

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
(approving stay extension)
(returnable October 28, 2015)

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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
(approving extension of stay period)
(returnable October 28, 2015)**

Martin Ross Group Inc. (the “**Applicant**”) will make a motion to a judge presiding over the Commercial List on Wednesday, October 28, 2015 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) extending the Stay Period (as defined herein) to February 15, 2016;

- (c) approving the Ninth Report of Collins Barrow Toronto Limited (“**CBTL**”), in its capacity as court-appointed monitor of the Applicant (the “**Monitor**”) and the activities of the Monitor described therein;
- (d) approving the fees and disbursements of the Monitor and its legal counsel, Torkin Manes LLP, to date; and,
- (e) 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 that have been 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, such that it is now set to expire, unless extended further, on October 31, 2015;
5. Pursuant to a claims procedure (“**Claims Procedure**”) conducted pursuant to the order of the Honourable Justice Newbould, dated May 1, 2015 (“**Claims Procedure Order**”), all of the creditor claims, as set out in the respective proofs of claim that were filed, have either been

allowed by the Monitor or resolved to the satisfaction of the Applicant, the Monitor and such creditor;

6. Pursuant to the Order of Justice Newbould dated June 29, 2015 (the “**June 2015 Distribution Order**”), the Applicant made an interim distribution in the amount of approximately \$7,500,000 to those creditors whose claims were allowed by the Monitor, in accordance with the Claims Procedure;

7. The Applicant has completed the winding down of its operations and the liquidation of substantially all of its assets; however, the Applicant has realized, and continues to realize additional funds through the sale of its remaining assets and the collection of various accounts receivable;

Stay of Proceedings

8. The Applicant seeks an extension of the Stay Period until February 15, 2016 to permit the Applicant to continue the realization of its remaining assets, with a view to determining its future;

9. The Applicant has acted and continues to act in good faith and with due diligence in these proceedings;

10. The Monitor supports the relief sought herein;

11. Section 11.02(2), 32 and 36 of the CCAA;

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

13. Such further and other grounds as the lawyers may advise.

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

1. The Affidavit of Allen Shechtman, affirmed October 21, 2015 and the exhibits thereto;
2. The Ninth Report of the Monitor; and,
3. Such further and other evidence as the lawyers may advise and this Court permit.

October 21, 2015

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TAB 2

**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 ALLEN SHECHTMAN
(affirmed October 21, 2015)**

I, ALLEN SHECHTMAN, of the City of Toronto, in the Province of Ontario, DO SOLEMNLY AFFIRM:

1. I am the Chief Executive Officer and sole director of the Applicant, Martin Ross Group Inc. (“**MRG**” or the “**Applicant**”), and as such, have personal knowledge and information with respect to the matters to which I hereinafter depose. Where matters are stated to be based on information, I state the source of such information and I verily believe them to be true.
2. All references to dollar values in this affidavit are in Canadian dollars unless otherwise indicated.
3. I make this affidavit in support of a motion by MRG for an order, among other things:
 - (a) Extending the Stay Period (as defined in the Initial Order of Justice Penny, dated August 7, 2014) to February 15, 2016;

- (b) approving the Ninth Report of Collins Barrow Toronto Limited (“**CBTL**”), in its capacity as court-appointed monitor of the Applicant (the “**Monitor**”) and the activities of the Monitor described therein; and
- (c) approving the fees and disbursements of the Monitor and its legal counsel, Torkin Manes LLP.

4. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the prior affidavits I have affirmed and filed in these proceedings, and the prior affidavits of Cameron Gillies also sworn and filed in these proceedings.

INTRODUCTION

5. MRG was a manufacturer and wholesaler of fine jewellery, with an emphasis on products that were mined and manufactured within Canada.

6. On August 7, 2014, MRG sought and was granted protection from its creditors pursuant to the *Companies’ Creditors Arrangement Act* (the “**CCAA**”). A copy of the Initial Order granted by the Honourable Justice Penny is attached hereto and marked as **Exhibit “A”**.

7. Pursuant to the Initial Order, CBTL was appointed as Monitor of MRG.

8. The Stay Period (as defined in the Initial Order) has been extended on a number of occasions, most recently by the Order of the Honourable Justice Newbould, dated June 29, 2015, such that the Stay Period will expire, unless extended further, on October 31, 2015. A copy of the Order of the Honourable Justice Newbould is attached hereto and marked as **Exhibit “B”**.

CLAIMS PROCESS

9. On May 1, 2015, Justice Newbould issued a Claims Procedure Order approving and establishing a procedure for the identification, resolution and barring of certain claims against MRG. A copy of the Claims Procedure Order is attached hereto and marked as **Exhibit “C”**.

10. MRG, with the assistance of the Monitor, carried out the claims process in accordance with the Claims Procedure Order.

11. As set out in my June 22, 2015 affidavit, although the majority of claims were allowed by the Monitor, a few claims were in the process of being resolved. In particular, the Monitor was reviewing the Proofs of Claim of Dell Computer and a former employee of MRG, as well as a portion of the Proof of Claim of Sherfam Inc., an amended version of which was filed shortly before I affirmed the said affidavit.

12. These outstanding Proofs of Claim were resolved to the satisfaction of MRG, the Monitor and the respective creditors prior to MRG making the third interim distribution (as explained below).

13. As a result, all claims received by the Claims Bar Date, as defined in the Claims Procedure Order, have now been allowed or approved, as modified, and MRG is not aware of, and does not anticipate, any further claims having been made, or that may be made, beyond the Claims Bar Date.

REALIZATIONS AND DISTRIBUTIONS TO DATE

14. As stated in my April 23, 2015 affidavit, to that point, MRG had liquidated the majority of its assets in accordance with the Liquidation Process Order of Justice Pattillo, dated October 17, 2014, and then subsequently further, in accordance with the Revised Liquidation Process Order of Justice Newbould, dated January 29, 2015. Attached hereto and marked as **Exhibits “D”** and **“E”** are true copies of the respective orders of Justice Pattillo and Justice Newbould.

15. MRG has made three interim distributions to date, all with the approval of this Court. Attached hereto and marked as **Exhibit “F”** is a true copy of the Order of Justice Newbould, dated January 14, 2015, authorizing the first interim distribution, while the Order of Justice Newbould, dated May 1, 2015, authorizing the second interim distribution is attached hereto and marked as at **Exhibit “G”**, and finally, the Order of Justice Newbould, dated June 29, 2015, authorizing the third interim distribution is attached as Exhibit “B”.

16. To summarize, the interim distributions to date were as follows:

Date of Order	Amount (CDN)	Amount (USD)	Recipient
January 14, 2015	\$3,400,000.00		RP Holdings Inc. (secured)
January 14, 2015		\$1,800,000.00	Sherfam Inc. (secured)
May 1, 2015		\$89,995.48	Sherfam Inc. (secured)
June 29, 2015	\$7,517,077.00		All unsecured creditors with proven claims (including balance of secured claim of Sherfam Inc. of \$143,056.00)
TOTALS	\$10,917,077.00	\$1,889,995.48	

UPDATE ON ADDITIONAL REALIZATIONS

17. Since my June 22, 2015 affidavit, MRG has continued to collect on various accounts receivable owing to MRG from its trade debtors and others, as well as taken steps to realize on its assets, including extracting and refining gold dust from the premises. I will describe these steps in more detail below.

Accounts Receivable

18. As stated in prior affidavits, MRG has provided some of its accounts receivable for collection to lawyers, while others have been forwarded to collection agencies, and while others are being handled by a consultant who employs former employees of MRG. In each case, fees are billed to MRG on a contingency basis, based on a percentage of the recovery achieved.

19. For the period June 23, 2015 to October 16, 2015, MRG has collected approximately \$207,000 in respect of various accounts receivable, net of legal and other collection fees and write-offs.

20. There are approximately 73 accounts that remain outstanding for which collection efforts are being made. MRG estimates that by December 31, 2015, it will be able to realize another approximately \$380,000 through its collection efforts on these accounts.

Wal-Mart Consignment Inventory

21. In June 2014, prior to commencing this CCAA proceeding, MRG requested that one of its customers, Wal-Mart Canada Corp. (“**Wal-Mart**”), return all of the items that MRG had

shipped to Wal-Mart on consignment and that were still in its possession. MRG also asked Wal-Mart to pay for any items that had been sold and for which payment had not yet been made.

22. For a period of time following this request, Wal-Mart did return a number of items and did make payment. However, following this initial period, Wal-Mart continued to retain approximately 2,500 finished goods items previously supplied to it by MRG, and a number of stores did not report or return any items at all. Despite demands by MRG, Wal-Mart failed or refused to return any additional items and failed or refused to make any efforts to locate and return the items supplied to it on consignment.

23. On August 12, 2015, MRG escalated the matter and instructed its lawyers to write to Wal-Mart demanding return of MRG's consignment goods. Following a brief exchange between MRG's lawyers and Wal-Mart's in-house counsel, on or about October 7, 2015, MRG received over 30 packages from Wal-Mart containing approximately 120 items previously on consignment. Since that time, MRG continues to receive packages containing consignment items from various Wal-Mart stores, such that as of October 19, 2015, MRG has received approximately 178 items.

24. As the consignment inventory is received back from Wal-Mart, MRG is able to sell these finished goods to another party for a reasonable value, with each transaction being under \$100,000. MRG will continue to work with Wal-Mart to ensure that reasonable efforts are being made to return the consignment inventory, failing which MRG may consider other options for recovery of its consignment inventory.

Gold dust extracted from carpets

25. After MRG wound down its operations and liquidated its equipment, MRG took samples of the broadloom carpeting in its premises to determine the extent to which there may be gold dust embedded within the carpeting that may be extracted. The samples yielded positive results and MRG removed all of the carpeting to have it burned and melted so that the gold dust could be extracted from it and refined.

26. The net result of this process yielded approximately 260 ounces of gold, which MRG then had refined and sold for \$382,696.34 at the prevailing market price for gold, less \$28,696.72 (inclusive of HST) for refining costs, for a net realization of \$353,999.61.

Other Recoveries

27. MRG has also liquidated other inventory, including inventory returned from Wal-Mart, and has recovered amounts owing to it from certain parties that were delivered on memo (consignment), and has also received certain HST input tax credits. In total, these amounts aggregate approximately \$206,000.

28. As of today's date, MRG has approximately \$1,220,000 in its Canadian bank accounts and approximately \$2,000 in its US dollar account.

ONGOING EXPENSES

29. As set out in my June 22, 2015 affidavit, MRG ceased its manufacturing operations some time ago now, and has also taken steps to minimize its ongoing expenses. In particular, MRG has vacated the leased premises effective June 30, 2015 and has terminated all of its

employees. MRG now only has three former employees performing certain services on a contract basis to assist with the realizations on the remaining assets and deal with other outstanding matters arising out of the CCAA process.

ADDITIONAL MATTERS

30. As noted in my previous affidavit, MRG's shareholders have also considered whether it is feasible for MRG or another entity to avail themselves of MRG's tax losses. MRG has been seeking professional advice in this regard and expects to be able to advise the court as to its plan in respect of those tax losses in its next appearance.

STAY EXTENSION REQUEST

31. As noted above, the stay of proceedings is currently set to expire on October 31, 2015. Although the determination of claims is now complete, there continue to be funds accumulating from realizations of the remaining assets and collections on accounts receivable that are to be distributed in accordance with the Claims Process. MRG also wishes to consider the advice it has obtained from its advisers in respect of the tax losses and any use that may be made of those losses.

32. Thus, at this time, MRG is seeking an extension of the stay of proceedings to February 15, 2016.

33. MRG has been proceeding at all times, and continues to proceed, in good faith and with due diligence.

34. MRG has been cooperating with the Monitor throughout these proceedings and I understand that the Monitor supports MRG's request for a stay extension.

35. Since MRG no longer has any ongoing operations, any employees, or obligations in respect of the above-noted executory contracts, there is very little to report in terms of ongoing cash flows and obligations. As a result, MRG has not prepared a cash flow statement in support of this motion.

MONITOR'S ACTIVITIES AND FEE APPROVALS

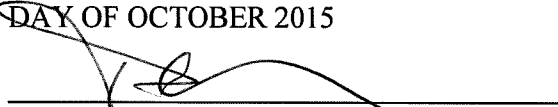
36. The Monitor is seeking approval of its activities as described in the Ninth Report, along with its fees and those of its counsel for professional services rendered herein.

37. MRG does not oppose these requests.

AFFIRMED BEFORE ME AT THE CITY)
OF TORONTO, IN THE PROVINCE)
OF ONTARIO, THIS 21st)
DAY OF OCTOBER 2015)



ALLEN SHECHTMAN



A Commissioner, etc.
PHILIP CHO

TAB A

This is Exhibit "A" referred to in the Affidavit of Allen Shechtman affirmed October 21, 2015



Commissioner for Taking Affidavits (or as may be)

PHILIP CHO

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE Mr.)

THURSDAY, THE 7TH

JUSTICE Penny)

DAY OF AUGUST, 2014

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF MARTIN ROSS GROUP INC. (the
"Applicant")

INITIAL ORDER

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

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

SERVICE

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

APPLICATION

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

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").

POSSESSION OF PROPERTY AND OPERATIONS

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

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

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

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

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

7. THIS COURT ORDERS that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

8. THIS COURT ORDERS that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("Rent"), for the period

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

9. THIS COURT ORDERS that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

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

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$1,000,000 in the aggregate
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

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

11. THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of

the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

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

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

14. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the

Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

15. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

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

NON-DEROGATION OF RIGHTS

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

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

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

18. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION

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

APPOINTMENT OF MONITOR

20. THIS COURT ORDERS that Collins Barrow Toronto Limited is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

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

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise the Applicant in its preparation of the Applicant's cash flow statements which information shall be reviewed with the Monitor;
- (d) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

22. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

23. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or

collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

24. THIS COURT ORDERS that that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

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

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

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

27. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

28. THIS COURT ORDERS that the Monitor, counsel to the Monitor, if any, and the Applicant's counsel shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$500,000.00, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraph30 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

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

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

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

32. THIS COURT ORDERS that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge (collectively, the "Chargees") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

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

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

SERVICE AND NOTICE

34. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in The National Post a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly

available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

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

36. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

37. THIS COURT ORDERS that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

38. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

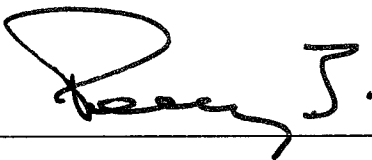
39. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give

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

40. THIS COURT ORDERS that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

41. THIS COURT ORDERS that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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



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



AUG 7 2014

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MARTIN ROSS GROUP INC.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

INITIAL ORDER

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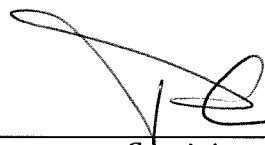
Tel: (416) 225-8750

Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.

TAB B

This is Exhibit "B" referred to in the Affidavit of Allen Shechtman affirmed October 21, 2015

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

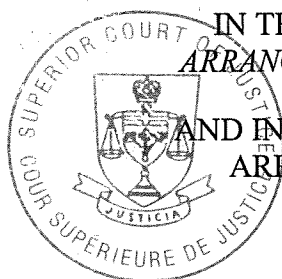
Commissioner for Taking Affidavits (or as may be)

PHILIP CHO

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

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

THE HONOURABLE)	MONDAY, THE 29 TH DAY
)	
JUSTICE <i>NEWBOULDS</i>)	OF JUNE, 2015



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

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

**ORDER
(approving interim distribution)**

THIS MOTION, made by Martin Ross Group Inc. (the “**Applicant**”) for, among other things, an order (i) approving the proposed interim distribution to creditors of the Applicant; (ii) extending the Stay Period (as defined in the Initial Order of Justice Penny, dated August 7, 2014) to October 31, 2015, (iii) approving the Eighth Report (the “**Eighth Report**”) of Collins Barrow Toronto Limited (“**CBTL**”) in its capacity as court-appointed monitor of the Applicant (the “**Monitor**”) and the activities of the Monitor described therein, along with the professional fees of the Monitor and its legal counsel, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record, and the Eighth Report, 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 affidavits of service of Kelly Barrett and Janice Chen, filed:

1. **THIS COURT ORDERS** that the time for service and filing of the Motion Record and the Eighth Report is hereby abridged, and service of the Motion Record and the Eighth

Report is hereby validated, such that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT FURTHER ORDERS** that the Stay Period be and is hereby extended to October 31, 2015.

3. **THIS COURT FURTHER ORDERS** that the proposed interim distribution (the “**Interim Distribution**”) to the creditors of the Applicant, as described in the Affidavit of Allen Shechtman, affirmed June 22, 2015, is hereby approved, and the Applicant is hereby authorized and directed to make the Interim Distribution in the amount of \$7.5 million to those creditors whose claims have been allowed by the Monitor, in accordance with the Claims Procedure, as defined in the Claims Procedure Order of the Honourable Justice Newbould, dated May 1, 2015, and in the amounts allowed by the Monitor, as of the time the Interim Distribution is made.

4. **THIS COURT FURTHER ORDERS** that the Eighth Report of the Monitor, and the activities of the Monitor as described therein, be and are hereby approved.

5. **THIS COURT FURTHER ORDERS** that the professional fees and disbursements of the Monitor and its legal counsel, as set out in the Eighth Report, are hereby approved.

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

JUN 29 2015

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MARTIN ROSS GROUP INC.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

ORDER

(approving interim distribution)
(motion returnable June 29, 2015)

**KRONIS, ROTSZTAIN,
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Tel: (416) 225-8750
Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.

TAB C

This is Exhibit "C" referred to in the Affidavit of Allen Shechtman affirmed October 21, 2015

A handwritten signature in black ink, appearing to read 'P. Cho', is written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

PHILIP CHO

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

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

THE HONOURABLE)	FRIDAY, THE 1ST DAY
)	
JUSTICE <i>NEWBOULD</i>)	OF MAY, 2015



IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF MARTIN ROSS GROUP INC.

**ORDER
(Claims Procedure Order)**

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

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

Definitions

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

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

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

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

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

General Provisions

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

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

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

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

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

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

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

Schedules

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

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

Claims Procedure

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

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

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

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

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

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

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

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

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

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



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

MAY - 1 2015
NB

Schedule "A"**NOTICE TO CREDITORS OF MARTIN ROSS GROUP INC.**

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

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

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

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

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

Schedule “B”

Proof of Claim

A. Particulars of Creditor:

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

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

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

C. Claim:

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

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

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

D. Particulars of Claim:

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

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

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

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

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

DATED at this day of, 2015.

Witnessed by:

[If Creditor is individual]

(sign) _____

Print Name: _____

[If Creditor is corporation]

[Print name of Creditor]

Per: (sign) _____
Authorized Signing Officer

Schedule "C"

Notice of Revision or Disallowance

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

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

[Please see attached]

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

Claim as Filed	Claim as Allowed

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

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

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

with a copy to:

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

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

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

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

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

Per: _____
Authorized Signing Officer

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MARTIN ROSS GROUP INC.**

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

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

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

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

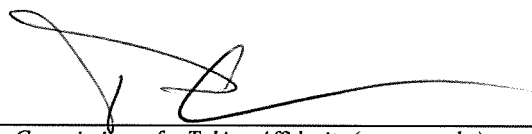
Philip Cho (LSUC #456125U)
pcho@krmc-law.com

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

Lawyers for the Applicant, Martin Ross Group Inc.

TAB D

This is Exhibit "D" referred to in the Affidavit of Allen Shechtman affirmed October 21, 2015

A handwritten signature in black ink, consisting of a stylized 'P' followed by a long horizontal stroke that ends in a small loop.

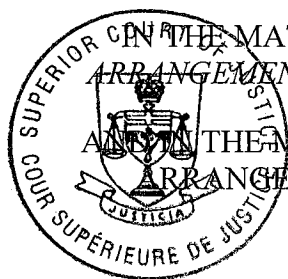
Commissioner for Taking Affidavits (or as may be)

PHILIP CHO

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

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

THE HONOURABLE)	FRIDAY, THE 17 th
)	
JUSTICE <i>PATTELLO</i>)	DAY OF OCTOBER, 2014



IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND
IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF MARTIN ROSS GROUP INC.

**ORDER
(liquidation process approval)**

THIS MOTION, made by the applicant, Martin Ross Group Inc. (the "**Applicant**")
for an Order, among other things:

- (a) approving a liquidation services agreement (the "**Liquidation Services Agreement**"), attached as Exhibit "G" to the Affidavit of Cameron Gillies sworn on October 15, 2014 (the "**Gillies Affidavit**"), between the Applicant and Silverman Chapman & Reese Consulting Ltd. (the "**Liquidator**"), and the transaction contemplated therein (the "**Transaction**"), and in particular, the liquidation of certain of the Applicant's finished goods inventory;
- (b) authorizing and directing the Applicant to conduct a separate liquidation process in respect of its loose diamonds inventory (the "**Loose Diamonds Liquidation Process**"), as described in the Gillies Affidavit;

- (c) authorizing and directing the Applicant to liquidate its inventory of gold and other precious metals, on a continuing basis, by selling them to a refinery, as described in the Gillies Affidavit;
- (d) authorizing and directing the Applicant to sell its remaining assets, excluding (i) assets covered by the Liquidation Services Agreement and the Loose Diamonds Liquidation Process, (ii) inventory of gold and other precious metals, and (iii) accounts receivable (the “**Remaining Assets**”), as part of a further, separate liquidation process, as described in the Gillies Affidavit, and each such sale not to exceed \$100,000 in any one transaction or \$1,750,000 in the aggregate;
- (e) vesting all of the Applicant’s right, title and interest in and to the assets sold in accordance with this Order, free and clear of any and all encumbrances, in and to the applicable purchasers;
- (f) extending the Stay Period, as defined in the Initial Order in these proceedings, from October 31, 2014 to January 31, 2015;
- (g) approving the Second and Third Reports of Collins Barrow Toronto Limited (“**CBTL**”), in its capacity as court-appointed monitor of the Applicant (the “**Monitor**”) and the actions and activities of the Monitor described therein;
- (h) approving the fees and disbursements of the Monitor and its counsel to date; and,
- (i) sealing the unredacted version of the Liquidation Services Agreement pending further order of this Court,

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

ON READING the Gillies Affidavit and the exhibits thereto, the Second and Third Reports of the Monitor, including the Affidavit of Daniel Weisz sworn on October 16, 2014 and the Affidavit of Stewart Thom sworn on October 14, 2014 (the “**Fee Affidavits**”) appearing as Appendices H and I, respectively, in the Third Report of the Monitor, and on hearing the submissions of the lawyers for the Applicant and the Monitor, no one else from the Service List appearing, although properly served as appears from the affidavit of service of Kelly Barrett, sworn October 15, 2014,

SERVICE

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

LIQUIDATION SERVICES AGREEMENT

2. THIS COURT ORDERS that the Liquidation Services Agreement and the Transaction are hereby approved, and the execution of the Liquidation Services Agreement by the Applicant is hereby ratified and approved, with such minor amendments as the Applicant, Liquidator or Monitor may deem necessary. The Applicant is hereby authorized and directed to perform the Liquidation Services Agreement and complete the Transaction in accordance with the terms and conditions of the Liquidation Services Agreement, including taking such additional steps and executing such additional documents as may be necessary or desirable for the completion of the Transaction.

3. THIS COURT ORDERS that the Liquidator shall be entitled to use the Applicant’s premises and shall be entitled to use the Applicant’s trade names in all of its advertising and promotional activities related to the Liquidation Services Agreement.

LOOSE DIAMONDS LIQUIDATION PROCESS

4. THIS COURT ORDERS that the Applicant be and is hereby authorized and directed to conduct the Loose Diamonds Liquidation Process in respect of the Applicant's loose diamonds inventory, and that the Applicant is hereby authorized and directed to take such steps as are necessary or desirable to carry out the Loose Diamonds Liquidation Process and any step taken by the Applicant in connection with the Loose Diamonds Liquidation Process prior to the date hereof be and is hereby approved and ratified.

SALE OF GOLD AND PRECIOUS METALS

5. THIS COURT ORDERS that the Applicant be and is hereby authorized and directed to sell its inventory of gold and precious metals, from time to time, as it deems appropriate, by selling its inventory to refineries, at prices substantially in accordance with prevailing market rates.

SALE OF REMAINING ASSETS

6. THIS COURT ORDERS that the Applicant be and is hereby authorized and directed to sell its Remaining Assets as part of a further, separate liquidation process, provided that each such sale does not exceed \$100,000 in any one transaction or \$1,750,000 in the aggregate.

7. THIS COURT ORDERS that, pursuant to clause 3(c)(i) of the *Electronic Commerce Protection Regulations*, made under *An Act to Promote the Efficiency and Adaptability of the Canadian Economy by Regulating Certain Activities that Discourage Reliance on Electronic Means of Carrying out Commercial Activities, and to Amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act*, S.C. 2010, c. 23, the Applicant is authorized and permitted to send, or cause or permit to be sent, commercial electronic

messages to an electronic address of prospective purchasers or bidders and to their advisors but only to the extent desirable or required to provide information with respect to the Loose Diamonds Liquidation Process and the sale of the Remaining Assets.

VESTING OF TITLE

8. THIS COURT ORDERS AND DECLARES that, upon the Liquidator, pursuant to the Liquidation Services Agreement, or upon the Applicant, under the Loose Diamonds Liquidation Process or pursuant to this Order, completing the sale of any assets to a purchaser, and upon receipt of the purchase price by the Liquidator or the Applicant, as the case may be, and delivery by the Liquidator or the Applicant, as the case may be, of a bill of sale or similar evidence of purchase to the purchaser (the “**Purchaser Bill of Sale**”), all of the Applicant’s right, title and interest in and to the assets described in the Purchaser Bill of Sale shall vest absolutely in such purchaser, free and clear of, and from, any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limitation: (i) any encumbrances or charges created by the Initial Order; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system.

9. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the monies payable to the Applicant, whether under the Liquidation Services Agreement or through the Loose Diamonds Liquidation Process or pursuant to this Order, from the sale of the assets shall stand in the place and stead of such assets, and that from and after

delivery of the Purchaser Bill of Sale, all Claims shall attach to the net proceeds from the sale of the assets with the same priority as they had with respect to the assets immediately prior to the sale, as if the assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

10. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicant,

the vesting of the assets in a purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

11. THIS COURT ORDERS AND DECLARES that each of the Transaction and the sale transactions contemplated by this Order are exempt from the application of the *Bulk Sales Act* (Ontario).

STAY EXTENSION

12. THIS COURT ORDERS that the Stay Period be and is hereby extended from October 31, 2014 to January 31, 2015.

FEE APPROVAL

13. THIS COURT ORDERS that the fees and disbursements of the Monitor and its counsel, as set out in the Fee Affidavits be and are hereby approved.

APPROVAL OF THE SECOND AND THIRD REPORTS AND THE MONITOR'S ACTIVITIES

14. THIS COURT ORDERS that the Second and Third Reports of the Monitor, and the actions and activities of the Monitor as described therein, be and are hereby approved.

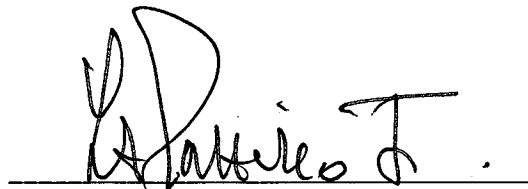
SEALING ORDER

15. THIS COURT ORDERS that the unredacted version of the Liquidation Services Agreement and the expression of interest from the Second Liquidator, as defined in the Third Report of the Monitor, appended as Confidential Appendix "1" to the Third Report of the Monitor shall remain sealed ~~pending~~ ** until January 31, 2015 on ** further order of this Court.

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



OCT 17 2014



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MARTIN ROSS GROUP INC.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER
(liquidation process approval)

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

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

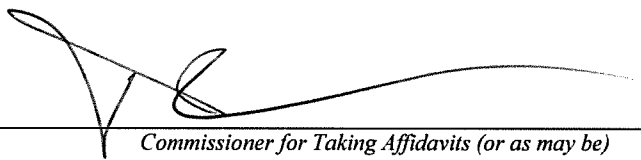
Philip Cho (LSUC #456125U)
pcho@krmc-law.com

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

Lawyers for the Applicant, Martin Ross Group Inc.

TAB E

This is Exhibit "E" referred to in the Affidavit of Allen Shechtman affirmed October 21, 2015



Commissioner for Taking Affidavits (or as may be)

PHILIP CHO

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

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

THE HONOURABLE
JUSTICE NEWBOULD

)
)
)

THURSDAY, THE 29TH DAY
OF JANUARY, 2015

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF MARTIN ROSS GROUP INC.



**ORDER
(approving inventory liquidation process
and extension of Stay Period)**

THIS MOTION, made by Martin Ross Group Inc. (the “**Applicant**”) for, among other things, an order (i) approving a revised liquidation process for the liquidation of its finished goods inventory (the “**Inventory Liquidation Process**”); (ii) approving the Sixth Report (the “**Sixth Report**”) of Collins Barrow Toronto Limited (“**CBTL**”) in its capacity as court-appointed monitor of the Applicant (the “**Monitor**”) and the activities of the Monitor described therein, and, (iii) extending the Stay Period (as defined in the Order of Justice Penny dated August 7, 2014 (the “**Initial Order**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Affidavit of Allen Shechtman affirmed on January 26, 2015 (the “**Shechtman Affidavit**”) and the Sixth Report of the Monitor, and on hearing the submissions of the lawyers for the Applicant and the Monitor, no one appearing for any other person on the service list, although properly served as appears from the affidavits of service of Kelly Barrett and Janice Chen, filed:

1. **THIS COURT ORDERS** that the time for service and filing of the Motion Record and the Sixth Report is hereby abridged, and service of the Motion Record and the Sixth Report

is hereby validated, such that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the Applicant be and is hereby authorized and directed to conduct the Inventory Liquidation Process as described in the Shechtman Affidavit, and that the Applicant is hereby authorized and directed to take such steps as are necessary or desirable to carry out the Inventory Liquidation Process and any step taken by the Applicant in connection with the Inventory Liquidation Process prior to the date hereof be and is hereby approved and ratified.

3. **THIS COURT ORDERS** that the Applicant and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery by the Applicant of a bill of sale or similar evidence of purchase to a purchaser (the "**Purchaser Bill of Sale**") pursuant to the Inventory Liquidation Process, all of the Applicant's right, title and interest in and to the assets described in the Purchaser Bill of Sale (the "**Purchased Assets**") shall vest absolutely in such purchaser, free and clear of, and from, any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial

or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the “**Encumbrances**”) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets pursuant to the Inventory Liquidation Process shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Purchaser Bill of Sale, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicant,

the vesting of the Purchased Assets in a purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **THIS COURT ORDERS AND DECLARES** that each of the sale transactions contemplated by this Order is exempt from the application of the *Bulk Sales Act* (Ontario).

8. **THIS COURT ORDERS** that the Sixth Report and the activities of the Monitor as described therein, be and are hereby approved.

9. **THIS COURT ORDERS** that the Stay Period be and is hereby extended until May 1, 2015.



ENTERED RE REGISTRY AT TORONTO
ON FEBRUARY 12
LETTER OF REGISTRY NO:

JAN 23 2015

MB

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

(approving inventory liquidation process and extension of
Stay Period)

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

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

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

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

Lawyers for the Applicant, Martin Ross Group Inc.

TAB F

This is Exhibit "F" referred to in the Affidavit of Allen Shechtman affirmed October 21, 2015

A handwritten signature in black ink, appearing to read 'P. Cho', is written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

PHILIP CHO

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

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

THE HONOURABLE)
)
JUSTICE NEWBOULD)

WEDNESDAY, THE 14TH DAY
)
)
OF JANUARY, 2015



IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF MARTIN ROSS GROUP INC.

**ORDER
(approving interim distribution)**

THIS MOTION, made by Martin Ross Group Inc. (the "**Applicant**") for, among other things, an order (i) approving the proposed interim distribution to secured creditors of the Applicant; (ii) approving the Fifth Report (the "**Fifth Report**") of Collins Barrow Toronto Limited ("**CBTL**") in its capacity as court-appointed monitor of the Applicant (the "**Monitor**") and the activities of the Monitor described therein, and, (iii) approving the fees and disbursements of the Monitor and its counsel, Torkin Manes, LLP, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Affidavit of Alan Shechtman affirmed on January 12, 2015 and the Fifth Report, including the fee affidavits of Stewart Thom sworn January 9, 2015 and Daniel Weisz sworn January 12, 2015 (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 affidavits of service of Kelly Barrett and Janice Chen, filed:

1. **THIS COURT ORDERS** that the time for service and filing of the Motion Record and the Fifth Report is hereby abridged, and service of the Motion Record and the Fifth Report is

hereby validated, such that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the proposed interim distribution (the “**Interim Distribution**”) to the major secured creditors of the Applicant, as described in the Affidavit of Allen Shechtman is hereby approved, and the Applicant is hereby authorized and directed to make the Interim Distribution as follows:

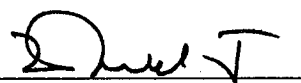
- (a) \$3,400,000 to RP Holdings Inc.; and,
- (b) \$1,800,000 USD to Sherfam Inc.

3. **THIS COURT ORDERS** that the Fifth Report of the Monitor, and the activities of the Monitor as described therein, be and are hereby approved.

4. **THIS COURT ORDERS** that the fees and disbursements of the Monitor, and of its counsel, Torkin Manes LLP, as set out in the Fee Affidavits, be and are hereby approved.

ENTERED BY COURT CLERK
LE/2015 LE 130 01/14/15

JAN 14 2015



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MARTIN ROSS GROUP INC.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER
(approving interim distribution)

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

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

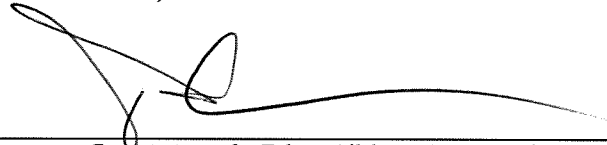
Philip Cho (LSUC #456125U)
pcho@krmc-law.com

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

Lawyers for the Applicant, Martin Ross Group Inc.

TAB G

This is Exhibit "G" referred to in the Affidavit of Allen Shechtman affirmed October 21, 2015

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

PHILIP CHO

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

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

THE HONOURABLE

)

FRIDAY, THE 1ST DAYJUSTICE *NEWBOLD*

)

OF MAY, 2015

)



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

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

**ORDER
(Interim Distribution and Stay Extension)**

THIS MOTION, made by Martin Ross Group Inc. (the “**Applicant**”) for, among other things, an order (i) approving and authorizing a further interim distribution in the sum of USD \$86,995.48 to Sherfam Inc. (“**Interim Distribution**”); (ii) extending the Stay Period (as defined in the Initial Order of Justice Penny dated August 7, 2014); and, (iii) approving the Seventh Report (the “**Seventh Report**”) of Collins Barrow Toronto Limited in its capacity as court-appointed monitor of the Applicant (the “**Monitor**”) and the activities of the Monitor described therein, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Affidavit of Allen Shechtman sworn on April 23, 2015 and the Seventh Report, including the affidavits of Daniel Weisz sworn on April 29, 2015 and Adrian Myers sworn on April 29, 2015 (collectively the “**Fee Affidavit**”), and on hearing the submissions of the lawyers for the Applicant and the Monitor, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Kelly Barrett sworn April 24, 2015, filed, and the affidavit of Janice Chen sworn April 29, 2015, filed:

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

Interim Distribution

2. THIS COURT ORDERS that the Interim Distribution is hereby approved, and the Applicant is hereby authorized and directed to make the Interim Distribution.

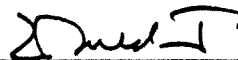
Monitor's Activities and Fee Approval

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

4. THIS COURT ORDERS that the fees and disbursements of the Monitor, as set out in the Fee Affidavit, be and are hereby approved.

Stay Extension

5. THIS COURT ORDERS that the Stay Period be and is hereby extended until July 31, 2015.



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

MAY - 1 2015



**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MARTIN ROSS GROUP INC.**

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

ORDER

(approving interim distribution and stay execution)

**KRONIS, ROTSZTAIN,
MARGLES, CAPPEL LLP**
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8 King Street East, Suite 1000
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**Tel: (416) 225-8750
Fax: (416) 306-9874**

Lawyers for the Applicant, Martin Ross Group Inc.

TAB 3

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

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

THE HONOURABLE)	WEDNESDAY, THE 28 TH DAY
)	
JUSTICE)	OF OCTOBER, 2015

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

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

**ORDER
(approving extension of Stay Period)**

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) extending the Stay Period (as defined herein) to February 15, 2016;
- (c) approving the Ninth Report of Collins Barrow Toronto Limited, in its capacity as court-appointed monitor of the Applicant (the “**Monitor**”) and the activities of the Monitor described therein; and,
- (d) approving the fees and disbursements of the Monitor and its legal counsel, Torkin Manes LLP, to date;

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

ON READING the Notice of Motion, the Affidavit of Allen Shechtman affirmed October 20, 2015 (the “**Shechtman Affidavit**”) and the Ninth Report of the Monitor including the affidavits of _____ and of _____ (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, filed:

1. **THIS COURT ORDERS** that the time for service and filing of the Motion Record and the Ninth Report is hereby abridged, and service of the Motion Record and the Ninth Report is hereby validated, such that this Motion is properly returnable today and hereby dispenses with further service thereof.
 2. **THIS COURT FURTHER ORDERS** that the Stay Period be and is hereby extended until February 15, 2016.
 3. **THIS COURT FURTHER ORDERS** that the Ninth Report and the activities of the Monitor as described therein, be and are hereby approved.
 4. **THIS COURT FURTHER ORDERS** that the professional fees of the Monitor and its legal counsel, as set out in the Fee Affidavits, are approved.
-

**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
(approving extension of Stay Period)

**KRONIS, ROTSZTAIN,
MARGLES, CAPPEL LLP**
Barristers and Solicitors
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Mervyn D. Abramowitz (LSUC # 28323R)
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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
(approving stay extension)
(returnable October 28, 2015)

**KRONIS, ROTSZTAIN,
MARGLES, CAPPEL LLP**
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8 King Street East, Suite 1000
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Lawyers for the Applicant