

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.

MOTION RECORD OF THE APPLICANT, MARTIN ROSS GROUP INC.
(CCAA Termination)
(returnable November 15, 2016)

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INDEX

INDEX

<u>TAB</u>	<u>DOCUMENT</u>	<u>PAGE NOS.</u>
1	Notice of Motion, returnable November 15, 2016	1-5
2	Twelfth Report of the Monitor, dated October 28, 2016	6-14
<u>APPENDICES</u>		
A	Plan of Compromise and Arrangement in respect of Martin Ross Group Inc., dated February 2, 2016	15-30
B	Affidavit of Mailing of Donna Nishimura, sworn May 31, 2016	31-39
C	Affidavit of Daniel Weisz, sworn October 28, 2016, sworn October 28, 2016	40-57
D	Affidavit of Jeffrey J. Simpson, sworn October 25, 2016	58-69
3	Draft Order	70-75

TAB 1

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

**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.

**NOTICE OF MOTION
(CCAA termination)
(returnable November 15, 2016)**

Martin Ross Group Inc. (the “**Applicant**”) will make a motion to a judge presiding over the Commercial List on Tuesday, November 15, 2016 at 10:00 a.m., or as soon after that time as the motion can be heard at 330 University Avenue, 8th Floor, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order substantially in the form attached at Tab 3 of the Motion Record, for, among other things:
 - (a) if necessary, abridging the time for service and filing of the Motion Record, and validating service of the Motion Record, such that this motion is properly returnable today;
 - (b) terminating the within proceeding (“**CCAA Proceeding**”);

- (c) terminating, releasing and discharging the Administration Charge (as defined in the Initial Order);
- (d) authorizing and directing Collins Barrow Toronto Limited (“**CBTL**”) in its capacity as court-appointed monitor of the Applicant (the “**Monitor**”) to return to the Applicant any funds in its possession that it has not distributed subject to payment of any professional fees and further subject to payments required to be made pursuant to the Plan of Arrangement and Compromise previously approved by this Court;
- (e) discharging the Monitor from any further obligations pursuant to the orders made within the CCAA Proceeding subject to certain minor administrative matters;
- (f) releasing and discharging the Monitor from any and all liability, arising out of or within the CCAA Proceeding, excepting for any gross negligence or willful misconduct on the part of the Monitor;
- (g) approving the Twelfth Report of CBTL in its capacity as Monitor and the activities of the Monitor described therein;
- (h) approving the fees and disbursements of the Monitor and its legal counsel, Torkin Manes LLP, including the estimates of fees and disbursements required to complete this matter; and,
- (i) such further and other relief as to this Court may seem just.

THE GROUNDS FOR THE MOTION ARE

1. The Applicant was a manufacturer and wholesaler of fine jewellery, with an emphasis on products mined and manufactured within Canada;
2. On August 7, 2014, MRG sought and was granted protection from its creditors under the *Companies' Creditors Arrangement Act* (the "CCAA") pursuant to the Order of the Honourable Justice Penny dated August 7, 2014 (the "**Initial Order**");
3. Pursuant to the Initial Order, CBTL was appointed as Monitor of MRG;
4. The Stay Period (as defined in the Initial Order) has been extended on a number of occasions but expired on June 23, 2016;
5. Pursuant to the Order of the Honourable Mr. Justice Newbould dated April 14, 2016 (the "**Sanction Order**"), the Applicant's Plan of Compromise or Arrangement dated February 2, 2016 (the "**Plan**") was sanctioned;
6. On May 6, 2016, the Plan became effective and the Implementation Date (as defined in the Plan) was May 9, 2016;
7. As of October 28, 2016, all distributions to Affected Creditors have been made by the Monitor. As a result, the Monitor has taken all actions necessary and appropriate to implement and give effect to the Plan, in accordance with and subject to its terms;
8. All payments have cleared the Monitor's bank account with the exception of one cheque payable to one creditor. The Plan provides that all claims for undeliverable distributions be made

on or before the expiration of six months following the date of distribution, failing which any undeliverable distributions shall be returned to the Applicant;

9. As of the Implementation Date, pursuant to the Sanction Order, all Affected Claims were settled, compromised and released;

10. Thus, the Monitor is of the view that it has discharged its duties and obligations under the Initial Order, and any subsequent order of this Court in the within CCAA proceeding;

11. As a result of the foregoing, in the circumstances, it is appropriate and reasonable to approve the activities of the Monitor set out in its Twelfth Report, approve the fees and disbursements of the Monitor and its legal counsel, Torkin Manes LLP, release and discharge CBTL in its capacity as the Monitor, terminate the within CCAA proceeding, including the Administration Charge (as defined in the Initial Order);

12. The Applicant and the Monitor support the relief sought herein;

13. In all of the circumstances, the relief sought is appropriate;

14. Section 11 of the CCAA;

15. Rules 2.03, 3.02, 16.08 and 37 of the *Rules of Civil Procedure*; and,

16. Such further and other grounds as the lawyers may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

1. The Twelfth Report of the Monitor; and,

2. Such further and other evidence as the lawyers may advise and this Court permit.

October 31, 2016

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TAB 2

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
(IN BANKRUPTCY AND INSOLVENCY)

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.

TWELFTH REPORT OF THE MONITOR

(Dated as of October 28, 2016)

I. INTRODUCTION AND PURPOSE OF REPORT

1. On August 7, 2014, Martin Ross Group Inc. ("**MRG**" or the "**Company**"), applied for and obtained protection from its creditors under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") pursuant to the Order of this Court dated August 7, 2014 (the "**Initial Order**"). Pursuant to the Initial Order, Collins Barrow Toronto Limited was appointed as Monitor of the Company during this CCAA proceeding.
2. The Initial Order established a stay of proceedings until September 6, 2014 (the "**Stay Period**"). The Stay Period has, by Order of the Court, been extended from time to time and was subsequently extended to and expired on June 23, 2016. It has not been renewed since that time and there is therefore no stay of proceedings currently in place.
3. By Order of this Court dated May 1, 2015 (the "**Claims Procedure Order**"), the Court approved a process for the identification, resolution and barring of certain claims against MRG.
4. By Order of this Court dated June 29, 2015 (the "**Interim Distribution Order**"), the Court approved an interim distribution in the amount of \$7.5 million to those creditors whose claims were allowed by the Monitor in accordance with the Claims Procedure Order.
5. By Order of this Court dated February 9, 2016 (the "**Plan Filing Order**"), the Court, *inter alia*, (i) accepted for filing the plan of compromise or arrangement in respect of MRG (the "**Plan**"), (ii) approved March 23, 2016 as the date for the Meeting of Affected Creditors (the "**Meeting**"), and (iii) approved the procedures for the Meeting and authorized one class of creditors for the purpose of voting on the Plan. A copy of the Plan is attached hereto as **Appendix "A"**.
6. At the Meeting held on March 23, 2016, the requisite majority of Affected Creditors voted to accept the Plan.

7. By Order of the Court dated April 14, 2016 (the “**Sanction Order**”), the Court, *inter alia*, sanctioned and approved the Plan, authorized the Company or the Monitor, as applicable, to implement and give effect to the Plan in accordance with and subject to its terms and extended the Stay Period to June 23, 2016.
8. Throughout the period of this CCAA proceeding, the Monitor has filed reports with this Court. The most recent report filed by the Monitor was the Eleventh Report of the Monitor dated as of April 11, 2016 (the “**Eleventh Report**”). The Eleventh Report discussed, *inter alia*, a summary of the Meeting and the Monitor’s recommendation with respect to the Company’s request for the Sanction Order.
9. This is the Twelfth report of the Monitor (the “**Twelfth Report**”). The purpose of this Twelfth Report is to:
 - a) provide an update with respect to the Monitor’s activities and the implementation of the Plan since the Eleventh Report; and
 - b) seek an Order:
 - i) approving the Twelfth Report and the Monitor’s activities and conduct described therein;
 - ii) approving the fees and disbursements of the Monitor and its legal counsel, as well as an estimate of fees for the Monitor and its legal counsel to complete its obligations and activities up to and including the Monitor’s discharge and thereafter;
 - iii) discharging the Monitor and forever barring any person from making any claim as against the Monitor and its legal counsel relating to these proceedings, other than those claims arising out of any gross negligence or willful misconduct on the part of the Monitor or its legal counsel;
 - iv) terminating, releasing and discharging the Administration Charge (as defined in the Initial Order); and,

v) terminating the within CCAA proceeding.

10. This Twelfth Report is to be read in conjunction with the Monitor's First through Eleventh reports in these proceedings. Copies of these reports, the Initial Order, Claims Procedure Order, Interim Distribution Order, Plan Filing Order and Sanction Order and other documents relevant to these proceedings are posted on the Monitor's website at <http://www.collinsbarrow.com/en/toronto-ontario/martin-ross-group>. Capitalized terms not defined in this Twelfth Report are defined in the various Orders of the Court, the Plan and/or the Monitor's First through Eleventh Reports.

II. TERMS OF REFERENCE

11. In preparing this Twelfth 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 Twelfth 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 Canadian Auditing Standards pursuant to the CPA Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the Information.
12. All references to dollars are in Canadian currency unless otherwise noted.

III. IMPLEMENTATION OF THE PLAN

13. As set out above, pursuant to the Sanction Order, the Company or the Monitor, as appropriate, was authorized to implement the Plan. The Monitor is satisfied that the effective date of the Plan occurred on May 6, 2016 (being the day following the expiration of the 21 day appeal period relating to the Sanction Order) and that the Implementation Date of the Plan is May 9, 2016.

14. On May 10, 2016, the Monitor opened a trust account, in its name, (the “**Trust Account**”) to be used to receive and disburse, funds provided by the Company in accordance with the Plan.
15. On that day, the Company paid to the Monitor a retainer of \$50,000 (the “**Retainer**”), in accordance with paragraph 4.2 (a) of the Plan, and \$1,267,279.74, representing the Fund in accordance with paragraph 4.2 (b) of the Plan.
16. As set out in the Eleventh Report, the Monitor had prepared The Monitor’s Report to Creditors on the Plan dated as of February 25, 2016 (“**Report to Creditors**”). In the Report to Creditors, the Trustee set out its assumption that the Fund would be \$1,300,000 and estimated the potential distribution to creditors based on that assumption. As noted above, the Fund provided to the Monitor for distribution was \$1,267,279.74. The Monitor reviewed and was satisfied with the Company’s calculation of the Fund.
17. On May 11, 2016, the Monitor deposited the Fund into the Trust Account and the Retainer into a different trust account.
18. Pursuant to paragraph 5.1 of the Plan, the Monitor was required to distribute the Fund to the Affected Creditors and to the Plan Sponsor within 30 Business Days of the Implementation Date or as soon as practical thereafter.
19. On May 25, 2016, the Monitor processed distribution cheques to Affected Creditors and the Plan Sponsor based on the Plan and the Fund. On May 26, 2016, the Monitor mailed out to each Affected Creditor and the Plan Sponsor their respective distribution cheques and a letter from the Monitor. The Monitor’s letter set out the quantum of the Fund and that the cheque enclosed with the correspondence was the final distribution to creditors pursuant to the Plan. The affidavit of mailing executed by Donna Nishimura, which includes the Monitor’s letter to the creditors and the summary of the distributions to the creditors, is attached hereto as **Appendix “B”**. The Monitor received no questions or enquiries from creditors in respect of the quantum of the Fund.
20. In accordance with the Plan, the distribution cheques were denominated in Canadian funds. In view of the fact that a number of MRG’s creditors were situated in the United

States or overseas, the Monitor has been monitoring the cashing of distribution cheques by the Affected Creditors and Plan Sponsor to ensure that all cheques were being presented in Canadian funds. As of September 22, 2016, all distribution cheques have cleared the Trust Account, with the exception of one cheque payable to Unity Jewels.

21. The cheque to Unity Jewels was mailed by the Monitor to the address of Unity Jewels in Mumbai, India. On September 13, 2016, the Monitor sent an e-mail to Unity Jewels to ask whether it had received the distribution cheque sent to it by the Monitor. The Monitor received a return automated e-mail that stated “Dear All, Thank you for your email. Please use my new email ID acctuj@hk.co for future correspondence. Many thanks. Kind Regards, Account Dept. Unity Jewels.”. On that same day, the Monitor sent an e-mail to the new e-mail address as per the automated e-mail received. As at the date of this report, the Monitor has received no reply from Unity Jewels.
22. As at October 26, 2016, the balance in the Trust Account is \$3,995.28, representing the yet uncashed cheque issued to Unity Jewels in the amount of \$3,826.25 plus interest that has accrued in the Trust Account.
23. Paragraph 5.5 of the Plan provides that “all claims for undeliverable distributions must be made on or before the expiration of six (6) months following the date of the distribution, after which the Claim of any Affected Creditor or successor of such Affected Creditor with respect to such unclaimed distributions shall be discharged, and forever barred,...and any such undeliverable distributions shall be returned to the Applicant”.
24. Based on the above, and unless Unity Jewels proceeds to cash the cheque sent to it, the Monitor anticipates returning on or before December 1, 2016 to the Company the balance of funds in the Trust Account as at that date, which will be approximately \$4,000 after taking into account further interest that may accrue in the account.
25. The Company has indicated that it wishes to terminate the within CCAA proceedings. As indicated above, the only remaining task for the Monitor, other than to repay the unused portion of the Retainer to MRG, is to return to the Company any remaining funds that

may be in the Trust Account after November 26, 2016, being the date that is six months following the date the distribution cheques were mailed.

26. The Monitor is currently in possession of the Retainer. Subject to: (i) the taxation of the Monitor's accounts and those of its legal counsel by the Court, (ii) payment of the accounts of the Monitor and its legal counsel as approved by the Court from the Retainer and (iii) returning to the Company the unused portion of the Retainer as well as the balance in the Trust Account, it is appropriate for the Monitor to be relieved from any further duties in respect of the Company and the CCAA Proceedings and to request of the Court that it grant a discharge to the Monitor in respect of its role as Monitor in these proceedings.
27. Accordingly, the Monitor seeks to obtain its discharge as Monitor. Taking into account the proposed disposition of the remaining funds in the Trust Account and the return to the Company of the unused portion of the Retainer, the Order being sought by the Company provides, *inter alia*, that the Monitor will remain Monitor for the performance of such incidental duties as may be required to complete the administration of the CCAA Proceeding.

VI. MONITOR'S FEES AND DISBURSEMENTS

28. The Monitor has maintained detailed records of its professional fees and disbursements during the course of these proceedings.
29. The Monitor's accounts for the period to March 31, 2016 have been approved by the Court. For the period April 1, 2016 to September 30, 2016 and to completion of the CCAA Proceedings, the Monitor's accounts total \$32,673.70 consisting of \$28,661.50 in fees and \$253.27 in disbursements, plus HST of \$3,758.93, which includes an accrual of \$5,650.00, inclusive of HST, to perform such incidental duties as may be required to complete the administration of the CCAA administration (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 October 28, 2016 that is attached hereto as **Appendix "C"**.

30. The accounts of the Monitor's counsel, Torkin Manes LLP ("**Torkin Manes**"), for the period ended April 11, 2016 have been approved by the Court. For the period April 11, 2016 to September 30, 2016 and to completion of the CCAA Proceedings, Torkin Manes' accounts total \$11,148.13 consisting of \$9,812.50 in fees and \$53.10 in disbursements, plus HST of \$1,282.53, which includes an accrual of \$5,650.00, inclusive of HST, to perform such incidental duties as may be required to complete the administration of the CCAA administration (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 October 25, 2016, is attached hereto as **Appendix "D"**.

VII. MONITOR'S RECOMMENDATIONS AND REQUEST

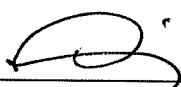
31. The Plan has been implemented and the Affected Creditors and Plan Sponsor have received their distributions in accordance with the Plan. All but one of the distribution cheques sent to the Creditors have cleared the Trust Account and all that remains to be done is to pay (i) after November 26, 2016, the balance of the Trust Account to the Company as set out above and (ii) pay the accounts of the Monitor and its counsel, which accounts are subject to Court approval, and turn over any remaining portion of the Retainer to MRG.
32. On this basis, the Monitor respectfully requests that the Court grant an Order:
- a) approving the activities and conduct of the Monitor and the Monitor's Twelfth Report;
 - b) approving the fees and disbursements of the Monitor and its legal counsel including the estimate to perform such incidental duties as may be required to complete the administration of the CCAA proceeding;

- c) discharging the Monitor and forever barring any person from making a claim as against the Monitor and its legal counsel relating to these proceedings, other than any claims arising out of gross negligence or willful misconduct of the Monitor or its legal counsel, respectively;
- d) terminating the Administration Charge; and,
- e) terminating this CCAA proceeding.

All of which is respectfully submitted this 28th day of October, 2016.

COLLINS BARROW TORONTO LIMITED
in its capacity as Monitor of Martin Ross Group Inc.
and not in its personal capacity

Per: _____


Daniel R. Weisz, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX A

PLAN OF COMPROMISE OR ARRANGEMENT

in respect of

MARTIN ROSS GROUP INC.

PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,

R.S.C. 1985; c. C-36, AS AMENDED

February 2, 2016

PLAN OF COMPROMISE OR ARRANGEMENT

ARTICLE I

INTERPRETATION

Section 1.1 Definitions

In this Plan (including the Schedules hereto), unless otherwise stated or the context otherwise requires:

“Administrative Fees and Expenses” means the proper fees, expenses and legal fees and disbursements of the Monitor and its legal counsel relating to or incidental to the CCAA Proceeding, the negotiation, preparation, presentation, consideration and implementation of the Plan, and all proceedings and matters relating to or arising out of the Plan;

“Affected Claims” means all Claims other than Unaffected Claims;

“Affected Creditors” means all Creditors with Proven Claims;

“Applicant” means Martin Ross Group Inc.;

“Business Day” means a day that 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;

“CCAA” means the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

“CCAA Proceeding” means the proceeding before the Court in respect of the Applicant in the application commenced by the Applicant pursuant to the CCAA;

“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 Filing 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 Filing Date, together with any other claims that would have been claims provable in bankruptcy had the Applicant become bankrupt on the Filing Date;

"Claims Procedure Order" means the Order of the Honourable Justice Newbould, dated May 1, 2015, establishing the procedure for the determination of Claims;

"Confirmation Date" means the date that the Sanction Order is made;

"Convenience Creditors" means all Creditors with Proven Claims not exceeding \$1,000.00;

"Court" means the Ontario Superior Court of Justice (Commercial List);

"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;

"Dollars" or "\$" means lawful money of Canada unless otherwise indicated;

"Filing Date" means August 7, 2014;

"Implementation Date" means the first Business Day following the day when all of the conditions to the implementation of this Plan, as set forth in Section 7.7, have been waived or satisfied, as applicable;

"Initial Order" means the Order dated August 7, 2014, granted by the Honourable Justice Penny, pursuant to which, among other things, the Applicant was granted relief pursuant to the CCAA;

"Meeting" means the meeting of the Affected Creditors called for the purpose of considering and approving this Plan and includes any adjournment of such meeting;

"Meeting Date" means the date fixed for the Meeting by the Plan Filing Order, including any dates to which the Meeting is adjourned;

"Monitor" means Collins Barrow Toronto Limited, as appointed by the Initial Order, and any successor thereto appointed by any further Order;

"Order" means any order of the Court in connection with the CCAA Proceeding;

"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;

"Plan" means this Plan of Compromise or Arrangement, as the same may hereafter be amended or supplemented from time to time, in accordance with the terms hereof, and any Order that may be made in respect thereof;

"Plan Filing Order" means the Order dated February 9, 2016, inter alia, authorizing the filing of the Plan, setting the Meeting Date and establishing the procedure for the Meeting;

"Plan Sponsor" means Sherfam Inc.;

“Plan Sponsor Contribution” has the meaning set out in Section 4.1(a);

“Post-Filing Claim” means any Claim arising solely from or caused solely by an action taken by the Applicant after the Filing Date;

“Proven Claim” of a Creditor means the amount of the Claim of such Creditor as finally determined for voting and distribution purposes in accordance with the Claims Procedure Order and the Plan Filing Order;

“Released Parties” means the Applicant, the Monitor and each of their respective officers, directors, employees and agents;

“Required Majority” means a majority in number representing two-thirds in value of the Affected Creditors’ Proven Claims present and voting in person, by voting letter or by proxy at the Meeting;

“Sanction Order” means the Order of the Court sanctioning and approving the Plan;

“Sherfam Claim” means the Proven Claim, or portion thereof, of the Plan Sponsor;

“Tax” or **“Taxes”** shall mean any and all federal, provincial, municipal, local and foreign taxes, assessments, reassessments and other governmental charges, duties, impositions and liabilities including for greater certainty taxes based upon or measured by reference to gross receipts, income, profits, sales, capital, use and occupation, goods and services, and value added, ad valorem, transfer, franchise, withholding, custom duties, payroll, recapture, employment, excise and property taxes, together with all interest, penalties, fines and additions with respect to such amounts; and

“Unaffected Claims” means: (a) Administrative Fees and Expenses; (b) the Sherfam Claim; and (c) Post-Filing Claims.

Section 1.2 Interpretation, etc.

For the purposes of this Plan:

- (a) any reference to a contract, instrument, release, indenture, or other agreement or documents being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;
- (b) any reference to an Order or to an existing document or exhibit filed or to be filed means such Order, document or exhibit as it may have been or may be amended, modified, or supplemented from time to time;
- (c) any reference to a statute includes all regulations made thereunder and all amendments to such statute or regulations in force from time to time;

- (d) unless otherwise specified, all references to Sections, Articles and Schedules are references to Sections, Articles and Schedules of or to the Plan;
- (e) the words "herein" and "hereto" refer to this Plan in its entirety rather than to a particular portion of the Plan unless otherwise required by the context;
- (f) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Plan;
- (g) where the context requires, a word or words importing the singular shall include the plural and vice versa, and a word or words importing the masculine gender shall include the feminine and neuter genders and vice versa;
- (h) the words "includes" and "including" are not limiting; and,
- (i) the word "or" is not exclusive.

Section 1.3 Date for Any Action

In the event that any date on which any action is required to be taken under this Plan by any of the parties is not a Business Day, that action shall be required to be taken by 5:00 p.m. on the next succeeding day which is a Business Day.

Section 1.4 Time

All times expressed in this Plan are local time Toronto, Ontario, Canada unless otherwise stipulated.

ARTICLE 2

PURPOSE AND EFFECT OF THE PLAN

Section 2.1 Background

The circumstances and events leading up to this Plan are summarized in the Report of the Monitor, which will be circulated to Affected Creditors in connection with this Plan.

Section 2.2 Persons Affected

This Plan provides for a coordinated restructuring and compromising of Affected Claims. This Plan will become effective on the Implementation Date and shall be binding on and enure to the benefit of the Applicant, the Plan Sponsor and the Affected Creditors and their respective heirs, administrators, executors, legal personal representatives, successors and assigns.

Section 2.3 Persons Not Affected

This Plan does not affect holders of Unaffected Claims and nothing in this Plan shall impact the rights of the Creditors with Unaffected Claims against the Applicant. Nothing in this Plan shall affect any of the Applicant's rights and defences, both legal and equitable, with respect to any Affected Claims, including, but not limited to, all rights with respect to legal and equitable defences or entitlements to setoffs or recoupment against such Claims.

ARTICLE 3

CLASSIFICATION OF CREDITORS, VALUATION OF CLAIMS AND RELATED MATTERS

Section 3.1 Classes of Claims

There will be one class of Creditors for the purpose of considering and voting on the Plan, being Affected Creditors.

Section 3.2 Claims

Affected Creditors shall vote in respect of the Plan and receive the rights provided for under and pursuant to this Plan. The right of Affected Creditors to vote on the Plan shall be determined in accordance with the Claims Procedure Order and the Plan Filing Order.

Section 3.3 Meeting

The Meeting shall be held and conducted in accordance with this Plan and the Plan Filing Order. The only Persons entitled to attend the Meeting are those Persons who are Affected Creditors, including the holders of proxies, entitled to vote at the Meeting and their legal counsel, the Monitor and its legal counsel, the Applicant and its officers, directors and legal counsel, and the Plan Sponsor and its legal counsel. Any other Person may be admitted on invitation of the chairperson of the Meeting. An officer of the Monitor or a person designated by the Monitor shall preside as the chairperson of the Meeting and shall decide all matters related to the conduct of the Meeting.

Section 3.4 Approval by Affected Class

The Applicant and the Plan Sponsor will seek approval of the Plan by the affirmative vote of the Required Majority in order that the Plan becomes binding on the Affected Creditors as of the Implementation Date. All Convenience Creditors will be deemed to have voted in favour of the Plan.

Section 3.5 Value of Claims for Voting Purposes

Each Affected Creditor shall be entitled to vote based on a value equal to its respective Proven Claim. Where a Claim has not become a Proven Claim by the Meeting Date as a result of a pending appeal from a revision or disallowance by the Monitor under the Claims Procedure Order, then for the purposes of voting on the Plan only, the value of such Claim shall be the

greater of the allowed portion of the Claim, if any, and 50% of the Claim set out in the Proof of Claim filed pursuant to the Claims Procedure Order.

ARTICLE 4

PLAN OF ARRANGEMENT

Section 4.1 Plan

- (a) The Plan Sponsor will subordinate the sum of \$24,850,000.00 of the Sherfam Claim (the "Plan Sponsor Contribution") to all other Affected Claims.
- (b) All Convenience Creditors shall receive payment of 100% of their Proven Claims, inclusive of interim distributions made in the CCAA Proceeding.
- (c) All Affected Creditors who are not Convenience Creditors shall receive a distribution of \$1,000.00 plus payment of the prorated amount of the balance of their Proven Claims based on a ratio where the numerator is the amount of such Creditor's Proven Claim and the denominator is equal to the total value of Proven Claims less the Plan Sponsor Contribution and less the value of the Proven Claims of the Convenience Creditors.
- (d) The Plan Sponsor shall also receive a distribution of \$1,000.00 plus payment of a prorated amount based on the unsubordinated amount of the Sherfam Claim.

Section 4.2 Implementation of Plan

- (a) On the Implementation Date, the Applicant shall pay any outstanding Administrative Fees and Expenses and shall deliver a retainer of \$50,000.00 (or such other amount as the Applicant, the Monitor, and the Plan Sponsor may agree) to the Monitor.
- (b) On the Implementation Date, all funds held by the Applicant, after paying the amounts in accordance with Section 4.1(b) and Section 4.2(a), and reserving such reasonable amount as determined by the Applicant and the Monitor for the Applicant's ongoing costs and expenses to seek approval of and for the implementation of the Plan, shall be paid to the Monitor and shall comprise a fund for distribution in accordance with the Plan (the "Fund").

ARTICLE 5

PROVISIONS GOVERNING DISTRIBUTIONS

Section 5.1 Distribution to Creditors

Subject to Articles 5.2 and 5.3, within 30 Business Days of the Implementation Date or as soon as practical thereafter, the Monitor shall distribute the Fund to the Affected Creditors and to the Plan Sponsor in accordance with paragraph 4.1 above.

Section 5.2 Value of Claims for Distribution Purposes

The value of a Claim for distribution purposes shall be determined in accordance with the procedure established by the Claims Procedure Order.

Section 5.3 Reserve Pending Allowance

If the value of an Affected Claim has not been finally determined, pursuant to the Claims Procedure Order, at the date of the proposed distribution of the Fund, then prior to any distribution of the Fund, the Monitor shall reserve from the Fund the maximum amount of any potential distribution to the Affected Creditor based on the Claim of the Affected Creditor and proceed with distribution of the balance of the Fund. Within 10 Business Days following the final determination of the value of the Affected Claims, in accordance with the Claims Procedure Order, the Monitor shall, distribute the amount payable to the Affected Creditor and return the balance, if any, to the Applicant.

Section 5.4 Interest on Claims

Unless otherwise specifically provided for in this Plan or the Sanction Order, interest shall not accrue or be paid on Affected Claims after the Filing Date.

Section 5.5 Delivery of Distributions

Distributions to Affected Creditors shall be made by prepaid ordinary mail by the Monitor: (a) to the address set forth on the Proof of Claim filed by an Affected Creditor; or (b) to the addresses set forth in any written notices of address changes delivered to the Monitor after the date of any related Proof of Claim. If any Affected Creditor's distribution is returned as undeliverable, no further distributions to such Affected Creditor shall be made unless and until the Monitor is notified of such Affected Creditor's then current address, at which time all missed distributions shall be made to such Affected Creditor without interest. All claims for undeliverable distributions must be made on or before the expiration of six (6) months following the date of the distribution, after which date the Claim of any Affected Creditor or successor of such Affected Creditor with respect to such unclaimed distributions shall be discharged, and forever barred, notwithstanding any federal or provincial laws to the contrary, and any such undeliverable distributions shall be returned to the Applicant. Nothing contained in the Plan shall require the Applicant or the Monitor to attempt to locate any Affected Creditor.

Section 5.6 Withholding and Reporting Requirements

All distributions hereunder shall be subject to any withholding and reporting requirements imposed by any federal, provincial, local or foreign taxing authority, and the Monitor is authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. Notwithstanding any other provision of the Plan: (a) each Affected Creditor that is to receive a distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed by any governmental authority, including income, withholding and other Tax obligations, on account of such distribution; and (b) to the extent applicable, no distribution shall be made to or on behalf of any Affected Creditor pursuant to the Plan unless and until such Affected Creditor has made arrangements satisfactory to the Monitor for the payment and satisfaction of such Tax obligations. Any distributions to be distributed pursuant to the Plan shall, pending the implementation of such arrangements, be treated as an undeliverable distribution pursuant to Section 5.5 hereof. It is the Applicant's intent that distributions under the Plan to holders of Claims are in respect of, and to be applied to, principal first and then interest.

ARTICLE 6

RELEASES

Section 6.1 Plan Releases

On the Implementation Date, the Released Parties shall, except as provided below or to the extent prohibited by the CCAA, be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert, including, without limitation, any and all claims in respect of potential statutory liabilities of the former, present and future directors and officers of the Applicant, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date relating to, arising out of or in connection with the Claims, the business and affairs of the Applicant, this Plan and the CCAA Proceedings, provided that nothing herein shall release or discharge an officer or director of the Applicant with respect to the matters set out in section 5.1(2) of the CCAA, or release or discharge the Applicant from its obligations to Creditors under this Plan or under any Order and provided further that nothing therein shall release or discharge a Released Party if the Released Party is adjudged by the express terms of a judgment rendered on a final determination on the merits to have committed fraud or willful misconduct, and provided further that nothing in this section shall impact the rights of Unaffected Creditors, or release any Person including any current or former officers or directors of the Applicant, from any obligations as guarantor or surety in respect of the Applicant and all such guarantees shall remain in full force and effect.

Section 6.2 Injunction Related to Releases

The Sanction Order will enjoin the prosecution, whether directly, derivatively or otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest released, discharged or terminated pursuant to the Plan.

ARTICLE 7**MISCELLANEOUS****Section 7.1 Confirmation of Plan**

Provided that the Plan is approved by the Required Majority of the Affected Creditors, the Applicant will, subject to the rights of the Applicant in Section 7.10 hereof, seek the Sanction Order and, after the granting of the Sanction Order, subject only to the waiver or satisfaction, as applicable, of those conditions described in Section 7.7, the Plan will be implemented by the Applicant and the Plan Sponsor and will be binding upon the Applicant, the Plan Sponsor and all Affected Creditors.

Section 7.2 Paramountcy

From and after the Implementation Date, any conflict between the Plan and the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, by-laws of the Applicant, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between one or more of the Affected Creditors and the Applicant as at the Implementation Date will be deemed to be governed by the terms, conditions and provisions of the Plan and the Sanction Order, which shall take precedence and priority. All Affected Creditors shall be deemed to consent to all transactions contemplated in this Plan.

Section 7.3 Compromise Effective for all Purposes

The payment, compromise or other satisfaction of any Affected Claim under the Plan, if sanctioned and approved by the Court, shall be binding upon such Affected Creditor and his heirs, executors, administrators, legal personal representatives, successors and assigns.

Section 7.4 Modification of Plan

The Applicant reserves the right, at any time and from time to time, to amend, modify and/or supplement this Plan, provided that any such amendment, modification or supplement must be contained in a written document which is filed with the Court and: (a) if made prior to the Meeting, communicated to the Creditors; and (b) if made following the Meeting, approved by the Court.

Any amendment, modification or supplement may be made following the Sanction Order by the Applicant with the consent of the Monitor, provided that it concerns a matter which, in the opinion of the Applicant and the Monitor, acting reasonably, is of an administrative nature required to better give effect to the implementation of this Plan and the Sanction Order and is not adverse to the financial or economic interests of the Affected Creditors.

Any supplementary or amended plan or plans of compromise or arrangement filed with the Court and, if required by this Section 7.4, approved by the Court, shall, for all purposes, be and be deemed to be a part of and incorporated in this Plan.

No amendment or modification to the Plan that may affect the Applicant or the Unaffected Claims may be made without the prior written consent of the relevant holder(s) of Unaffected Claim(s) or the Applicant.

Section 7.5 Consents, Waivers and Agreements

As of 12:01 a.m. on the Implementation Date, each Affected Creditor shall be deemed to have consented and to have agreed to all of the provisions of this Plan as an entirety. In particular, each Affected Creditor shall be deemed:

- (i) to have executed and delivered to the Monitor and the Applicant, all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan as an entirety;
- (ii) to have waived any and all defaults then existing or previously committed by the Applicant in any covenant, warranty, representation, term, provision, condition or obligation, expressed or implied, in any contract, agreement, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale; lease or other agreement, written or oral and any and all amendments or supplements thereto, existing between any such Affected Creditor and the Applicant and any and all notices of default and demands for payment under any instrument, including, without limitation any guarantee, shall be deemed to have been rescinded; and
- (iii) to have agreed that, if there is any conflict between the provisions express or implied, of any agreement or other arrangement, written or oral, existing between such Affected Creditor and the Applicant as at such time (other than those entered into by the Applicant on, or with effect from, such time) and the provisions of this Plan, then the provisions of this Plan take precedence and priority and the provisions of such agreement or other arrangement are amended accordingly.

In this Plan the deeming provisions are not rebuttable and are conclusive and irrevocable.

Section 7.6 Plan Effective

The Plan is not effective unless and until:

- (a) the Required Majority vote in favour of the acceptance of the Plan; and
- (b) prior to May 13, 2016, the Sanction Order, in form and substance reasonably satisfactory to the Applicant, is entered and all applicable appeal periods have expired.

Section 7.7 Conditions Precedent to Implementation of Plan

The implementation of the Plan is subject to the following conditions precedent:

- (a) the Plan shall be effective; and,
- (b) all actions, documents and agreements necessary to implement the Plan shall have been effected or executed and delivered.

Section 7.8 Notices

Any notices or communications to be made or given hereunder shall be in writing and shall refer to this Plan and may, subject as hereinafter provided, be made or given by personal delivery, by courier, by prepaid ordinary mail or by electronic mail addressed to the respective parties as follows:

- (a) if to the Applicant:
Martin Ross Group Inc.
 c/o Kronis Rotsztain Margles Cappel LLP
 Suite 1000 – 8 King Street East
 Toronto, ON M5C 1B5
 Attention: Morris Robinson
 Email: morob1000@gmail.com

With a copy to:

Kronis Rotsztain Margles Cappel LLP
 Suite 1000 – 8 King Street East
 Toronto, ON M5C 1B5
 Attention: Mervyn D. Abramowitz
 Email: mabramowitz@krmc-law.com

(b) if to the Plan Sponsor:

Sherfam Inc.
 10 Director Court
 Woodbridge, ON L4L 7E8
 Attention: Jonathan Grauman
 Email: jgrauman@sherfam.com

(c) if to a Creditor:

(i) to the address for such Creditor specified in the Notice of Claim or the Proof of Claim filed by a Creditor or, (ii) at the address set forth in any written notice of address changes delivered to the Monitor after the date of any related Proof of Claim.

(d) if to the Monitor:

Collins Barrow Toronto Limited
 11 King St. W., Suite 700, Box 27
 Toronto, Ontario M5H 4C7
 Attention: Daniel Weisz
 Email: dweisz@collinsbarrow.com

or to such other address as any party may from time to time notify the others in accordance with this Section 7.8. In the event of any strike, lock-out or other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be given or made by personal delivery, courier, or by electronic mail and any notice or other communication given or made by prepaid mail within the five (5) Business Day period immediately preceding the commencement of such interruption, unless actually received, shall be deemed not to have been given or made. All such notices and communications shall be deemed to have been received, in the case of notice by electronic mail or by delivery prior to 5:00 p.m. (local time) on a Business Day, when received or if received after 5:00 p.m. (local time) on a Business Day or at any time on a non-Business Day, on the next following Business Day and, in the case of notice mailed as aforesaid, on the fourth Business Day following the date on which such notice or other communication is mailed. The unintentional failure by the Applicant or the Monitor to give notice contemplated hereunder to any particular Creditor shall not invalidate this Plan or any action taken by any Person pursuant to this Plan.

Section 7.9 Severability of Plan Provisions

If, prior to the Confirmation Date, any term or provision of the Plan is held by the Court to be invalid, void or unenforceable, the Court, at the request of the Applicant, shall have the power to either: (a) sever such term or provision from the balance of the Plan and provide the Applicant with the option to proceed with the implementation of the balance of the Plan as of and with effect from the Implementation Date; or (b) alter or interpret such term or provision to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such severing, holding,

alteration or interpretation, and provided the Applicant proceeds with the implementation of the Plan, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such severing, holding, alteration or interpretation. Notwithstanding the forgoing, no such severance, alteration or interpretation shall affect Unaffected Claims and the rights of Creditors with Unaffected Claims.

Section 7.10 Revocation, Withdrawal, or Non-Consummation

The Applicant reserves the right to revoke or withdraw the Plan at any time prior to the Confirmation Date or to file subsequent plans of compromise or arrangement. The Plan Sponsor reserves the right to not proceed as Plan Sponsor or make the Plan Sponsor Contribution at any time prior to the Confirmation Date. If the Applicant revokes or withdraws the Plan, or if the Plan Sponsor chooses not to proceed as Plan Sponsor or make the Plan Sponsor Contribution, or if the Sanction Order is not issued: (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan, and any document or agreement executed pursuant to the Plan shall be deemed null and void; and (c) nothing contained in the Plan, and no acts taken in preparation for consummation of the Plan, shall: (i) constitute or be deemed to constitute a waiver or release of any Claims by or against the Applicant or any other Person; (ii) prejudice in any manner the rights of the Applicant, the Plan Sponsor, or any other Person in any further proceedings involving the Applicant; (iii) constitute an admission of any sort by the Applicant, the Plan Sponsor, or any other Person; or (iv) give rise to any claim against the Plan Sponsor.

Section 7.11 Further Assurances

Notwithstanding that the transactions and events set out in this Plan shall occur and be deemed to occur in the order set out herein without any additional act or formality, each of the Persons affected hereby shall make, do and execute, or cause to be made, done and executed at the cost of the requesting party, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by the Applicant in order to better implement this Plan.

Section 7.12 Governing Law

This Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any questions as to the interpretation or application of this Plan and all proceedings taken in connection with this Plan and its provisions shall be subject to the exclusive jurisdiction of the Court.

**PLAN OF COMPROMISE OR ARRANGEMENT
IN RESPECT OF MARTIN ROSS GROUP INC.
SUMMARY OF KEY TERMS¹**

Purpose of the Plan	The purpose of the Plan is to provide for the compromise of the Claims of all Affected Creditors. Affected Creditors will receive distributions under the Plan in full and final satisfaction of their Claims against Martin Ross Group Inc. (the "Applicant").
Unaffected Creditors	The Plan will not impact the Claims: (a) of the Monitor and its counsel, arising before or after the Filing Date; (b) of Sherfam Inc. (the "Plan Sponsor"); and (c) that are Post-Filing Claims.
Affected Creditors	The Plan will compromise the claims of all of the Applicant's unsecured creditors as of the Filing Date who are not Unaffected Creditors.
Convenience Creditors	All Affected Creditors with a Proven Claim not exceeding \$1,000.00 are referred to as Convenience Creditors, and are deemed to have voted in favour of the Plan
Plan Sponsor	Sherfam Inc. is the Plan Sponsor and will be subordinating \$24,850,000.00 of its Proven Claim (the "Plan Sponsor Contribution") to the Affected Creditors in order to enhance the pro-rated distributions to the Affected Creditors who are not Convenience Creditors.
Conditions of the Plan being Effective	The Plan will not be effective unless and until: (a) a majority in number representing 2/3 in value of the Affected Creditors, present, in person or by proxy, and voting at the meeting of Affected Creditors called to consider the Plan, vote in favour of the Plan; and (b) the Court sanctions the Plan.
Implementation Date	The Plan will be implemented on the first Business Day following the day on which the Plan is effective, and all actions, documents and agreements necessary to implement the Plan have been effected or executed and delivered.

¹ This Summary is intended to provide general information only. Reference should be made to the Plan. In the event of any inconsistency between this Summary and the Plan, the Plan shall govern. All terms not otherwise defined, have the meanings assigned in the Plan.

Distribution by Monitor	<p>The Monitor will make all distributions to Affected Creditors with Proven Claims under the Plan, within 30 Business Days following the Implementation Date, or as soon as possible thereafter.</p> <p>Under the Plan, Convenience Creditors will receive, inclusive of interim distributions, payment of 100% of their Proven Claims.</p> <p>Under the Plan, Affected Creditors who are not Convenience Creditors, will receive, inclusive of interim distributions, a minimum distribution of \$1,000.00, and, after applying the Plan Sponsor Contribution, Affected Creditors will receive total distributions estimated to be approximately 37% of the dollar value of their Proven Claims.</p>
Administrative Fees and Expenses	<p>The Administrative Fees and Expenses will be paid by the Applicant, in addition to the amounts to be paid to the Affected Creditors.</p>
Meeting	<p>A meeting of Affected Creditors to consider the Plan will be held on March 23, 2016 at 10:30 a.m. at the offices of the Monitor. Prior to this Meeting, the Monitor will provide all Affected Creditors who have a Proven Claim against the Applicant with a report containing financial information with respect to the Applicant to assist Affected Creditors in assessing the Plan.</p>
Further Information	<p>Further information with respect to the Applicant is available in the Reports prepared by the Monitor, which are available on the Monitor's Case Website at www.collinsbarrow.com/en/toronto-ontario/martin-ross-group.</p>

APPENDIX B

District of Ontario
Division No.: Toronto
Estate No. CV-14-10655-00CL
Court No. CV-14-10655-00CL

**COURT OF 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

I, Donna Nishimura, of the City of Toronto, in the Municipality of Metropolitan Toronto, Province of Ontario, make oath and say:

1. THAT on May 26, 2016, I caused to be mailed by ordinary post to the proven creditors, a copy of the Monitor's Letter to Creditors together with their respective distribution cheque. A copy of the Letter is attached hereto as Exhibit "A" to this Affidavit. A list of proven creditors to whom the Letter and cheque was sent is attached to this Affidavit and marked as Exhibit "B".

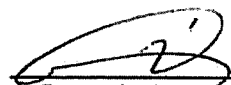
SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario)
this 31st day of May, 2016)
)

Donna Nishimura.



A Commissioner, etc.
Daniel Raphael Welsz, a Commissioner, etc.,
Province of Ontario, for Collins Barrow
Toronto LLP, Chartered Accountants, and
Collins Barrow Toronto Limited, Trustee in
Bankruptcy. Expires August 8, 2016.

**THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF DONNA NISHIMURA SWORN
BEFORE ME THIS 31ST DAY OF MAY, 2016**



A Commissioner, etc.

Daniel Raphael Weisz, a Commissioner, etc.,
Province of Ontario, for Collins Barrow
Toronto LLP, Chartered Accountants, and
Collins Barrow Toronto Limited, Trustee in
Bankruptcy. Expires August 8, 2018.



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

May 26, 2016

Via Regular Mail

To: The Proven Creditors of Martin Ross Group Inc. ("MRG")

Dear Sirs:

Re: Plan of Compromise or Arrangement in the MRG Proceedings under the Companies' Creditors Arrangement Act ("CCAA") – Court File No. CV – 14 – 10655 – 00CL

We are writing pursuant to MRG's plan of compromise or arrangement dated February 2, 2016 (the "Plan"), which Plan was accepted for filing by the Ontario Superior Court of Justice (the "Court") on February 9, 2016. The Plan was approved by the requisite majority of MRG's proven creditors on March 23, 2016 and by the Court on April 14, 2016.

Collins Barrow Toronto Limited is the Monitor in the CCAA Proceedings of MRG (the "Monitor"). The Monitor confirms that the total amount provided to it by MRG for the final distribution to proven creditors pursuant to the Plan is \$1,267,279.74.

Attached to this letter is the Monitor's cheque to you, which represents payment of the final distribution to you pursuant to the Plan. No further payments will be made by either MRG or the Monitor on account of your claim against MRG.

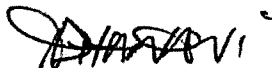
PLEASE NOTE THAT if you are situated in a country other than Canada, the attached cheque is in **CANADIAN FUNDS**. **Please ensure that the cheque is either (i) deposited to a Canadian dollar account, or (ii) converted to US dollars at the appropriate exchange rate upon deposit to a US dollar account.** In the event that the cheque attached hereto is deposited directly into a US dollar account as though the cheque was denominated in U.S. currency, the Monitor will put a "Stop Payment" on the cheque and a new cheque will have to be issued to you.

May 26, 2016
Page 2

Should you have any questions, please do not hesitate to contact the undersigned at 647-725-0183.

Yours truly,

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



Per: Arif Dhanani, CPA, CA, CIRP, LIT
Vice-President

**THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF DONNA NISHIMURA SWORN
BEFORE ME THIS 31st DAY OF MAY, 2016**



A Commissioner, etc.

*Daniel Raphael Welsz, a Commissioner, etc.,
Province of Ontario, for Collins Barrow
Toronto LLP, Chartered Accountants, and
Collins Barrow Toronto Limited, Trustee in
Bankruptcy. Expires August 8, 2016.*

District of Ontario
 Division No. 09 - Toronto
 Court No. CV-14-10655-00CL
 Estate No.

DIVIDEND SHEET

Date declared: May 25, 2016

	Claim \$	Total		Interim Payment \$	Current			
		Dividend \$	Levy \$		Payment \$	Dividend \$	Levy \$	Payment \$
Preferred								
Allstream 200 Wellington St W Toronto ON M5V 3G2	556.26	556.26	0.00	556.26	0.00	556.26	0.00	556.26
Bell Canada 1 carref.Ales.G Bell Aile E-3 Carrefour Alexandre-Graham-Bell, Aile E3 Verdun QC H3E 3B3 BEL0010	763.46	763.46	0.00	763.46	0.00	763.46	0.00	763.46
HCH Lazeman Inc. 278 Bathurst Street Toronto ON M5T 2S3 HCH0010	531.98	531.98	0.00	531.98	0.00	531.98	0.00	531.98
Imperial Coffee Services Inc. 12 Kodiak Crescent North York ON M3J 3G5 IMP0010	744.76	744.76	0.00	744.76	0.00	744.76	0.00	744.76
Minuteman Press 306 Dolomite Drive Downsview ON M3J 2N2 MIN0050	291.69	291.69	0.00	291.69	0.00	291.69	0.00	291.69
NewsSmith, Inc.* 2006 New Garden Road, #208 Greensboro NC 27410 USA NEW0050	688.05	688.05	0.00	688.05	0.00	688.05	0.00	688.05
Orkin Canada 5840 Falbourne St. Mississauga ON L5R 4B5 PCC0010	346.59	346.59	0.00	346.59	0.00	346.59	0.00	346.59
Pause Productions Inc. 2552 Bristol Circle Oakville ON L6H 5S1 PAL0010	463.82	463.82	0.00	463.82	0.00	463.82	0.00	463.82
Pulse Tech Corp. 4-30 Intermodal Drive Brampton ON L6T 5K1 NET0020	444.92	444.92	0.00	444.92	0.00	444.92	0.00	444.92
Total:	4,831.53	4,831.53	0.00	4,831.53	0.00	4,831.53	0.00	4,831.53
Unsecured								
Alphachem Limited 2485 Milltower Court Mississauga ON L5N 5Z6 ALP0020	1,281.10	1,281.10	0.00	1,281.10	0.00	1,281.10	0.00	1,281.10
Asian Star Co. Ltd. 551 Fifth Avenue, #3502 New York NY 11040 USA ASU0010	22,557.40	22,557.40	0.00	22,557.40	0.00	22,557.40	0.00	22,557.40
BFI Canada Inc. 650 Creditstone Road Concord ON L4K 5C8 YOR0020	1,286.55	1,286.55	0.00	1,286.55	0.00	1,286.55	0.00	1,286.55

District of Ontario
 Division No. 09 - Toronto
 Court No. CV-14-10655-00CL
 Estate No.

DIVIDEND SHEET

Date declared: May 25, 2016

	Claim \$	Total			Interim Payment \$	Current		
		Dividend \$	Levy \$	Payment \$		Dividend \$	Levy \$	Payment \$
Brinks Canada Limited One Robert Speck Parkway, #1000 Mississauga ON L4Z 3M3 BR0015	1,687.47	1,687.47	0.00	1,687.47	0.00	1,687.47	0.00	1,687.47
Canada Revenue Agency 5001 Yonge Street, 10th Flr. Toronto ON M2N 6R9	5,719.93	5,719.93	0.00	5,719.93	0.00	5,719.93	0.00	5,719.93
CGL-GRS Swiss Canadian Gem Lab c/o Claims Recovery Group LLC 92 Union Avenue Cresskill NJ 07626 USA	2,231.79	2,231.79	0.00	2,231.79	0.00	2,231.79	0.00	2,231.79
Crieri SRL** Napoli Str. 8-15048 Valenza(AL) Italy CR0010	8,852.78	8,852.78	0.00	8,852.78	0.00	8,852.78	0.00	8,852.78
Dell Financial Services Canada Limited 155 Gordon Baker Road, Suite 501 North York ON M2H 3N5	2,109.55	2,109.55	0.00	2,109.55	0.00	2,109.55	0.00	2,109.55
Diamond House Inc.* 589 Fifth Avenue, #1107 New York NY 10017 USA DIA0011	6,828.65	6,828.65	0.00	6,828.65	0.00	6,828.65	0.00	6,828.65
Disons Gems, Inc.* 415 Madison Avenue, #800 New York NY 10017 USA DIS0030	32,233.53	32,233.53	0.00	32,233.53	0.00	32,233.53	0.00	32,233.53
Emby International Inc.* 592 Fifth Avenue, 11 Floor New York NY 10036 USA EMB0010	7,376.02	7,376.02	0.00	7,376.02	0.00	7,376.02	0.00	7,376.02
Euler Hermes North American Insurance Company 800 Red Brook Blvd. Owings Mills MD 21117-1008 USA	4,876.44	4,876.44	0.00	4,876.44	0.00	4,876.44	0.00	4,876.44
Ewan Importers Inc.* 15 West 47th Street, Suite 403 New York NY 10036-3376 USA EUV0010	1,591.13	1,591.13	0.00	1,591.13	0.00	1,591.13	0.00	1,591.13
Gem Scan Laboratories Inc.* 27 Queen St. East, Suite 406 Toronto ON M5C 2M6 GEM0015	1,702.11	1,702.11	0.00	1,702.11	0.00	1,702.11	0.00	1,702.11
Grand Central Jewellery Ltd.* Room 1511, 15/F Austin Tower, Tsimshatsui Kowloon Hong Kong GRA0020	1,518.00	1,518.00	0.00	1,518.00	0.00	1,518.00	0.00	1,518.00
Gunther Mele Limited 30 Craig Street Brantford ON N3R 7J1 GUN0010	5,296.03	5,296.03	0.00	5,296.03	0.00	5,296.03	0.00	5,296.03

District of Ontario
 Division No. 09 - Toronto
 Court No. CV-14-10655-00CL
 Estate No.

DIVIDEND SHEET

Date declared: May 25, 2016

	Claim \$	Total			Interim Payment \$	Current		
		Dividend \$	Levy \$	Payment \$		Dividend \$	Levy \$	Payment \$
H.K. Designs (India)* Unit #113, SDF IV., Seepz-Sez, Andheri (East) Mumbai 400 096 India HKD0010	1,865.22	1,865.22	0.00	1,865.22	0.00	1,865.22	0.00	1,865.22
Jacoby Enterprise LLC* c/o Claims Recovery Group LLC 92 Union Avenue Cresskill NJ 07626 USA JAC0030	2,638.48	2,638.48	0.00	2,638.48	0.00	2,638.48	0.00	2,638.48
JPI Limited* Unit 606A, Tower 2, Harbour Centre, 8 Hok Cheung St. Hung Hom Hong Kong JPI0020	3,087.12	3,087.12	0.00	3,087.12	0.00	3,087.12	0.00	3,087.12
Lotus Colors Inc.* 62 West 47th Street, #500 New York NY 10036 USA LOT0010	1,243.08	1,243.08	0.00	1,243.08	0.00	1,243.08	0.00	1,243.08
M-C Gems Limited 27 Queen Street East, #1405 Toronto ON M5C 2M6 MCG0010	1,044.23	1,044.23	0.00	1,044.23	0.00	1,044.23	0.00	1,044.23
Momark Print Productions Inc. 6-563 Edward Avenue Richmond Hill ON L4C 9W7 MOR0030	4,810.72	4,810.72	0.00	4,810.72	0.00	4,810.72	0.00	4,810.72
Office Central 498 Markland St., Bldg. 7 Markham ON L6C 1Z6 OFF0030	1,040.59	1,040.59	0.00	1,040.59	0.00	1,040.59	0.00	1,040.59
Outfront Media Canada LP 377 Homer Avenue Toronto ON M8W 1Z6 CBS0010	5,323.39	5,323.39	0.00	5,323.39	0.00	5,323.39	0.00	5,323.39
Persona Limited* Unit 606B, Tower 2, Harbour Centre, 8 Hok Cheung St. Hung Hom Hong Kong PER0050	6,762.28	6,762.28	0.00	6,762.28	0.00	6,762.28	0.00	6,762.28
Purolator Courier Ltd. 5995 Avebury Road, 3rd Flr. Mississauga ON L5R 3T8 PUR0010	1,076.93	1,076.93	0.00	1,076.93	0.00	1,076.93	0.00	1,076.93
Remy Sales 221 Victoria Street, Suite 203 Toronto ON M5B 1V4 REM0010	1,367.24	1,367.24	0.00	1,367.24	0.00	1,367.24	0.00	1,367.24
Roy Turk/Cardinal Maintenance 106 Vulcan Street Etobicoke ON M9W 1L2 ROY0030	1,094.64	1,094.64	0.00	1,094.64	0.00	1,094.64	0.00	1,094.64
S. Vinodkumar USA, Inc.* 415 Madison Avenue, 21st Flr. New York NY 10017 USA IND0020	63,099.56	63,099.56	0.00	63,099.56	0.00	63,099.56	0.00	63,099.56

District of Ontario
 Division No. 09 - Toronto
 Court No. CV-14-10655-00CL
 Estate No.

DIVIDEND SHEET

Date declared: May 25, 2016

	Claim \$	Total		Interim Payment \$	Current			
		Dividend \$	Levy \$		Payment \$	Dividend \$	Levy \$	Payment \$
Sharp Electronics Of Canada Ltd. 5035 South Service Road Burlington ON L7R 4C8 SHA0040	812.39	812.39	0.00	812.39	0.00	812.39	0.00	812.39
Sharp Electronics of Canada 5035 South Service Rd Burlington ON L7R 4C8	3,681.32	3,681.32	0.00	3,681.32	0.00	3,681.32	0.00	3,681.32
Sherfam Inc. 10 Director Court, Suite 302 Woodbridge ON L4L 7E8	1,010,867.80	1,010,867.80	0.00	1,010,867.80	0.00	1,010,867.80	0.00	1,010,867.80
Shivani Gems, Inc.* 589 Fifth Avenue, #1107 New York NY 10017 USA SH0080	4,509.80	4,509.80	0.00	4,509.80	0.00	4,509.80	0.00	4,509.80
SimplexGrinnell 2400 Skymark Avenue Mississauga ON L4W 5K5	1,041.41	1,041.41	0.00	1,041.41	0.00	1,041.41	0.00	1,041.41
Sivambikal Aryharan**** 7260 Torrisdale Lane Mississauga ON L5N 7Y9	9,610.78	9,610.78	0.00	9,610.78	0.00	9,610.78	0.00	9,610.78
Sparkling Jewels USA* 50 W 47th St., Suite 2007 New York NY 10036 USA SPA0010	5,893.78	5,893.78	0.00	5,893.78	0.00	5,893.78	0.00	5,893.78
Star Asia, Inc.* 580 Fifth Avenue, Suite 3101 New York NY 10036 USA STA0010	9,302.81	9,302.81	0.00	9,302.81	0.00	9,302.81	0.00	9,302.81
Star Rays N.Y. Inc.* 50 W 47th St., #2020 New York NY 10036 USA STA0070	4,968.09	4,968.09	0.00	4,968.09	0.00	4,968.09	0.00	4,968.09
Toronto Hydro Electric System 500 Commissioners St., 2nd Flr. Toronto ON M4M 3N7 TOR0010	2,342.21	2,342.21	0.00	2,342.21	0.00	2,342.21	0.00	2,342.21
Transcontinental Tool Co. 55 Queen St. E., #100, Concourse Level Toronto ON M5C 1R6 TRA0020	1,305.77	1,305.77	0.00	1,305.77	0.00	1,305.77	0.00	1,305.77
United Precious Metal* 2781 Townline Road Akden NY 14004 USA UN0020	2,683.84	2,683.84	0.00	2,683.84	0.00	2,683.84	0.00	2,683.84
Unity Jewels* Unit No: IT-2, SDF-7, Seepz, SEZ, Andheri (East) Mumbai 400-096 India UN0025	3,826.25	3,826.25	0.00	3,826.25	0.00	3,826.25	0.00	3,826.25
Total:	1,262,448.21	1,262,448.21	0.00	1,262,448.21	0.00	1,262,448.21	0.00	1,262,448.21
Grand Totals:	1,267,279.74	1,267,279.74	0.00	1,267,279.74	0.00	1,267,279.74	0.00	1,267,279.74

APPENDIX C

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

**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 October 28, 2016)**

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, 2016 to September 30, 2016 (the "**Appointment Period**"). The total


fees and disbursements charged by CBTL to the Company during the Appointment Period were \$23,661.50 and \$253.27, respectively, plus HST of \$3,108.93 totaling \$27,023.70. In addition, the Monitor has provided for fees of \$5,650.00, inclusive of HST, for the period since October 1, 2016 to perform such incidental duties as may be required to complete the administration of the CCAA proceeding.

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.

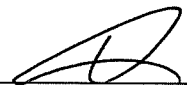
SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, on the
28th day of October, 2016



Commissioner for Taking Affidavits
(or as may be)

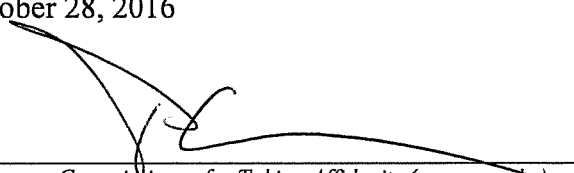
PHILIP CHO

}



DANIEL WEISZ

This is Exhibit "A" referred to in the Affidavit of Daniel Weisz
sworn October 28, 2016



Commissioner for Taking Affidavits (or as may be)

PHILIP CHO

EXHIBIT "A"

Detailed Invoices



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

To Martin Ross Group Inc. (via email)

T. 416.480.0160
F. 416.480.2646

www.collinsbarrow.com

Date May 9, 2016

Client File 112096

Invoice 18

No. C000265

GST/HST: 80784 1440 RT 0001

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, 2016 to May 8, 2016.

Date	Professional	Description
4/4/2016	Jeffrey Berger	Drafting the Monitor's Eleventh Report.
4/5/2016	Jeffrey Berger	Drafting the Monitor's Eleventh Report.
4/5/2016	Arif Dhanani	Emails to/from P. Cho of Kronis, Rotsztain, Margles, Cappel LLP ("KRMC") regarding motion materials; review of email from PwC and respond thereto.
4/5/2016	Daniel Weisz	Review emails and reply regarding finalization of proceedings; review email from PwC and discussion with A. Dhanani on same.
4/6/2016	Arif Dhanani	Review of initial version of Monitor's Eleventh Report drafted by J. Berger; review of draft Affidavit, Notice of Motion and Order sent by KRMC and telephone calls with P. Cho and D. Weisz on amendments to same; amend report drafted by J. Berger; draft Affidavit of Fees and send both to D. Weisz for comments.
4/6/2016	Daniel Weisz	Review draft Affidavit, Notice of Motion and Court Order and discussions with A. Dhanani and P. Cho regarding same.
4/7/2016	Daniel Weisz	Email to F. Sulley of Torkin Manes LLP regarding draft documents; review and sign Certificate regarding sale to Corona; review draft report and discussion with A. Dhanani on same.
4/8/2016	Arif Dhanani	Draft additional sections to Monitor's Eleventh Report; discussions with D. Weisz; emails to/from P. Cho regarding Corona Certificate; facilitate posting of the Company's motion record on Monitor's website.
4/8/2016	Daniel Weisz	Discussion with F. Sulley regarding status of draft report; discussion with A. Dhanani on draft report; review and update draft report and fee affidavit; circulate draft of the report for comments; review draft order being sought by the Company.
4/9/2016	Daniel Weisz	Work on report to court and send revised draft.
4/11/2016	Daniel Weisz	Review KRMC comments on updated report; discussion with F. Sulley on draft report; work to finalize report, attend at Torkin Manes LLP regarding same.

May 9, 2016
 Martin Ross Group Inc.
 Invoice 18
 Page 2.

Date	Professional	Description
4/11/2016	Arif Dhanani	Review revised Monitor's report and provide comments to D. Weisz; meet with P. Cho to deliver original copy of Corona Certificate; assemble appendices for Monitor's Eleventh Report.
4/13/2016	Daniel Weisz	Discussion with A. Dhanani regarding status of postings to the Monitor's website.
4/13/2016	Arif Dhanani	Discussion with D. Weisz; facilitate posting of Monitor's Eleventh Report on Monitor's website.
4/14/2016	Daniel Weisz	Prepare for and attend in court regarding motion to obtain sanction order with respect to the Plan of Compromise and Arrangement.
4/14/2016	Arif Dhanani	Review of and printing materials for D. Weisz for Court attendance and discussion with D. Weisz regarding same; facilitate posting of Court Order and Endorsement on Monitor's website.
5/3/2016	Daniel Weisz	Exchange emails with P. Cho regarding timing of funds to be provided to the Monitor for distribution to creditors.
5/5/2016	Daniel Weisz	Discussion with P. Cho regarding distribution pursuant to the Plan; discussion with F. Sulley regarding requested reduction in the holdback for the Monitor; subsequent discussion with P. Cho.
5/6/2016	Daniel Weisz	Review emails regarding distribution of funds and email to F. Sulley regarding same; review Plan regarding distribution; discussion with M. Abramowitz on his email sent regarding distribution.
		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.

May 9, 2016
 Martin Ross Group Inc.
 Invoice 18
 Page 3

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CIRP, LIT	Senior Vice President	11.60	\$ 495	5,742.00
Arif N. Dhanani, CPA, CA, CIRP, LIT	Vice President	9.90	\$ 375	3,712.50
Jeffrey K. Berger, CPA, CA	Senior Analyst	4.00	\$ 195	780.00
Total hours and professional fees		<u>25.50</u>		\$ 10,234.50
Disbursements				
Ascend Level 2 Licence			\$170.00	
Total disbursements				170.00
Total professional fees and disbursements				\$ 10,404.50
HST @ 13%				1,352.59
Total payable				\$ 11,757.09

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

To Martin Ross Group Inc. (via email)

T. 416.480.0160
 F. 416.480.2646

www.collinsbarrow.com

Date June 2, 2016

Client File 112096

Invoice 19

No. C000282

GST/HST: 80784 1440 RT 0001

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 9, 2016 to May 31, 2016.

Date	Professional	Description
5/9/2016	Arif Dhanani	Review various emails; draft listing of convenience creditors for M. Robinson and send same; discussion with D. Weisz regarding payment by Company of amounts pursuant to Plan.
5/9/2016	Daniel Weisz	Review email from M. Abramowitz of Kronis, Rotszain, Margles, Cappel LLP ("KRMC"); email to A. Dhanani regarding bank account required and payments to convenience creditors; review summary of activities; discussion with F. Sulley of Torkin Manes LLP on status; review Torkin Manes invoice; review M. Robinson email regarding distribution as per Plan, discussion with A. Dhanani on same and email reply to M. Robinson.
5/10/2016	Arif Dhanani	Draft letter to BMO to open trust account for Monitor and send same; discussion with D. Weisz; meet with M. Robinson to pick up distribution and retainer cheques.
5/10/2016	Daniel Weisz	Review emails regarding distribution; review and reply to email from M. Robinson regarding same; discussion with A. Dhanani regarding funds to be received.
5/11/2016	Donna Nishimura	Deposit cheques at the bank.
5/11/2016	Arif Dhanani	Corresponding with BMO regarding opening of bank account in Monitor's name; complete documentation for deposit of MRG cheques for distribution to creditors and retainer; discussion with D. Nishimura regarding same.
5/11/2016	Daniel Weisz	Discussion with A. Dhanani on funds received from the Company.
5/13/2016	Cindy Baeta	Post deposits in Ascend.
5/17/2016	Daniel Weisz	Review email from M. Robinson regarding information requested.
5/17/2016	Arif Dhanani	Email to M. Robinson regarding final dividend payment; meeting with J. Berger regarding creditor addresses and dividend payments to creditors.
5/17/2016	Jeffrey Berger	Review of creditor information in Ascend; review of dividend payments to be made and discussion with A. Dhanani regarding same.
5/18/2016	Jeffrey Berger	Inputting dividend payments to creditors in Ascend.
5/20/2016	Daniel Weisz	Review final distribution schedule and emails to A. Dhanani on same.

June 2, 2016
 Martin Ross Group Inc.
 Invoice 19
 Page 2

Date	Professional	Description
5/24/2016	Arif Dhanani	Meeting with D. Weisz to review distribution to be made to creditors, calculations thereto and Sherfam distribution.
5/24/2016	Daniel Weisz	Review and meet with A. Dhanani regarding final distribution.
5/25/2016	Daniel Weisz	Discussion with A. Dhanani on distribution; review and update draft letter to creditors regarding distribution to creditors.
5/25/2016	Arif Dhanani	Meet with C. Baeta to discuss distribution payments to creditors in respect of Plan; review distribution sheet and discuss changes with C. Baeta; review final dividend sheet and sign cheques.
5/25/2016	Cindy Baeta	Prepare disbursement cheques.
5/26/2016	Daniel Weisz	Review and sign distribution cheques and discussion with A. Dhanani on same.
5/26/2016	Donna Nishimura	Prepare and send out letter to proven creditors with distribution cheque.
5/26/2016	Arif Dhanani	Meet with D. Nishimura regarding release of distribution cheques to proven creditors.
5/27/2016	Arif Dhanani	Emails to/from M. Robinson regarding final dividend cheques and spreadsheet.
5/31/2016	Daniel Weisz	Review bank accounts regarding cheques cleared; voicemail to J. Grauman regarding cheque paid to Sherfam; discussion with A. Dhanani regarding distribution schedule to be forwarded to M. Robinson pursuant to his request.
5/31/2016	Arif Dhanani	Complete interim and final dividend spreadsheet requested by M. Robinson and send to D. Weisz for comments.
		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.

June 2, 2016
 Martin Ross Group Inc.
 Invoice 19
 Page 3

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CIRP, LIT	Senior Vice President	4.50	\$ 495	\$ 2,227.50
Arif N. Dhanani, CPA, CA, CIRP, LIT	Vice President	6.40	\$ 375	2,400.00
Jeffrey K. Berger, CPA, CA	Senior Analyst	3.40	\$ 195	663.00
Cindy Baeta	Estate Administrator	2.90	\$ 110	319.00
Donna Nishimura	Estate Administrator	0.60	\$ 110	66.00
Total hours and professional fees		17.80		\$ 5,675.50
Disbursements				
Photocopies			\$ 22.57	
Postage			49.20	
Total disbursements				71.77
Total professional fees and disbursements				\$ 5,747.27
HST @ 13%				747.15
Total payable				\$ 6,494.42

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

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

To Martin Ross Group Inc. (via email)

T. 416.480.0160
 F. 416.480.2646

toronto.collinsbarrow.com

Date October 21, 2016

Client File 112096
 Invoice 20
 No. C000363

GST/HST: 80784 1440 RT 0001

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 June 1, 2016 to September 30, 2016.

Date	Professional	Description
6/2/2016	Arif Dhanani	Attend to CCAA administration matters.
6/2/2016	Daniel Weisz	Review online account for cleared cheques; review summary of activities; email to M. Robinson regarding payment of account; exchange emails with M. Robinson regarding finalization of CCAA proceedings.
6/3/2016	Cindy Baeta	Prepare disbursement cheques.
6/3/2016	Arif Dhanani	Discussion with C. Baeta regarding dividends paid and back up for Monitor's records; review and print spreadsheet setting out final payments and provide same to C. Baeta.
6/3/2016	Daniel Weisz	Review email from M. Abramowitz of Kronis, Rotsztain, Margles, Cappel LLP ("KRMC") regarding timing.
6/7/2016	Arif Dhanani	Entails from/to Asian Star regarding receipt of and problem with cashing Monitor's cheque and proposed solution thereto.
6/8/2016	Jeffrey Berger	Commence drafting outline for the Monitor's Twelfth Report.
6/10/2016	Daniel Weisz	Reconciliation of account balance.
6/23/2016	Daniel Weisz	Prepare schedule of uncleared cheques.
6/24/2016	Daniel Weisz	Email email to M. Robinson regarding status of cheques clearing the bank account.
7/8/2016	Cindy Baeta	Prepare bank reconciliation.
7/12/2016	Daniel Weisz	Discussion with Bank of Montreal regarding its security check in respect of cheques presented for payment.
7/15/2016	Daniel Weisz	Review and sign "Item sent on Collection for Negotiation" received from Bank of Montreal, discussion with R. Lis of Bank of Montreal regarding same.
7/18/2016	Daniel Weisz	Exchange emails with P. Cho of KRMC regarding status of distribution to creditors.
8/11/2016	Daniel Weisz	Review plan of arrangement as it pertains to uncashed cheques by creditors.
8/12/2016	Daniel Weisz	Discussion with Bank of Montreal regarding cheque presented by Crieri SRL.

October 21, 2016
 Martin Ross Group Inc.
 Invoice 20
 Page 2

Date	Professional	Description
8/16/2016	Daniel Weisz	Review draft Notice of Motion and Court Order and email to F. Sulley of Torkin Manes LLP in respect of same.
8/16/2016	Arif Dhanani	Review draft Motion Record and Order sent by counsel to MRG; review Monitor's Eleventh Report; commence drafting Monitor's Twelfth Report.
8/17/2016	Arif Dhanani	Finalize draft of Monitor's Twelfth Report and send to D. Weisz for comments.
8/17/2016	Daniel Weisz	Review email from M. Abramowitz and reply thereto.
8/19/2016	Cindy Baeta	Prepare bank reconciliation.
8/22/2016	Daniel Weisz	Review emails.
8/29/2016	Arif Dhanani	Review of changes made by D. Weisz to Monitor's Twelfth Report and incorporate same, as appropriate.
8/29/2016	Daniel Weisz	Review and update draft Twelfth Report to the Court.
8/30/2016	Arif Dhanani	Review of emails from M. Robinson regarding Sherfam dividend payment; email to M. Robinson with Affidavit of Service regarding final dividend and confirmation of Sherfam dividend cheque clearing the Monitor's trust account; email to M. Robinson with interim dividend calculation spreadsheet.
8/30/2016	Daniel Weisz	Discussion with A. Dhanani on status.
9/6/2016	Daniel Weisz	Discussion with F. Sulley regarding the status of the restructuring proceedings.
9/8/2016	Daniel Weisz	Review request from Bank of Montreal regarding cheque presented by Crieri SRL; review bank account and reconciliation, complete, sign and send form back to Bank of Montreal.
9/9/2016	Daniel Weisz	Further exchange of emails with Bank of Montreal regarding cheque to be cleared; review bank account to confirm cheque cleared the account.
9/13/2016	Daniel Weisz	Review bank account regarding status of uncashed cheque; exchange emails regarding completion of the CCAA administration and discussion with A. Dhanani on same.
9/13/2016	Arif Dhanani	Review emails between M. Robinson and D. Weisz; review proof of claim from Unity Jewels, draft and send email to Unity Jewels regarding final dividend and outstanding cheque.
9/15/2016	Daniel Weisz	Exchange emails with F. Sulley.
9/16/2016	Cindy Baeta	Bank reconciliation.
9/20/2016	Arif Dhanani	Attend to administrative matters; email to D. Weisz regarding no response from Unity Jewels to Monitor's email.
9/21/2016	Daniel Weisz	Discussion with A. Dhanani regarding status of cheque to Unity Jewels.
9/22/2016	Daniel Weisz	Discussion with F. Sulley on status of plan; update report to court; discussion with M. Abramowitz on same.
9/26/2016	Daniel Weisz	Email to M. Abramowitz on status.
9/27/2016	Daniel Weisz	Review KRMC suggested amendments to Monitor's report; review Plan documents and discussion with M. Abramowitz on same; email to M. Abramowitz.
9/27/2016	Arif Dhanani	Review of proposed changes from KRMC to Monitor's report; message for F. Sulley and meet with D. Weisz in this regard.

October 21, 2016
Martin Ross Group Inc.
Invoice 20
Page 3

Date	Professional	Description
9/30/2016	Arif Dhanani	Follow up with F. Sulley regarding changes to Monitor's report and email to D. Weisz in this regard.
Various	Daniel Weisz	Review online bank activity re cheques clearing the Monitor's bank account.
		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.

October 21, 2016
 Martin Ross Group Inc.
 Invoice 20
 Page 4

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CIRP, LIT	Senior Vice President	9.10	\$ 495	\$ 4,504.50
Arif N. Dhanani, CPA, CA, CIRP, LIT	Vice President	7.80	\$ 375	2,925.00
Jeffrey K. Berger, CPA, CA	Senior Analyst	1.20	\$ 195	234.00
Cindy Baeta	Estate Administrator	0.80	\$ 110	88.00
Total hours and professional fees		18.90		\$ 7,751.50
Disbursements				
Courier			\$ 11.50	
Total disbursements				11.50
Total professional fees and disbursements				\$ 7,763.00
HST @ 13%				1,009.19
Total payable				\$ 8,772.19

PAYMENT BY VISA ACCEPTED

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

WIRE PAYMENT DETAILS

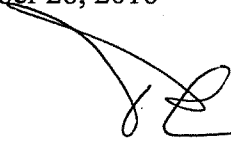
For CAS Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce
 Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

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" referred to in the Affidavit of Daniel Weisz
sworn October 28, 2016



Commissioner for Taking Affidavits (or as may be)

PHILIP CHO

EXHIBIT "B"

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

Invoice No.	Billing Period	Total Fees	Total Disbursements	HST	Hours	Average Hourly Rate	Total
18	April 1, 2016 to May 8, 2016	\$10,234.50	\$170.00	\$1,352.59	25.50	\$401.35	\$11,757.09
19	May 9, 2016 to May 31, 2016	5,675.50	71.77	747.15	17.80	318.85	6,494.42
20	June 1, 2016 to September 30, 2016	7,751.50	11.50	1,009.19	18.90	410.13	8,772.19
Subtotal to September 30, 2016		\$23,661.50	\$253.27	\$3,108.93	62.20	\$380.41	\$27,023.70
Estimate to complete administration		5,000.00	0.00	650.00			5,650.00
Total		\$28,661.50	\$253.27	\$3,758.93	62.20*	\$380.41*	\$32,673.70

* To September 30, 2016

● 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

AFFIDAVIT OF DANIEL WEISZ

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 D

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

**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 a Lawyer 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.

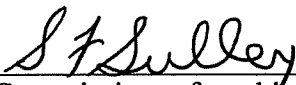
2. Attached hereto as **Exhibit "A"** is a true copy of the accounts issued by Torkin Manes to Collins Barrow, in its capacity as Monitor in this proceeding, which includes detailed descriptions for the work performed for the period from April 11, 2016 to and including September 30, 2016. The total fees charged by Torkin Manes to Collins Barrow during this period were \$4,812.50 plus HST of \$625.63, plus disbursements of \$53.10 plus

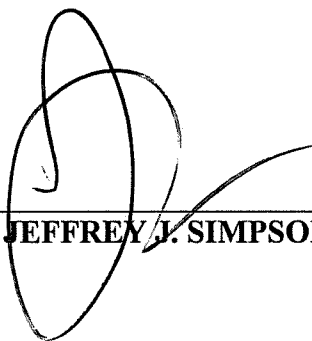
HST of \$6.90, for a total amount of \$5,498.13, and our estimated fees to complete this matter are \$5,000.00 plus HST of \$650.00 for a total of \$5,650.00.

3. I confirm that the accounts 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.

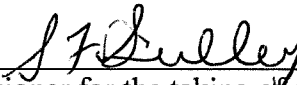
4. Additionally, attached hereto as **Exhibit "B"** is a summary of additional information with respect to the aforesaid account indicating all members of Torkin Manes who worked on this matter during the period described above, their year of call to the bar, total time charges and hourly rates, and 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 25th day of October, 2016.


A Commissioner for taking affidavits.


JEFFREY J. SIMPSON

This is Exhibit "A" to the Affidavit of
JEFFREY J. SIMPSON
sworn on October 25th, 2016



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

Torkin | Manes
 Barristers & Solicitors

May 9, 2016

Invoice No.: 274687

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:

Apr 11 16	SFS	Review revised monitor's report; telephone discussion with Debtor's counsel; telephone discussion with Danny Weisz	1.00
Apr 14 16	SFS	Prepare and attend in Court for motion to obtain approval of Plan of Arrangement	3.00
May 05 16	SFS	Review of correspondence from client and from Mervyn Abramovitz; telephone discussion with client	0.80
May 06 16	SFS	Review of correspondence	0.20
May 09 16	SFS	Review of correspondence; telephone discussion with client; finalization of all matters	0.40
		Total Hours:	5.40

Page 2
 May 9, 2016
 Our File No.: 34487.0001
 Invoice # 274687

Torkin | Manes
 Barristers & Solicitors

OUR FEE:		\$3,375.00
HST:		\$438.75
SUB-TOTAL:		<hr/> \$3,813.75

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	5.40
TOTAL HOURS		5.40

DISBURSEMENTS

TAXABLE DISBURSEMENTS:
 Document Scanning

53.10

53.10

Total Disbursements
 HST on Disbursements

\$53.10

\$6.90

TOTAL DISBURSEMENTS AND HST:

\$60.00

TOTAL FEE, DISBURSEMENTS & HST

\$3,873.75

Page 3
May 9, 2016
Our File No.: 34487.0001
Invoice # 274687

Torkin|Manes
Barristers & Solicitors

BALANCE DUE AND OWING BY YOU

\$3,873.75

TORKIN MANES LLP

Per:

Fay Sulley
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.

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

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

Torkin|Manes
 Barristers & Solicitors

September 30, 2016

Invoice No.: 279775

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:

Sep 13 16	SFS	Email correspondence to and from client; receipt of and review of email correspondence from M. Robinson	0.20
Sep 14 16	SFS	Review of draft Monitor's 12th report	0.50
Sep 15 16	SFS	Email correspondence with D. Weisz re 12th Report	0.10
Sep 19 16	SFS	Correspondence to client	0.20
Sep 22 16	SFS	Receipt of and review of email correspondence from D. Weisz; telephone discussion with D. Weisz; review of revised draft of the Twelfth Report of the Monitor	0.50
Sep 26 16	SFS	Receipt of and review of email correspondence from D. Weisz re report; receipt of and review of email correspondence from M. Abramowitz	0.20

Page 2
 September 30, 2016
 Our File No.: 34487.0001
 Invoice # 279775

Torkin|Manes
 Barristers & Solicitors

Sep 27 16	SFS	Receipt of and review of email correspondence from M. Abramowitz; review of proposed revisions to Twelfth Report	0.50
Sep 30 16	SFS	Receipt of and review of email correspondence from A. Dhanani re report	0.10
		Total Hours:	2.30

OUR FEE:	\$1,437.50
HST:	\$186.88
SUB-TOTAL:	<u>\$1,624.38</u>

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	2.30
TOTAL HOURS		2.30

TOTAL FEE, DISBURSEMENTS & HST	\$1,624.38
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Page 3
September 30, 2016
Our File No.: 34487.0001
Invoice # 279775

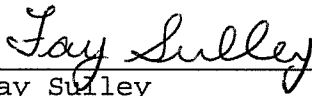
Torkin|Manes
Barristers & Solicitors

BALANCE DUE AND OWING BY YOU

\$1,624.38

TORKIN MANES LLP

Per:

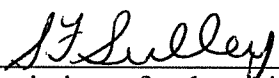

Fay Sulley

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 October 25th, 2016



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	7.70	\$625.00	\$4,812.50
TOTAL				\$4,812.50

**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 Number CV-14-10655-00CL

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

PROCEEDING COMMENCED AT TORONTO

**AFFIDAVIT OF JEFFREY J. SIMPSON
DATED October 25th, 2016**

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

TAB 3

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

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

THE HONOURABLE)	TUESDAY, THE 15 TH DAY
)	
JUSTICE)	OF NOVEMBER, 2016

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
(CCAA Termination)**

THIS MOTION, made by Martin Ross Group Inc. (the "**Applicant**") for an order:

- (a) if necessary, abridging the time for service and filing of the Motion Record, and validating service of the Motion Record, such that this motion is properly returnable today;
- (b) terminating the within proceeding ("**CCAA Proceeding**");
- (c) terminating, releasing and discharging the Administration Charge (as defined in the Initial Order);
- (d) authorizing and directing Collins Barrow Toronto Limited ("**CBTL**") in its capacity as court-appointed monitor of the Applicant (the "**Monitor**"), subject to certain restrictions set out herein, to release any funds remaining in its hands to the Applicant;
- (e) discharging the Monitor from any further obligations pursuant to the orders made within the CCAA Proceeding, subject to certain minor administrative matters;

- (f) releasing and discharging the Monitor from any and all liability or potential liability arising out of or within the CCAA Proceeding, excepting for any gross negligence or willful misconduct on the part of the Monitor;
- (g) approving the Twelfth Report of CBTL in its capacity as Monitor and the activities of the Monitor described therein; and,
- (h) approving the fees and disbursements of the Monitor and its legal counsel, Torkin Manes LLP, including the estimates of fees and disbursements required to complete this matter,

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Twelfth Report of the Monitor including the affidavits of Daniel Weisz and of Jeffrey Simpson (the “**Fee Affidavits**”), 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 service of Kelly Barrett sworn **, 2016 filed,

SERVICE

1. THIS COURT ORDERS that the time for service and filing of the Motion Record and the Twelfth Report is hereby abridged, and service of the Motion Record and the Twelfth Report is hereby validated, such that this Motion is properly returnable today and hereby dispenses with further service thereof.

TERMINATION OF THE CCAA PROCEEDING

2. THIS COURT ORDERS that, except as expressly set out in this Order, the CCAA Proceeding in respect of the Applicant and the provisions of the Initial Order of the Honourable Mr. Justice Penny dated August 7, 2014 (the “**Initial Order**”) be and are hereby terminated.

3. THIS COURT ORDERS that, subject to final payment of the accounts referenced in paragraph 8 below and paragraph 5.5 of the plan of compromise or arrangement in respect of the Applicant sanctioned by the Order of the Honourable Mr. Justice Newbould dated April 14, 2016, the Monitor is hereby authorized and directed to release any funds in its possession to the Applicant and this Court orders and declares the Administration Charge be and is hereby terminated, released and discharged.

DISCHARGE OF MONITOR

4. THIS COURT ORDERS that the appointment of CBTL as Monitor in the CCAA Proceeding pursuant to the Initial Order be and is hereby terminated, and CBTL is discharged in its capacity as Monitor from any further obligations pursuant to the orders made in the CCAA Proceeding, provided that notwithstanding its discharge herein,

- (a) the Monitor shall remain Monitor for the performance of such incidental duties as may be required to complete the administration of the CCAA Proceeding herein; and
- (b) the Monitor shall continue to have the benefit of the provisions of all orders made in the CCAA Proceeding, including all approvals, protections and stays of proceedings in favour of CBTL in its capacity as Monitor.

5. THIS COURT ORDERS AND DECLARES that CBTL is hereby released and discharged from any and all liability that CBTL now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of CBTL while acting in its capacity as Monitor in the CCAA Proceeding, save and except for any gross negligence or willful misconduct on the Monitor's part. Without limiting the generality of the foregoing, CBTL is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within CCAA Proceeding, save and except for any gross negligence or willful misconduct on the Monitor's part.

6. THIS COURT ORDERS that, notwithstanding any provision of this Order, nothing contained in this Order shall affect, vary, derogate from or amend any of the rights and protections in favour of the Monitor at law or pursuant to the Initial Order, or any other order made in the CCAA Proceeding, all of which are expressly continued and confirmed.

APPROVAL OF MONITOR'S TWELFTH REPORT AND FEE APPROVAL

7. THIS COURT ORDERS that the Twelfth Report and the activities of the Monitor as described therein, be and are hereby approved.

8. THIS COURT ORDERS that the professional fees of the Monitor and its legal counsel, as set out in the Fee Affidavits, be and are hereby approved, including the estimates of fees and disbursements required to complete this matter.

GENERAL

9. THIS COURT ORDERS that any and all administrative matters relating to the CCAA Proceeding, which may arise following the termination of the CCAA Proceeding, may be brought before this Court for determination, advice and direction.

**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
(CAA Termination)

**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

**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**

**MOTION RECORD OF THE APPLICANT,
MARTIN ROSS GROUP INC.
(CCAA TERMINATION)
(RETURNABLE NOVEMBER 15, 2016)**

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

Mervyn D. Abramowitz (LSUC # 28323R)
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Philip Cho (LSUC # 45615U)
pcho@krmc-law.com

Tel: (416) 225-8750

Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.