

**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.**

TENTH REPORT OF THE MONITOR

February 4, 2016

TABLE OF CONTENTS

I. INTRODUCTION 3

II. PURPOSE OF REPORT 3

III. TERMS OF REFERENCE 4

IV. CLAIMS PROCEDURE AND INTERIM DISTRIBUTIONS 5

V. REMAINING ASSETS 6

VI. MRG’S PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT 6

VII. STAY EXTENSION REQUEST 8

XI. MONITOR’S FEES AND DISBURSEMENTS 9

XII. MONITOR’S RECOMMENDATIONS AND REQUEST 10

Appendices

Appendix A – Initial Order

Appendix B – Claims Procedure Order

Appendix C – First Interim Distribution Order

Appendix D – Second Interim Distribution Order

Appendix E – Third Interim Distribution Order

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

Appendix G – Affidavit of S. Fay Sulley re Torkin Accounts

I. INTRODUCTION

1. This is the tenth report (the “**Tenth Report**”) prepared by Collins Barrow Toronto Limited (the “**Monitor**”), in its capacity as the Monitor of Martin Ross Group Inc. (“**MRG**” or the “**Company**”) appointed pursuant to section 11.7 of the *Companies’ Creditors Arrangement Act* by an Order of Mr. Justice Penny dated August 7, 2014 (the “**Initial Order**”). The Initial Order stayed all proceedings against the Company until September 6, 2014 (the “**Stay Period**”). A copy of the Initial Order is attached hereto as Appendix “**A**”. The Stay Period was subsequently extended by further Orders of the Court, and the Stay Period is currently set to expire, unless extended further, on February 15, 2016.
2. The Initial Order, Monitor’s reports and other documents filed in these proceedings (the “**CCAA Proceedings**”) have been posted on the Monitor’s website at www.collinsbarrow.com/en/toronto-ontario/martin-ross-group. The Monitor will continue to post to its website documents in accordance with the E-service Protocol for the Commercial List in the Toronto region.
3. Capitalized terms not otherwise defined in the Tenth Report are as defined in the Initial Order, and in the first nine reports of the Monitor.

II. PURPOSE OF REPORT

4. The purpose of this Tenth Report is to provide the Court with:
 - a) background on the claims procedure previously undertaken and interim distributions made by MRG;
 - b) an update on the status of the Company’s remaining assets;
 - c) information regarding the Company’s request to file a plan of compromise or arrangement (the “**Plan**”) and hold a meeting to vote on same;

-
- d) the Monitor's recommendation concerning the Company's request for an extension of the Stay Period to April 18, 2016;
 - e) the Monitor's activities since the Monitor's report dated October 21, 2015 (the "**Monitor's Ninth Report**");
 - f) the Company's request for an Order approving the Monitor's activities and its invoices #14 and #15 for the period October 1, 2015 to January 31, 2016; and
 - g) the Company's request for an Order approving the accounts of Torkin Manes LLP for the period October 21, 2015 to February 4, 2016.

III. TERMS OF REFERENCE

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

IV. CLAIMS PROCEDURE AND INTERIM DISTRIBUTIONS

7. As set out in the Monitor's prior reports, MRG conducted a claims procedure in accordance with the Claims Procedure Order, a copy of which is attached hereto as Appendix "B".
8. The Court has made the following three interim distribution orders:
 - a) Interim distribution order dated January 14, 2015 (the "**First Interim Distribution Order**"). A copy of the First Interim Distribution Order is attached hereto as Appendix "C";
 - b) Interim distribution order dated May 1, 2015 (the "**Second Interim Distribution Order**"). A copy of the Second Interim Distribution Order is attached hereto as Appendix "D"; and
 - c) Interim distribution order dated June 29, 2015 (the "**Third Interim Distribution Order**"). A copy of the Third Interim Distribution Order is attached hereto as Appendix "E".

MRG made interim distributions in accordance with such orders.

9. Since that time, as set out in the affidavit of Allen Shechtman affirmed February 2, 2016 (the "**February 2016 Shechtman Affidavit**"), on or about December 21, 2015, the Monitor was contacted by a creditor of MRG who was enquiring as to the status of payment on account of the Company's indebtedness to that creditor. The Monitor advised the creditor that: (i) it had sent to the creditor a package of information that included the Claims Procedure Order and a proof of claim with instructions on how to complete the proof of claim; (ii) the Claims Bar Date had passed; and (iii) pursuant to the Claims Procedure Order, no further claims were being accepted by the Monitor. The creditor advised that it would consult legal counsel. The Monitor has not since received any further correspondence from this creditor or its counsel.

V. REMAINING ASSETS

10. Based on discussions and correspondence exchanged with MRG, the Monitor understands that as of the date of this report, MRG's remaining assets are:

Description	Amount	Basis of Valuation
Cash	\$1,422,000	Actual
Accounts receivable	495,000	Book Value
Inventory	380,000	Approximate invoiced amount
Total	\$2,297,000	

11. The book value of outstanding accounts receivable as reported by the Company to the Monitor total approximately \$495,000 and MRG estimates that it will be able to realize approximately \$25,000 by March 31, 2016 and a further \$100,000 by December 31, 2016.
12. As set out in the February 2016 Shechtman Affidavit, it appears that the remaining inventory was supplied to Wal-Mart Canada Corp. ("**Wal-Mart**") on a consignment basis. Wal-Mart has taken the position that the subject inventory cannot be located and as such, MRG advises that any realizations from such inventory are unlikely. MRG is currently evaluating the cost/benefit of pursuing further collection efforts with respect to Wal-Mart.
13. Other than the outstanding Wal-Mart items, the accounts receivable and perhaps refunds that may be received upon the filing of future HST returns, MRG has no further assets to realize upon.

VI. MRG'S PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT

14. The Company now wishes to present the Plan and to bring the CCAA Proceeding to an end.

-
15. A draft copy of the Plan is attached to the February 2016 Shechtman Affidavit filed in support of the Company's motion seeking an order to accept the Plan for filing and to authorize the Company to call and hold a meeting for the purpose of allowing creditors to consider and vote on the Plan.
16. In summary, the Plan provides for:
- a) distribution of all funds held by MRG on the Implementation Date (estimated to be approximately \$1.3 million) net of certain payments to be made pursuant to the Plan;
 - b) the Plan Sponsor, Sherfam Inc., subordinating \$24,850,000, representing approximately 75% of the Plan Sponsor's Claim, for the benefit of the remaining unsecured creditors with proven claims. (The Company expects this to result in the distribution to unsecured creditors, other than the Plan Sponsor, being enhanced by approximately 13% of the funds available for distribution);
 - c) creation of a "convenience class" of creditors whose proven claims are \$1,000 or less. These creditors are to receive payment of 100% of the value of their proven claims and, for the purposes of voting, will be deemed to vote in favour of the Plan;
 - d) payment to all unsecured creditors with claims greater than \$1,000 of an initial payment of \$1,000 and a pro rata share of the balance of their proven claim;
 - e) the claims of (i) the Monitor and its counsel (arising before or after the Filing Date), (ii) the Plan Sponsor and (iii) Post-Filing Claims being unaffected by the Plan;
 - f) the Plan becoming effective when (i) a majority in number representing 2/3 in value of the unsecured creditors, other than the Plan Sponsor, present and voting at the meeting of creditors called to consider the Plan (the "**Meeting**"), vote in favour of the Plan and (ii) the Court sanctions the Plan, and all applicable appeal periods have expired; and

-
- g) the Monitor will make distributions to creditors with proven claims under the Plan within 30 business days following the Implementation Date, representing the day following the day on which the Plan becomes effective, and all actions, documents, and agreements necessary to implement the Plan have been effected, or as soon as possible thereafter.
17. If the Court approves the Plan for filing, the Meeting is scheduled to take place on March 23, 2016 at the office of the Monitor, with the Monitor acting as Chair of the Meeting. Notices of the Meeting are proposed to be sent by the Monitor to creditors with proven claims on or before February 29, 2016.
18. If the Court approves the filing of the Plan, the Monitor will examine the Plan in greater detail and prepare a report to be mailed prior to March 11, 2016 to the unsecured creditors with proven claims as determined pursuant to the Claims Procedure Order which report will include a comparison of estimated distributions assuming the Plan is accepted by the creditors and sanctioned by the Court, and a bankruptcy of MRG.
19. If the Plan is accepted by the unsecured creditors with proven claims voting on the Plan, the Applicants propose to bring on April 14, 2016 a motion to the Court for an order sanctioning the Plan (“**Sanction Hearing**”).
20. The Monitor supports the filing of the proposed Plan.

VII. STAY EXTENSION REQUEST

21. As previously set out herein, the Stay Period is set to expire on February 15, 2016, if it is not extended further.
22. The Company wishes to have the Stay Period extended to April 18, 2016 in order to allow sufficient time for the Meeting to take place and to bring the Sanction Hearing. If a Sanction Order is granted by the Court, the Company will seek a further extension of the Stay Period to allow time for the Plan to become effective, and then to implement the Plan.

-
23. The Monitor is of the view that extending the stay period will allow the Company sufficient time to complete these activities.
 24. The Company has not filed a cash flow statement with its motion materials herein since the Company is no longer operating and does not have any significant expenses. The Company has in its account approximately \$1.4 million to meet any ongoing obligations of the Company.
 25. The Monitor is of the view that the Company is continuing to proceed in good faith and diligently during these proceedings and that the Company's request for an extension of the stay period to April 18, 2016 is appropriate and reasonable in the circumstances. Accordingly, the Monitor recommends to the Court that it grant the requested extension.

XI. MONITOR'S FEES AND DISBURSEMENTS

26. The Monitor has maintained detailed records of its professional fees and disbursements during the course of these proceedings.
27. The Monitor's accounts for the period ended September 30, 2015 have been approved by the Court. For the period October 1, 2015 to January 31, 2016, the Monitor's accounts total \$10,037.23 consisting of \$8,882.50 in fees, plus HST of \$1,154.73 (the "**Monitor's Accounts**"). Copies of the Monitor's Accounts, together with a summary of the accounts, the total billable hours charged per the accounts, and the average hourly rate charged per the accounts, is set out in the Affidavit of Daniel Weisz sworn February 4, 2016 that is attached hereto as Appendix "**F**".
28. The accounts of the Monitor's counsel, Torkin Manes LLP, for the period ended October 21, 2015 have been approved by the Court. The accounts of Torkin Manes LLP for the period October 21, 2015 to February 4, 2016 total \$5,701.00 in fees, \$135.30 in disbursements and \$758.72 in HST for a total of \$6,595.02 (the "**Torkin Accounts**"). A copy of the Torkin Accounts, together with a summary of the personnel, hours and hourly rates described in the Torkin Accounts, supported by the Affidavit of S. Fay Sulley sworn February 4, 2016, is attached hereto as Appendix "**G**".

XII. MONITOR'S RECOMMENDATIONS AND REQUEST

29. Based on the information set out in this report, the Monitor recommends that:
- a) the Plan be accepted for filing; and
 - b) the Stay Period be extended to April 18, 2016.
30. The Monitor requests that the Court grant an Order:
- a) approving the Tenth Report and the Monitor's activities described herein;
 - b) approving the fees and disbursements of the Monitor to January 31, 2016; and
 - c) approving the fees and disbursements of Torkin Manes LLP to February 4, 2016.

All of which is respectfully submitted to this Court as of this 4th day of February, 2016.

COLLINS BARROW TORONTO LIMITED

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



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

APPENDIX A

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE Mr.)
JUSTICE Penny)
)

THURSDAY, THE 7TH
DAY OF AUGUST, 2014

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

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

INITIAL ORDER

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

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

SERVICE

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

APPLICATION

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

PLAN OF ARRANGEMENT

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

POSSESSION OF PROPERTY AND OPERATIONS

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

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

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

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

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

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

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

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

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

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

RESTRUCTURING

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

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

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

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

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

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

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

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

NO INTERFERENCE WITH RIGHTS

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

CONTINUATION OF SERVICES

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

NON-DEROGATION OF RIGHTS

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

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

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

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

DIRECTORS' AND OFFICERS' INDEMNIFICATION

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

APPOINTMENT OF MONITOR

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

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

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

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

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

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

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

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

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

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

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

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

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

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

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

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

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

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

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

SERVICE AND NOTICE

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

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

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

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

GENERAL

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

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

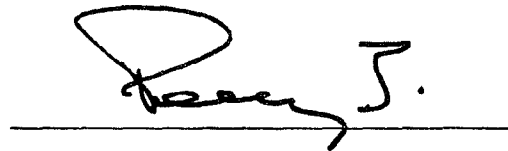
39. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give

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

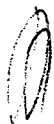
40. THIS COURT ORDERS that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and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

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

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



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



AUG 7 2014

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

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

INITIAL ORDER

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

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

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

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

Tel: (416) 225-8750

Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.

APPENDIX B

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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



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

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

ORDER
(Claims Procedure Order)

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

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

Definitions

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

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

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

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

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

General Provisions

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

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

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

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

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

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

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

Schedules

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

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

Claims Procedure

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

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

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

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

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

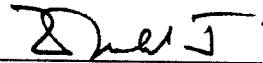
15. THIS COURT ORDERS that Unaffected Creditors shall not be required to participate in the Claims Procedure in respect of their Unaffected Claims. The Monitor will not review or consider any Proof of Claim filed in respect of an Unaffected Claim.

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

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

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

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



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

MAY - 1 2015
NB

Schedule "A"

NOTICE TO CREDITORS OF MARTIN ROSS GROUP INC.

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

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

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

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

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

Schedule "B"

Proof of Claim

A. Particulars of Creditor:

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

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

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

C. Claim:

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

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

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

D. Particulars of Claim:

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

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

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

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

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

DATED at this day of, 2015.

Witnessed by:

[If Creditor is individual]

(sign) _____

Print Name: _____

[If Creditor is corporation]

[Print name of Creditor]

Per: *(sign)* _____
Authorized Signing Officer

Schedule "C"

Notice of Revision or Disallowance

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

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

[Please see attached]

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

Claim as Filed	Claim as Allowed

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

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

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

with a copy to:

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

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

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

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

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

Per: _____
Authorized Signing Officer

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

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

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

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

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

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

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

Tel: (416) 225-8750

Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.

APPENDIX C

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

THE HONOURABLE) WEDNESDAY, THE 14TH DAY
JUSTICE NEWBOULD) 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.

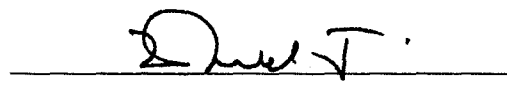
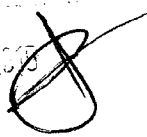
2. **THIS COURT ORDERS** that the proposed interim distribution (the “**Interim Distribution**”) to the major secured creditors of the Applicant, as described in the Affidavit of Allen Shechtman is hereby approved, and the Applicant is hereby authorized and directed to make the Interim Distribution as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

FILED
CLERK OF COURT
JAN 14 2008



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.

Jan 14-15

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

January 14, 2015

This matter is not opposed. The relief sought is appropriate. Done
to go.

20/1/15

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD OF THE APPLICANT
(motion approving interim distribution)
(returnable January 14, 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 # 45615U)
pcho@krmc-law.com

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

Lawyers for the Applicant

MB

APPENDIX D

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 À 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**
Barristers and Solicitors
8 King Street East, Suite 1000
Toronto ON M5C 1B5

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

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

Tel: (416) 225-8750

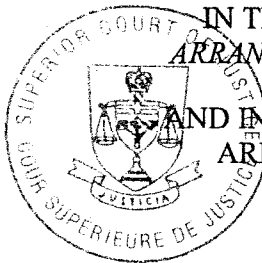
Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.

APPENDIX E

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) MONDAY, THE 29TH DAY
JUSTICE *NEWBOULD*) 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,
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

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

Tel: (416) 225-8750

Fax: (416) 306-9874

Lawyers for the Applicant, Martin Ross Group Inc.

APPENDIX F

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

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

**AFFIDAVIT OF DANIEL WEISZ
(Sworn on February 4, 2016)**

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

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

2. Attached hereto and marked as **Exhibit "A"** are detailed invoices (the "**Invoices**") issued to the Company by CBTL for fees and disbursements incurred by CBTL in connection with the Company's proceedings pursuant to the Companies Creditors Arrangement Act for the period October 1, 2015 to January 31, 2016 (the "**Appointment Period**"). The total

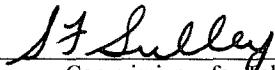
fees charged by CBTL to the Company during the Appointment Period were \$8,882.50 plus HST of \$1,154.73 totaling \$10,037.23.

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

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

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

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, on the
4th day of February, 2016

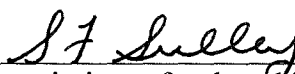


Commissioner for Taking Affidavits
(or as may be)



DANIEL WEISZ

This is Exhibit "A" to the Affidavit of
Daniel Weisz, sworn on February 4, 2016



A Commissioner for the taking of affidavits, etc.

To Martin Ross Group Inc. (via email)

T. 416.480.0160
 F. 416.480.2646

www.collinsbarrow.com

Date December 7, 2015

Client File 112096
 Invoice 14
 No. C000150

GST/HST: 80784 1440 RT 0001

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

Date	Professional	Description
10/5/2015	Daniel Weisz	Review summary of activities.
10/6/2015	Arif Dhanani	Email to M. Robinson regarding outstanding accounts of Torkin Manes LLP.
10/7/2015	Arif Dhanani	Email to Torkin Manes with request for invoices not received by the Company.
10/14/2015	Daniel Weisz	Exchange emails with Kronis, Rotsztain, Margles, Cappel LLP ("KRMC") regarding next application to court.
10/15/2015	Daniel Weisz	Discussion with M. Abramowitz of KRMC on status of Company, extension of stay of proceedings considerations.
10/20/2015	Daniel Weisz	Review draft documents provided by P. Cho of KRMC and discussion on same with P. Cho and regarding the status of the Company.
10/20/2015	Arif Dhanani	Review Affidavit of Allen Shechtman, Notice of Motion and Draft Order; email to KRMC regarding affidavit; draft Ninth Report of the Monitor and Fee Affidavit.
10/21/2015	Arif Dhanani	Final amendments to Monitor's Ninth Report; discussion with D. Weisz; assemble appendices for report; reference copy of Ninth Report.
10/21/2015	Daniel Weisz	Review and update the Monitor's Ninth Report and Affidavit of Fees, forward the draft report to F. Sulley of Torkin Manes LLP for comments, discussion with F. Sulley regarding draft Monitor's report; finalize report and affidavit, attend at Torkin Manes regarding same.
10/22/2015	Daniel Weisz	Exchange of emails with A. Dhanani, M. Robinson, A. Shechtman and M. Abramowitz regarding the Monitor's Ninth Report.
10/27/2015	Daniel Weisz	Review email regarding Zale.
10/27/2015	Arif Dhanani	Telephone call with M. Robinson regarding Zales account receivable payment; email to Zales regarding same.
10/28/2015	Daniel Weisz	Prepare for and attend in court regarding Company application for extension of stay of proceedings; discussion with M. Abramowitz on Company status; review endorsement of Justice Penny and Court Order issued today.
10/28/2015	Arif Dhanani	Facilitate posting of Court documents on Monitor's website.

Date	Professional	Description
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CIRP	Senior Vice President	6.60	\$ 495	\$ 3,267.00
Arif N. Dhanani, CPA, CA, CIRP	Senior Manager	5.80	\$ 350	2,030.00
Total hours and professional fees		<u>12.40</u>		\$ 5,297.00
HST @ 13%				688.61
Total payable				\$ 5,985.61

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

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

PLEASE RETURN ONE COPY WITH REMITTANCE

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

To Martin Ross Group Inc. (via email)

 T. 416.480.0160
 F. 416.480.2646

www.collinsbarrow.com
Date February 3, 2016

Client File 112096

Invoice 15

No. C000194

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Monitor pursuant to the Companies' Creditors Arrangement Act ("**CCAA**") proceeding of Martin Ross Group Inc. ("**Martin Ross**" or the "**Company**") for the period December 1, 2015 to January 31, 2016.

Date	Professional	Description
12/4/2015	Daniel Weisz	Review file; email to M. Robinson enquiring on the status of various matters.
12/5/2015	Daniel Weisz	Review and update summary of activities.
12/7/2015	Daniel Weisz	Email to M. Robinson regarding account; review information regarding results since last affidavit forwarded by M. Robinson.
12/11/2015	Daniel Weisz	Conference call with M. Abramowitz and P. Cho of Kronis, Rotsztain, Margles, Cappel LLP ("KRMC") regarding considerations with respect to finalization of CCAA proceedings.
12/14/2015	Daniel Weisz	Discussion with F. Sulley of Torkin Manes LLP on discussion with M. Abramowitz and P. Cho regarding Company consideration with respect to finalizing proceedings; exchange emails with M. Abramowitz on same.
12/21/2015	Daniel Weisz	Discussion with F. Sulley regarding proposed motion to the court by the Company; discussion with A. Bhansali of Sunshine Diamonds LLC and review file; review information provided by Sunshine Diamonds LLC; review files and email to M. Robinson regarding same.
12/29/2015	Daniel Weisz	Discussion with J. Berger regarding report to be drafted.
1/4/2016	Daniel Weisz	Discussion with A. Dhanani on status of CCAA proceedings; reply to be sent to Sunshine Diamonds LLC.
1/5/2016	Arif Dhanani	Review correspondence from Sunshine Diamonds LLC; draft email response to Sunshine Diamonds LLC regarding Claims Bar Date and Claims Procedure Order, including that any claim submitted after the Claims Bar Date is forever extinguished and barred.
1/6/2016	Daniel Weisz	Discussion with M. Abramowitz on Company's proposed plan of arrangement and discussion with A. Dhanani on same; discussion with A. Dhanani on his discussion with Sunshine Diamonds LLC.
1/6/2016	Arif Dhanani	Discussion with D. Weisz; send spreadsheet of creditor remaining balances to KRMC, M. Robinson and J. Grauman; telephone call with Sunshine Diamonds LLC regarding claims bar process and inability to accept proof of claim at this time.
1/11/2016	Daniel Weisz	Discussion with M. Abramowitz on status of plan of arrangement.
1/28/2016	Daniel Weisz	Begin review of plan of arrangement.
1/29/2016	Arif Dhanani	Commence review of plan of arrangement; discussion with D. Weisz; telephone call with P. Cho.

Date	Professional	Description
1/29/2016	Daniel Weisz	Exchange emails with KRMC regarding court date and email to F. Sulley regarding same; finish reviewing draft plan of arrangement and email comments to F. Sulley; exchange emails with F. Sulley; forward comments on draft plan to P. Cho; discussion with P. Cho regarding matters relating to the Company's application to court.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CIRP	Senior Vice President	5.90	\$ 495	\$ 2,920.50
Arif N. Dhanani, CPA, CA, CIRP	Vice President	1.90	\$ 350	665.00
Total hours and professional fees		<u>7.80</u>		\$ 3,585.50
HST @ 13%				466.12
Total payable				\$ 4,051.62

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

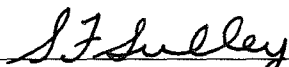
WIRE PAYMENT DETAILS

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

PLEASE RETURN ONE COPY WITH REMITTANCE

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

This is Exhibit "B" to the Affidavit of
Daniel Weisz, sworn on February 4, 2016



A Commissioner for the taking of affidavits, etc.

EXHIBIT "B"

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

Invoice No.	Billing Period	Total Fees	HST	Hours	Average Hourly Rate	Total
14	October 1, 2015 to November 30, 2015	\$5,297.00	\$688.61	12.4	\$427.18	\$5,985.61
15	December 1, 2015 to January 31, 2016	3,585.50	466.12	7.8	459.68	4,051.62
	Total	\$8,882.50	\$1,154.73	20.20	\$439.73	\$10,037.23

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

AND

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF DANIEL WEISZ
DATED FEBRUARY 4, 2016

TORKIN MANES LLP

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

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

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

Lawyers for the Monitor
Collins Barrow Toronto Limited

APPENDIX G

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

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

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

AFFIDAVIT OF S. FAY SULLEY

I, S. FAY SULLEY, of the City of Toronto, in the Province of Ontario **MAKE OATH AND SAY AS FOLLOWS:**

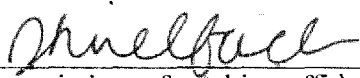
1. I am a Partner with the law firm of TORKIN MANES LLP ("**Torkin Manes**"), which has been engaged as independent counsel to Collins Barrow Toronto Limited, ("**Collins Barrow**"), in its capacity as Monitor, over all of the assets, undertakings and properties of Martin Ross Group Inc. ("**Martin Ross**") in this proceeding and as such have knowledge of the matters to which I hereinafter depose either through my own knowledge or by informing myself with respect thereto in which case I have indicated the source of my information and belief.
2. Attached hereto as **Exhibit "A"** is a true copy of the accounts issued by Torkin Manes to Collins Barrow, in its capacity as Monitor in this proceeding, which includes detailed descriptions for the work performed for the period from October 21, 2015 to and including February 4, 2016. The total fees charged by Torkin Manes to Collins Barrow

during this period were \$5,701.00 plus HST of \$741.13, plus disbursements of \$135.30 plus HST of \$17.59 for a total amount of \$6,595.02.

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

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

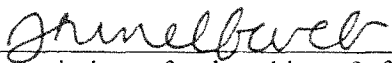
SWORN before me at the City of Toronto, in the Province of Ontario, this 4th day of February, 2016.


A Commissioner for taking affidavits.

Jenna Louise Himefarb, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires May 4, 2018.


S. FAY SULLEY

This is Exhibit "A" to the Affidavit of
S. FAY SULLEY
sworn on February 4th, 2016



A Commissioner for the taking of affidavits,
etc.

Jenna Louise Himelfarb, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires May 4, 2018.

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

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

Torkin|Manes
Barristers & Solicitors

December 31, 2015

Invoice No.: 270525

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

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

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

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Oct 21 15	DM	Met with Danny Weisz from Collins Barrow to commission affidavit and receive monitor report	0.20
Oct 22 15	DM	Met with Janice Chen to deliver monitor report and give instructions; commissioned affidavits for Janice Chen	0.20
Oct 26 15	SFS	Telephone discussion with Monitor	0.10
Oct 28 15	SFS	Preparation for and attendance at Court	2.00
Oct 29 15	SFS	Telephone discussion with client	0.30
Dec 14 15	SFS	Telephone discussion with Danny Weisz re Plan of Arrangement	0.50
Dec 15 15	SFS	Telephone discussion with Mervyn Abramovitz re Plan of Arrangement	0.50
Dec 16 15	SFS	Further telephone discussions with counsel re Plan of Arrangement	0.40

Page 2
December 31, 2015
Our File No.: 34487.0001
Invoice # 270525

Torkin | Manes
Barristers & Solicitors

Total Hours: 4.20

OUR FEE: \$2,451.00
HST: \$318.63
SUB-TOTAL: \$2,769.63

LAWYERS' SUMMARY: FEES SUBJECT TO HST:

<u>LAWYERS AND LEGAL ASSISTANTS INVOLVED</u>	<u>HOURLY RATE</u>	<u>HOURS WORKED</u>
David Master	190.00	.40
Fay Sulley	625.00	3.80
TOTAL HOURS		4.20

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Agents fees 60.00
Laser copies 66.90
126.90

Total Disbursements \$126.90
HST on Disbursements \$16.50

TOTAL DISBURSEMENTS AND HST: \$143.40

TOTAL FEE, DISBURSEMENTS & HST \$2,913.03

Page 3
December 31, 2015
Our File No.: 34487.0001
Invoice # 270525

Torkin | Manes
Barristers & Solicitors

BALANCE DUE AND OWING BY YOU

\$2,913.03

TORKIN MANES LLP

Per: Fay Sulley
Fay Sulley

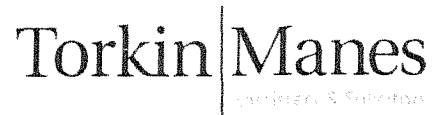
E. & O. E.

HST REGISTRATION NUMBER: R117245456

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

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

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



February 4, 2016

Invoice No.: 271278

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

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

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

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Jan 29 16	SFS	Telephone discussion with Danny Weisz; review plan of arrangement; review comments on plan of arrangement	1.00
Feb 01 16	SFS	Telephone discussion with Danny Weisz; review of Plan of Arrangement and Affidavit of Allan Schectman; review of correspondence from Philip Cho	1.50
Feb 02 16	SFS	Review of revised affidavit and plan of arrangement	0.50
Feb 02 16	SFS	Telephone discussion with Danny Weisz	0.20
Feb 03 16	SFS	Telephone discussion with Danny Weisz; review of monitor's report; review of correspondence from Morris Robinson	1.00
Feb 04 16	SFS	Finalize review of Report and prepare Court documents	1.00
		Total Hours:	5.20

Page 2
February 4, 2016
Our File No.: 34487.0001
Invoice # 271278

Torkin | Manes
Barristers & Solicitors

OUR FEE: \$3,250.00
HST: \$422.50
SUB-TOTAL: \$3,672.50

LAWYERS' SUMMARY: FEES SUBJECT TO HST:

<u>LAWYERS AND LEGAL ASSISTANTS INVOLVED</u>	<u>HOURLY RATE</u>	<u>HOURS WORKED</u>
Fay Sulley	625.00	5.20
TOTAL HOURS		5.20

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Laser copies 8.40
8.40

Total Disbursements \$8.40
HST on Disbursements \$1.09

TOTAL DISBURSEMENTS AND HST: \$9.49

TOTAL FEE, DISBURSEMENTS & HST \$3,681.99

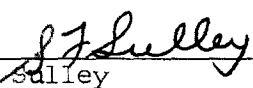
Page 3
February 4, 2016
Our File No.: 34487.0001
Invoice # 271278

Torkin | Manes
Barristers & Solicitors

BALANCE DUE AND OWING BY YOU

\$3,681.99

TORKIN MANES LLP

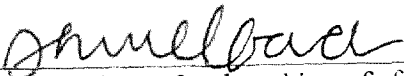
Per: 
Fay Sully

E. & O. E.

HST REGISTRATION NUMBER: R117245456

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

This is Exhibit "B" to the Affidavit of
S. FAY SULLEY
sworn on February 4th, 2016


A Commissioner for the taking of affidavits,
etc.

Jenna Louise Himelfarb, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law,
Expires May 4, 2018.

Summary of Lawyers

Lawyer	Year of Call	Hours Billed	Hourly Rate	Total Billed
S. Fay Sulley	1984	9	\$625.00	\$5,625.00
David Master	Articling Student	.40	\$190.00	\$76.00
TOTAL				\$5,701.00

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

AND

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

Court File Number CV-14-10655-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF S. FAY SULLEY
DATED FEBRUARY 4, 2016

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

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

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

Lawyers for the Monitor, Collins Barrow Toronto Limited

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

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

TENTH REPORT OF THE MONITOR
COLLINS BARROW TORONTO LIMITED
FEBRUARY 4, 2016

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