFFREY J. SIMPSON
DATED JUNE 24, 2015

TORKIN MANES LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto ON M5C 2W7

S. Fay Sulley (24257D)
fsulley@torkinmanes.com
Tel: 416-777-5419
Fax: 1-888-587-5769

Tel: 416-863-1188
Fax: 416-863-0305

Lawyers for the Monitor, Collins Barrow Toronto Limited

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

AND AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF MARTIN ROSS GROUP INC.

Court File No. CV-14-10655-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

**EIGHTH REPORT OF THE MONITOR, COLLINS
BARROW TORONTO LIMITED
JUNE 25, 2015**

COLLINS BARROW TORONTO LIMITED
11 King St. W., Suite 700
Box 27
Toronto, ON M5H 4C7