

BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.

**SECOND REPORT OF RICHTER ADVISORY GROUP INC.,
IN ITS CAPACITY AS MONITOR OF
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.**

NOVEMBER 21, 2014

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Court File No. CV-14-10659-00CL

**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
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.**

**SECOND REPORT OF RICHTER ADVISORY GROUP INC.
In its capacity as Monitor of Bombay & Co. Inc., Bowring & Co. Inc., and Benix & Co. Inc.**

November 21, 2014

Introduction

1. On August 6, 2014 (the "**Filing Date**"), the Ontario Superior Court of Justice (Commercial List) (the "**Court**") issued an order (the "**Initial Order**") granting Bombay & Co. Inc. ("**Bombay**"), Bowring & Co. Inc. ("**Bowring**") and Benix & Co. Inc., ("**Benix**", and together with Bombay and Bowring, the "**B+C Entities**") protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). Richter Advisory Group Inc. ("**Richter**") was appointed as monitor (the "**Monitor**"). The Initial Order provided the B+C Entities with, *inter alia*, a stay of proceedings until September 5, 2014 (the "**Stay Period**"). The proceedings commenced by the B+C Entities under the CCAA are herein referred to as the "**CCAA Proceedings**". The Initial Order also granted the B+C Entities the authority to enter into an agreement (the "**DIP Forbearance Agreement**") with their primary secured lender, Canadian Imperial Bank of Commerce ("**CIBC**" or the "**DIP Lender**"), pursuant to which the B+C Entities were able to secure interim financing and forbearance terms. A copy of the Initial Order is attached hereto as **Appendix "A"**.

2. On August 22, 2014, the Court issued an order (the "**August 22 Order**") which, among other things, authorized the B+C Entities to enter into an inventory liquidation consulting agreement (the "**Liquidation Consulting Agreement**") with Merchant Retail Solutions, ULC, an affiliate of Hilco Merchant Resources, LLC and Gordon Brothers Retail Partners, LLC (collectively, the "**Consultant**"), approved the sale and investment solicitation process proposed by the B+C Entities ("**SISP**"), and extended the Stay Period to November 28, 2014. A copy of the August 22 Order is attached hereto as **Appendix "B"**.

3. The principal purpose of the CCAA Proceedings are to: (i) ensure the ongoing operations of Bombay and Bowring; (ii) ensure that Bombay and Bowring have the necessary working capital funds to maximize the ongoing businesses of Bombay and Bowring for the benefit of the B+C Entities' stakeholders; (iii) restructure the operations of Bombay and Bowring, including the proposed closure of underperforming locations; and (iv) identify one or more parties interested in purchasing and/or investing in the B+C Entities' business or assets.

Purpose of this Report

4. The purpose of this report, the Monitor's second report (the **"Second Report"**) is to provide information to the Court in respect of the following:
 - (i) the activities of the B+C Entities and the Monitor since August 19, 2014 (the date of the First Report) to the date of this Second Report;
 - (ii) the B+C Entities' reported receipts and disbursements for the period from August 2, 2014 to November 8, 2014, including a comparison of reported to forecast results;
 - (iii) the B+C Entities' revised cash flow forecast for the period November 9, 2014 to January 31, 2015;
 - (iv) the B+C Entities' request for an extension of the Stay Period to January 20, 2015;
 - (v) the status of the Court-approved SISF; and
 - (vi) the Monitor's support for the Company's request that this Honourable Court grant an Order:
 - I. extending the Stay Period to January 20, 2015;
 - II. approving the report of Richter, in its capacity as proposed monitor dated August 6, 2014 (the **"Pre-Filing Report"**), the Monitor's First Report dated August 19, 2014 (the **"First Report"**) and this Second Report (collectively, the **"Reports"**), and the activities, actions and conduct of Richter and the Monitor set out therein. A copy of the Pre-Filing Report and the First Report are attached hereto as **Appendices "C"** and **"D"** respectively; and

- III. approving the Monitor's fees and disbursements for the period from June 27, 2014 to October 31, 2014 and those of the Monitor's counsel, Cassels Brock & Blackwell LLP ("**Cassels**") for the period from July 4, 2014 to November 14, 2014.

Terms of Reference

5. In preparing this Second Report, the Monitor has relied on unaudited financial information prepared by the representatives of the B+C Entities, the B+C Entities' books and records, discussions with the B+C Entities' management ("**Management**") and discussions with the B+C Entities' advisors. The Monitor has not conducted an audit or other verification of such information. Future oriented financial information reported or relied on in preparing this report is based on Management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.
6. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

The B+C Entities' Activities

7. The activities of the B+C Entities since the commencement of the CCAA Proceedings to August 19, 2014 are detailed in the First Report (see Appendix "D"). Subsequent to the filing of the First Report, the B+C Entities' activities have included:
- (i) preparing weekly financial reports for the DIP Lender;
 - (ii) communicating with key suppliers to secure goods and services during the CCAA Proceedings and to address payment terms;
 - (iii) responding to calls and enquiries from creditors and other stakeholders regarding the CCAA Proceedings;
 - (iv) reporting receipts and disbursements;
 - (v) making payments to suppliers for goods and services received following the issuance of the Initial Order;

- (vi) assisting the Monitor in carrying out the SISP, until a party related to Management informed the Monitor of its intention to participate in the SISP as a potential bidder (as discussed below), following which Management was excluded from participating in the SISP in any way that would impair the integrity of the SISP;
- (vii) reviewing the performance of each Bombay and Bowring store to identify those underperforming stores that should be considered for closure;
- (viii) communicating with the landlords for certain of the Bombay and Bowring stores to attempt to negotiate the form and terms of an agreement to assign the B+C Entities' rights and obligations under its retail leases to the Successful Bidder (as hereinafter defined);
- (ix) consulting with the Monitor regarding the B+C Entities' disclaimer of certain retail leases;
- (x) communicating with the Monitor and the Consultant regarding the Liquidation Consulting Agreement as well as the liquidation and closure of the underperforming Bombay and Bowring stores;
- (xi) negotiating with the DIP Lender two amendments to the DIP Forbearance Agreement pursuant to which CIBC agreed to (a) amend certain availability calculations and (b) extend the date by which the B+C Entities are required to implement blocked account agreements. Copies of the two amendments are attached hereto as **Appendices "E" and "F"**. Subject to certain terminating events, the forbearance period under the DIP Forbearance Agreement expires on January 20, 2015; and
- (xii) consulting with the Monitor and its counsel on various matters in connection with the CCAA Proceedings.

The Monitor's Activities

8. The activities of the Monitor from the commencement of the CCAA Proceedings up to August 19, 2014 are detailed in the First Report. Subsequent to the filing of the First Report, the Monitor's activities have included:
 - (i) implementing procedures for the monitoring of the B+C Entities' cash flows and for ongoing reporting of variances to the B+C Entities' cash flow forecast;

- (ii) assisting the B+C Entities with the preparation of their weekly report to CIBC in accordance with the terms of the DIP Forbearance Agreement;
- (iii) consulting with Management and, ultimately, approving the B+C Entities' disclaimer of certain retail leases;
- (iv) corresponding with the Consultant regarding the liquidation and closure of underperforming stores and the Liquidation Consulting Agreement;
- (v) attending frequently at the B+C Entities' premises and meeting with Management to discuss the B+C Entities' operations and the CCAA Proceedings;
- (vi) corresponding and communicating extensively with the B+C Entities, Isaac Bennet Sales Agency, F.B.I. Inc. and their respective legal counsel;
- (vii) corresponding and communicating with CIBC and its advisors;
- (viii) responding to calls and enquiries from creditors and other stakeholders regarding the CCAA Proceedings;
- (ix) communicating with interested parties regarding the SISP and responding to requests for additional information in connection with the B+C Entities' business and/or assets;
- (x) reviewing the offers submitted to the Monitor and communicating with certain of the offerors regarding their offer;
- (xi) consulting with CIBC regarding the offers;
- (xii) negotiating the terms of an offer to purchase (the "**Purchase Agreement**") with the Successful Bidder (as hereinafter defined) and working with the DIP Lender and the B+C Entities to assess risks associated with closing of such transaction; and
- (xiii) preparing this Second Report.

Cash Flow for the Period from August 2, 2014 to November 8, 2014

9. The B+C Entities' cash flow projection for the period August 2, 2014 to November 29, 2014 (the "**August 2 Cash Flow Forecast**") was filed with the Court in support of the B+C Entities' motion returnable August 22, 2014 for, *inter alia*, an extension of the Stay Period.
10. A comparison of the B+C Entities' budget to reported results for the period ending November 8, 2014, is summarized as follows:

Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc. Cash Flow Variance Analysis For the Period August 2, 2014 - November 8, 2014 (\$000's)			
	Forecast Total	Reported Total	Variance
Gross Receipts	\$ 38,087	\$ 34,551	\$ (3,536)
Disbursements			
Purchases	16,281	16,519	(238)
Rent	8,583	7,660	924
Store expenses & Other	5,944	3,119	2,825
Payroll	6,650	6,721	(71)
Sales Tax	1,680	2,555	(875)
Interest	557	263	294
Utilities	416	451	(35)
DIP Fee	175	175	-
Professional Fees	1,469	1,533	(64)
	\$ 41,755	\$ 38,996	\$ 2,759
Net Cash Flow	\$ (3,668)	\$ (4,445)	\$ (777)
Opening Bank Loan	\$ 14,767	\$ 14,783	\$ (16)
Closing Bank Loan	\$ 18,435	\$19,228	(\$793)

11. As reflected in the above summary table, the B+C Entities reported negative cash flow of approximately \$4.4 million and had an outstanding operating loan balance of approximately \$19.2 million as at November 8, 2014, which was approximately \$0.8 million higher than forecast.
12. The principal reasons for the unfavourable cash flow variance of approximately \$0.8 million are:
 - (i) the negative variance of approximately \$3.5 million in cash receipts is primarily due to lower than projected liquidation sales resulting from the liquidation/closure of fewer stores than forecast; and

- (ii) the positive variance of approximately \$2.8 million in disbursements is due, in part, to timing differences in the payment of certain expenses. However, approximately \$1.5 million of this positive variance is a permanent difference due to lower than projected rent expense and lower costs associated with the liquidation of inventory and other assets at certain Bombay and Bowring store locations, including liquidation fees and advertising expenses, as fewer Bombay and Bowring store locations were included in the liquidation than projected.

The B+C Entities' Request for an Extension of the Stay Period to January 20, 2015

13. The current Stay Period expires on November 28, 2014. The B+C Entities are seeking an extension of the Stay Period to January 20, 2015 (the end date of the forbearance period under the DIP Forbearance Agreement).
14. As the August 2 Cash Flow Forecast only runs until November 29, 2014, the B+C Entities, with the assistance of the Monitor, have prepared a revised consolidated forecast of its receipts, disbursements and financing requirements for the period November 9, 2014 to January 31, 2015 (the “**November 9 Cash Flow Forecast**”). A copy of the November 9 Cash Flow Forecast is attached hereto as **Appendix “G”** and is summarized below:

Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc. Consolidated Cash Flow Forecast For the Period November 9, 2014 - January 31, 2015 (\$000's)	
Gross Receipts	\$ 41,921
Disbursements	
Purchases	10,672
Rent	4,437
Store expenses & Other	6,296
Payroll	6,533
Sales Tax	1,724
Interest	177
Utilities	382
Professional Fees	867
	31,087
Net Cash Flow	10,835
Opening Bank Loan	19,228
Closing Bank Loan	\$8,394

15. The major changes to the underlying assumptions in the November 9 Cash Flow Forecast, as compared to the August 2 Cash Flow Forecast, are as follows:
- (i) sales projections have been revised based on reported results for the post-filing period; and
 - (ii) rent costs have been reduced to reflect recent cost levels, including the disclaimed store locations and certain concessions granted by landlords.
16. Similar to the August 2 Cash Flow Forecast, the November 9 Cash Flow Forecast assumes the status quo for operations and no closing of the contemplated transaction during the period of the revised projection.
17. The November 9 Cash Flow Forecast indicates that the B+C Entities will have sufficient liquidity to fund both operating costs and the costs of these CCAA Proceedings during the extension of the Stay Period, if granted.
18. The Monitor is of the view that the extension to the Stay Period is appropriate in the circumstances and supports the B+C Entities' request for an extension of the Stay Period for the following reasons:
- (i) the B+C Entities have acted and continue to act in good faith and with due diligence;
 - (ii) it will allow the contemplated transaction to be further advanced with the potential of finalizing a going concern sale or alternate transaction for which the B+C Entities would return to Court to seek approval of prior to the expiry of the requested extension. Alternatively, if for whatever reason the contemplated transaction cannot be finalized, the extension will permit the B+C Entities, in consultation with other stakeholders, sufficient time to consider alternatives and report to this Court accordingly;
 - (iii) the granting of the extension should not prejudice any employee or creditor, as the B+C Entities are projected to have sufficient funds to pay post-filing services and supplies, as contemplated by the November 9 Cash Flow Forecast;
 - (iv) CIBC supports the granting of the extension; and

- (v) if the extension is not granted, the B+C Entities would likely not be in a position to continue negotiating a going concern sale or alternate transaction to the detriment of all interested parties. Further, a wind-down or liquidation of the B+C Entities would eliminate a significant number of jobs that may be preserved if a successful sale or restructuring is effected.

The Sale and Investment Solicitation Process

- 19. As noted in the First Report, the SISP (a copy of which is attached hereto as **Appendix “H”**) provided a means for testing the market, gauging interest in the B+C Entities’ business and/or assets, and determining whether a transaction that would result in greater than forced liquidation value was available.
- 20. The purpose of the SISP was to identify one or more parties interested in acquiring and/or investing in the B+C Entities’ business and/or assets. The key aspects of the SISP and its results are summarized as follows:
 - (i) the Monitor, in consultation with the B+C Entities, assembled a list of potential interested parties, which included strategic/financial purchasers and liquidators (collectively, the **“Prospective Interested Parties”**). The Prospective Interested Parties included persons who regularly liquidate merchandise in insolvency proceedings;
 - (ii) commencing on August 27, 2014, the Monitor contacted approximately 105 Prospective Interested Parties to advise of the opportunity to acquire and/or invest in the B+C Entities’ business and/or assets. The Prospective Interested Parties were also provided with a “teaser” letter outlining the opportunity;
 - (iii) Prospective Interested Parties interested in obtaining additional information regarding the B+C Entities’ business and/or assets were required to execute a confidentiality agreement (**“CA”**) in order to obtain access to an electronic data room. A total of 16 parties executed the CA and were provided with data room access (the **“Interested Parties”**);
 - (iv) the Monitor, with the assistance of the B+C Entities, assembled information in an electronic data room. The data room contained financial and other information relevant to the B+C Entities’ business and assets to assist Interested Parties in completing their due diligence;

- (v) throughout the course of the SISP process, the Monitor facilitated due diligence by Interested Parties, including updating the data room with current financial and other information, as required;
- (vi) as per the SISP, Interested Parties were required to submit binding investment proposals and/or offers for the B+C Entities' business or assets on or before 12:00 p.m. (Eastern Standard Time) on September 26, 2014 (the "**Offer Deadline**"). As the Offer Deadline fell on a date that certain Interested Parties would be observing a religious holiday, the Offer Deadline was extended by the Monitor after consultation with the DIP Lender (in accordance with the terms of the SISP), to 12:00 p.m. (Eastern Standard Time) on September 29, 2014 (the "**Revised Offer Deadline**");
- (vii) two (2) conditional offers to purchase and/or liquidate the B+C Entities' assets were received by the Monitor prior to the Revised Offer Deadline. One (1) additional offer to purchase and/or liquidate the B+C Entities' assets was submitted to the Monitor shortly after the Revised Offer Deadline;
- (viii) one (1) of the Offers was submitted from a party related to Management. As per the terms of the SISP, following receipt of the Participation Notice (as defined in the SISP) on August 29, 2014, Management was excluded from any participation in the SISP that might create an unfair advantage or jeopardize the integrity of the SISP;
- (ix) based on the Offers submitted to the Monitor, no auction (as provided for in the SISP) was required. According to the SISP, in circumstances where no auction was required and Management has submitted a Participation Notice (as defined in the SISP), the Monitor, after consulting with the DIP Lender, had sole discretion to accept an offer or refuse all offers received;
- (x) following its review of the Offers, the Monitor prepared a schedule summarizing/comparing the Offers (the "**Offer Summary**"). After discussing the Offers and Offer Summary with CIBC, the Monitor contacted the party that submitted the winning bid (the "**Successful Bidder**") to address certain concerns with its offer and "firm up" the contemplated transaction; and

- (xi) as the SISP contemplated the Monitor filing a motion with the Court for approval of the accepted offer on or before October 8, 2014 (the **"Sale Approval Motion"**) and certain aspects of the contemplated transaction were (and still are) being negotiated as that deadline approached, the Monitor, after consultation with the DIP Lender, extended the date the Monitor was required to file the Sale Approval Motion.
- 21. When it became apparent that there was at least one going-concern sale opportunity for the B+C Entities' business, the B+C Entities began formulating a process to communicate to the landlords of the retail leases to be assumed as part of the Purchase Agreement to settle the amount of cure costs owed to them, if any, and eventually obtain the landlords' consent to an assignment of the relevant leases.
- 22. The Monitor understands that the B+C Entities and its advisors have been actively working to resolve any landlord concerns and resolve any cure costs that are owed to landlords.

Request for Approval of the Monitor's Activities and the Fees/Expenses of the Monitor and its Counsel

- 23. The Monitor has reported on the status of the CCAA Proceedings and its actions and activities thereto, from time to time, in multiple Reports to this Honourable Court during the CCAA Proceedings. As detailed in the Reports, to the best of the Monitor's knowledge, the Monitor has carried out its duties, as set out in the Initial Order and in subsequent Orders.
- 24. The Monitor and Cassels have maintained detailed records of their professional time and costs. The Monitor is seeking approval of its fees and disbursements for the period from June 27, 2014 to October 31, 2014 and those of Cassels for the period from July 4, 2014 to November 14, 2014 (the **"Periods"**) in connection with the performance of their duties in these CCAA Proceedings.
- 25. Pursuant to paragraphs 29, 30 and 31 of the Initial Order, any expenditure or liability properly made or incurred by the Monitor, including the fees and disbursements of the Monitor and the fees and disbursements of its legal counsel, were authorized to be paid on a periodic basis subject to any final assessment or taxation as may be ordered by the Court. In addition, an Administration Charge, in the amount of \$750,000, was granted as security for the professional fees and disbursements of the Monitor, the Monitor's counsel and the Company's counsel in respect of these CCAA Proceedings.

26. The total fees of the Monitor during the Periods amount to \$900,117.75, together with expenses and disbursements in the amount of \$36,169.58 (both excluding GST / HST) (collectively, the **“Monitor’s Fees and Disbursements”**). The time spent by the Monitor’s personnel during the Periods is more particularly described in the Affidavit of G. Benchaya, sworn on November 21, 2014 in support hereof and attached as **Appendix “I”** to this report (the **“Benchaya Affidavit”**). The Benchaya Affidavit includes a summary of the personnel, hours, and hourly rates charged by the Monitor in respect of the within proceedings for the Periods.
27. The total fees for services provided by Cassels during the Periods amount to \$284,682.22, including expenses and disbursements (excluding GST / HST) (collectively, the **“Cassels’ Fees and Disbursements”**). The time spent by Cassels personnel during the Periods is more particularly described in the Affidavit of L. Ellis, sworn November 20, 2014 in support hereof and attached as **Appendix “J”** to this report (the **“Ellis Affidavit”**). Included in the Ellis Affidavit is a summary of the personnel, hours, and hourly rates charged by Cassels in respect of the within proceedings for the Periods.
28. The Monitor respectfully submits that the Monitor’s Fees and Disbursements and the Cassels’ Fees and Disbursements are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Initial Order. Accordingly, the Monitor now seeks the approval of the Monitor’s Fees and Disbursements and the Cassels’ Fees and Disbursements.

Monitor’s Conclusions and Recommendations

29. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court issue an Order:
- (i) extending the Stay Period to January 20, 2015;
 - (ii) approving the Reports and the activities of Richter and the Monitor detailed therein; and
 - (iii) approving the Monitor’s Fees and Disbursements and Cassels’ Fees and Disbursements.

All of which is respectfully submitted this 21st day of November, 2014.

Richter Advisory Group Inc.
in its capacity as Proposed Monitor of
Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc.

Per:

A handwritten signature in black ink, appearing to be 'P. van Eyk', written over a light gray rectangular background.

Paul van Eyk, CPA, IFA, CIRP

A handwritten signature in black ink, appearing to be 'Adam Sherman', written in a cursive style.

Adam Sherman, MBA, CIRP

APPENDIX “A”

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	WEDNESDAY, THE 6 TH
)	
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 BOMBAY & CO. INC., BOWRING &
CO. INC. AND BENIX & CO. INC. (the "Applicants")

INITIAL ORDER

THIS APPLICATION, made by the Applicants, 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 Freddy Benitah sworn August 6, 2014 and the Exhibits thereto (the "Benitah Affidavit"), and the Pre-filing Report of the proposed Monitor, Richter Advisory Group Inc. ("Richter") dated August 6, 2014 (the "Pre-filing Report") 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 Applicants, Canadian Imperial Bank of Commerce ("CIBC") and Richter, and on reading the consent of Richter 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 each Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicants 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 Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively, the "Property"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (collectively, the "Business") and Property. The Applicants are 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 them, with liberty to retain such further Assistants as they deem 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 to continue to utilize the central cash management system currently in place as described in the Benitah Affidavit and replace it with the blocked account and central cash management system contemplated in the Facility Agreement (as defined below) and the Definitive Documents (as defined below) (the "Cash Management System") and that any present or future bank providing the Cash

Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. THIS COURT ORDERS that the Applicants 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 (including expenses incurred by employees on behalf of the Applicants on company or employee credit cards for which the employee is personally liable) 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 including any and all cheques for such employee obligations which have been issued, but not cleared prior to the date of this Order;
- (b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges;
- (c) amounts owing to vendors (including, without limitation, foreign sales agents, suppliers, transportation providers and customs brokers) determined by the Applicants to be necessary in order to ensure an uninterrupted supply of goods and services to the Applicants and material to the continued operation of the Business, provided that such payments are approved in advance by the Monitor or by further Order of the Court; and
- (d) amounts payable in respect of customs and duties;

and to continue to honour or comply with existing warranty and return policies, customer deposits, customer layaways and pre-payments, gift cards and similar programs offered by the Applicant.

7. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants 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, maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

8. THIS COURT ORDERS that each 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, (iii) Quebec 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 it, 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 Applicant.

9. THIS COURT ORDERS that until a real property lease is disclaimed or resiliated in accordance with the CCAA, each Applicant shall pay all amounts constituting rent or payable by it 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.

10. THIS COURT ORDERS that, except as specifically permitted herein, the Applicants are 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 Applicants to any of their 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

11. THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of their business or operations,
- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate; and
- (c) pursue all avenues of refinancing of their 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 Applicants to proceed with an orderly restructuring of the Business (the "Restructuring").

12. THIS COURT ORDERS that each Applicant shall provide each of the relevant landlords with notice of its 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 an 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 relevant Applicant, or by further Order of this Court upon application by the relevant Applicant on at least two (2) days' notice to such landlord and any such secured creditors. If an Applicant disclaims or resiliates 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 or resiliation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

13. THIS COURT ORDERS that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the relevant Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, 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 relevant 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 APPLICANTS OR THE PROPERTY

14. THIS COURT ORDERS that until and including September 5, 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 any of the Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all

Proceedings currently under way against or in respect of any of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. 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 any of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower any Applicant to carry on any business which such 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

16. 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 any of the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with any of the Applicants 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 any of the Applicants, 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 relevant Applicants, and that the Applicants shall be entitled to the continued use of their 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 relevant Applicant in accordance with normal payment practices of such Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the relevant Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. 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 any of the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. 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 any of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants 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 Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. THIS COURT ORDERS that each 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.

21. THIS COURT ORDERS that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall be allocated such that the Property of each Applicant shall stand as security

for the indemnity of such Applicant in favour of its officers and directors, and shall not exceed an aggregate amount of \$1 million in respect of the Property of Bombay & Co. Inc., \$600,000 in respect of the Property of Bowring & Co. Inc., and \$100,000 in respect of the Property of Benix & Co. Inc., as security for the indemnities provided in paragraph 20 of this Order. The Directors' Charge shall have the priority set out in paragraphs 39 and 41 herein.

22. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 20 of this Order.

APPOINTMENT OF MONITOR

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

24. 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 Applicants' 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) assist the Applicants, to the extent required by the Applicants, in its dissemination, to the DIP Lender and its counsel on a weekly basis of financial and other information

as agreed to between the Applicants and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;

- (d) advise the Applicants in the preparation of their cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than weekly, or as otherwise agreed to by the DIP Lender;
- (e) advise the Applicants in their development of the Plan and any amendments to the Plan;
- (f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) 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 Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;
- (h) 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
- (i) perform such other duties as are required by this Order or by this Court from time to time.

25. 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.

26. 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.

27. THIS COURT ORDERS that that the Monitor shall provide any creditor of the Applicants and the DIP Lender with information provided by the Applicants 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 Applicants 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 Applicants may agree.

28. 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.

29. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a bi-weekly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicants, retainers

in the amounts of \$75,000, \$35,000 and \$35,000, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time

30. 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.

31. THIS COURT ORDERS that the Monitor, counsel to the Monitor, if any, and the Applicants' 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 \$750,000, 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 paragraphs 39 and 41 hereof.

DIP FINANCING

32. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to obtain and borrow under their existing credit facilities from CIBC (the "DIP Lender") in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures, provided that aggregate borrowings under such credit facilities shall not exceed \$20 million unless permitted by further Order of this Court.

33. THIS COURT ORDERS THAT such credit facilities shall be on the terms and subject to the conditions set forth in the Amended, Restated and Consolidated Credit Agreement between CIBC and the Applicants dated as of December 13, 2010 (as amended, the "Existing Credit Agreement"), as amended by the First Amended and Restated Forbearance Agreement between CIBC and the Applicants dated as of August 5, 2014 (the "DIP Forbearance Agreement") (the Existing Credit Agreement and the DIP Forbearance Agreement, being together the "Facility Agreement"), filed.

34. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to execute and deliver such additional credit agreements, mortgages, charges, hypothecs and security documents, guarantees, blocked account and other control agreements and other definitive documents (together with all such definitive documents previously executed and

delivered by the Applicants and presently in force and effect, the "Definitive Documents"), as are contemplated by the Facility Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Facility Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

35. THIS COURT ORDERS that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "DIP Lender's Charge") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 39 and 41 hereof.

36. THIS COURT ORDERS that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Facility Agreement, the Definitive Documents or the DIP Lender's Charge, a Terminating Event (as defined in the Facility Agreement), or following the Termination Date (as defined in the Facility Agreement), the DIP Lender may exercise any of its rights and remedies against the Applicants or the Property under or pursuant to the Facility Agreement, Definitive Documents and the DIP Lender's Charge, subject to the following:
 - (i) the DIP Lender shall give the Applicants and the Monitor not less than three (3) business days' notice of its intention to enforce its rights and remedies against the Applicants and the Property (other than rights and remedies under the DIP Charge or other security) under the Facility Agreement and the Definitive Documents, including to cease making advances to the Applicants, to set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the obligations of the Applicants to the DIP Lender under the Facility Agreement, the Definitive Documents and the DIP Lender's Charge, to accelerate payments and give other notices;
 - (ii) any exercise by the DIP Lender of its rights and remedies against the Applicants or the Property under the DIP Charge or other security shall be

by application to the Court for the appointment of a receiver made on at least three (3) business days' notice to the Applicants and the Monitor; and

(iii) during the notice periods referred to in subparagraphs (i) and (ii) above, which notice periods may run concurrently, the DIP Lender shall continue to fund only the payment by the Applicants of employee wages, Priority Payables (as defined in the Facility Agreement) and, provided there is sufficient availability, such expenditures as are contemplated in the then current Approved CCAA Cash Flows (as defined in the Facility Agreement) and reasonably requested by the Applicants and as agreed by the Lender acting in its sole and unfettered discretion;

(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

37. **THIS COURT ORDERS AND DECLARES** that the DIP Lender, with respect to the Facility Agreement and the Definitive Documents shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), or any plan of arrangement filed under the *Canada Business Corporations Act* or equivalent provincial legislation, with respect to any advances made under the Facility Agreement or the Definitive Documents and in furtherance thereof the DIP Lender, in its capacity as pre-filing lender and DIP Lender under the Facility Agreement shall be unaffected by the stay of proceedings provided for in paragraphs 14 through 17 hereof, but subject to the conditions as set out in paragraph 36(b) (i) through (iii).

38. **THIS COURT ORDERS** that the Applicants are hereby authorized to pay to the DIP Lender, in accordance with the terms of the Facility Agreement and the Definitive Documents, from funds on hand, or from funds generated by post-filing sales of inventory or otherwise, any and all amounts owing by the Applicants on account of their pre-filing indebtedness.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

39. **THIS COURT ORDERS** that the priorities of the Directors' Charge, the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

First – Administration Charge;

Second – Directors' Charge; and

Third – DIP Lender's Charge.

40. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge or the DIP Lender's Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

41. THIS COURT ORDERS that each of the Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges 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, with the exception, pending further Order of this Court, of:

- (a) subject to paragraph 45 hereof, those secured creditors with validly perfected security against the Property who have not been served with the materials filed in support of this Order, and
- (b) validly perfected purchase money security interests and statutory claims for sales taxes or employment related liabilities that have priority over the Existing Security (as defined in the Facility Agreement).

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

43. THIS COURT ORDERS that the Directors' Charge, the Administration Charge, the Facility Agreement, the Definitive Documents and the DIP Lender's Charge shall not be

rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lender thereunder 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 any of the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Facility Agreement or the Definitive Documents shall create or be deemed to constitute a breach by any of the Applicants 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 Applicants entering into the Facility Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Applicants pursuant to this Order, the Facility Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

44. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

45. THIS COURT ORDERS that the Monitor shall send by courier or registered mail a copy of this Order, with a cover letter referencing this paragraph and directing the recipient to the materials filed in support of this motion as posted on the Monitor's website, to all parties who have registered financing statements in accordance with the Personal Property Security Act

(Ontario) or similar provincial statutes in Canada (other than those described in paragraph 41(b) hereof) (each a “Secured Party” and collectively the “Secured Parties”) to the addresses noted for such party noted therein within 2 business days of the date of this Order. Any Secured Party who wishes to oppose or challenge the terms of this Order including the priority of the Charges granted herein must do so by delivering responding material to the Applicants, the Monitor, and the DIP Lender no later than August 19, 2014 and a motion to hear such objection will be scheduled no later than August 22, 2014. The security interest of all Secured Creditors who do not deliver responding materials as aforesaid will be subordinate to the Charges effective August 19, 2014.

SERVICE AND NOTICE

46. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in the Globe and Mail a notice containing the information prescribed under the CCAA, (ii) within five days after the 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 Applicants 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.

47. 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 “www.richter.ca/en/insolvency-cases/b/bombay-and-co-inc-bowring-and-co-inc-benix-and-co-inc”.

48. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicants 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 Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants 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

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

50. 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 Applicants, the Business or the Property.

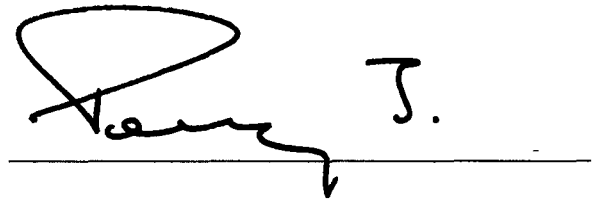
51. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants 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 Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

52. THIS COURT ORDERS that each of the Applicants 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.

53. THIS COURT ORDERS that any interested party (including the Applicants 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.

53A. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.



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

AUG - 6 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 AND ARRANGEMENT INVOLVING BOMBAY & CO. INC. ,
BOWRING & CO. INC. AND BENIX & CO. INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]**

Proceedings commenced in Toronto

INITIAL ORDER

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Lawyers for the Applicants

APPENDIX “B”

THE HONOURABLE MR. FRIDAY, THE 22nd
JUSTICE HAINES DAY OF AUGUST, 2014

AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT
INVOLVING BOMBAY & CO. INC., BOWRING & CO INC. AND BENIX & CO. INC.

(Re Approval of Inventory Liquidation Consulting Agreement, SISP and stay extension)

THIS MOTION, made by Bombay & Co. Inc. ("Bombay"), Bowring & Co. Inc. ("Bowring") and Benix & Co. Inc. ("Benix", and together with Bombay and Bowring, the "B&C Entities"), 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 Freddy Benitah affirmed August 15, 2014 and the Exhibits thereto (the “Benitah Affidavit”), and the first report of the monitor, Richter Advisory Group Inc. (the “Monitor”) dated August 19, 2014 (the “First Report”) and on hearing the submissions of counsel for the B&C Entities, counsel for the Canadian Imperial Bank of Commerce (the “DIP Lender”), counsel for the Monitor, and such other parties as were present, no one else appearing although duly served as appears from the affidavits of service of Tasha Boyd sworn August 18, 2014 and August 20, 2014,

SERVICE

1. THIS COURT ORDERS that the time for service 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.

APPROVAL OF INVENTORY LIQUIDATION CONSULTING AGREEMENT

2. THIS COURT ORDERS AND DECLARES that the inventory liquidation consulting agreement dated August 15, 2014 (the “Inventory Liquidation Consulting Agreement”) described in the affidavit of Freddy Benitah affirmed on August 15, 2014 (the “Benitah Affidavit”) and attached thereto as Exhibit “C” (subject to such non-material amendments as may be agreed to by the B&C Entities and approved by the Monitor, after consultation with the DIP Lender) among the B&C Entities and a joint venture comprised of Merchant Retail Solutions, ULC, an affiliate of Hilco Merchant Resources, LLC, and Gordon Brothers Canada ULC, an affiliate of Gordon Brothers Retail Partners LLP (collectively, the “Consultant”) be and is hereby approved and the B&C Entities and the Monitor, after consultation with the DIP Lender, are hereby authorized and directed to take such steps as they deem necessary or advisable to carry out the Inventory Liquidation Consulting Agreement.

3. THIS COURT ORDERS that the Sale Guidelines attached hereto as Schedule “A” be and are hereby approved and that the liquidation of the inventory and FF&E in the Stores (as defined in the Inventory Liquidation Consulting Agreement) shall be conducted in accordance with such Sale Guidelines. In the event of a conflict as between the terms of the Inventory Liquidation Consulting Agreement and the terms of the Sale Guidelines, the terms of the Sale Guidelines shall prevail.

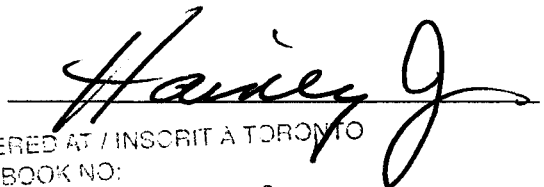
SALE AND INVESTMENT SOLICITATION PROCESS

4. THIS COURT ORDERS that the sale and investment solicitation process (the “SISP”) attached hereto as Schedule “B” (subject to such non-material amendments as may be agreed to by the B&C Entities and approved by the Monitor, after consultation with the DIP Lender) is hereby approved and the B&C Entities and the Monitor, after consultation with the DIP Lender, are hereby authorized and directed to take such steps as they deem necessary or advisable to

carry out the SISP, subject to prior approval of this Court being obtained before completion of any such sale or financing under the SISP.

STAY EXTENSION

5. THIS COURT ORDERS that the Stay Period (as defined in paragraph 14 of the Initial Order be and is hereby extended until and including November 28, 2014.


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Schedule “A”

SALE GUIDELINES

The following procedures shall apply to any sale of inventory ordinarily sold in the Stores (as defined below) and located in the Stores, warehouse or distribution centres, and assets or other property owned by the B&C Entities (as defined by the Order to which these Sale Guidelines are appended – the **"Order"** which B&C Entities are referred to as the **"Merchant"** herein), other than real property leases, (collectively, the **"Merchandise"**) and any fixtures, furniture and equipment (collectively, the **"FF&E"**) owned by the Merchant in connection with a sale (the **"Sale"**) to be held by the Merchant with the assistance of the Consultants (as such term is defined in the Order) in the Merchant's retail stores (individually a **"Store"** and, collectively, the **"Stores"**), such Sale to end by no later than November 24, 2014:

1. Except as otherwise expressly set out herein, and subject to: (i) an Order of the Ontario Superior Court of Justice (Commercial List) (the **"Court"**) approving the Inventory Liquidation Consulting Agreement; or (ii) any written agreement between the Merchant and the applicable landlord(s) (individually, a **"Landlord"** and, collectively, the **"Landlords"**), or (iii) as otherwise set forth herein, the Sale shall be conducted in accordance with the terms of the applicable leases/or other occupancy agreements for each of the affected Stores (individually, a **"Lease"** and, collectively, the **"Leases"**).
2. The Sale shall be conducted so that the Stores remain open during the normal hours of operation provided for in the respective Leases for the Stores. Rent payable under the respective Leases shall be paid as provided in the Initial CCAA Order dated August 6, 2014.
3. The Sale shall be conducted in accordance with applicable federal, provincial and municipal laws, unless otherwise ordered by the Court.
4. All display and hanging signs used by the Merchant in consultation with the Consultant in connection with the Sale shall be professionally produced and all hanging signs shall be hung in a professional manner. The Merchant may advertise the Sale at the Stores as a "sale on everything", "store closing" or similar theme sale at the Stores (save that no signs shall advertise the Sale as "bankruptcy", "a liquidation" or a "going out of business sale"). Forthwith upon request, the Merchant shall provide the proposed signage packages by e-mail or facsimile to the applicable Landlords or to their counsel of record and the applicable Landlord shall notify the Merchant of any requirement for such signage to otherwise comply with the terms of the Lease and/or the Sale Guidelines and where the provisions of the Lease conflicts with these Sale Guidelines, these Sale Guidelines shall govern. The Merchant shall not use neon or day-glo or handwritten signage, other than "you pay" and "topper" signs. If a Landlord is concerned with "Store Closing" signs being placed in the front window of a Store or with the number or size of the signs in the front window, the Merchant and the Landlord will discuss the Landlord's concerns and work to resolve the dispute. Furthermore, with respect to enclosed mall Store locations without a separate entrance from the exterior of the enclosed mall, no exterior signs or signs in common areas of a mall shall be used unless permitted by the applicable Lease. Nothing contained herein shall be construed to create or impose upon the Merchant any additional restrictions not contained in the applicable Leases. In

addition, the Merchant shall be permitted to utilize exterior banners/signs only at stand alone or strip mall Stores or enclosed mall Stores with a separate entrance from the exterior of the enclosed mall; provided, however, that where such banners are not permitted by the applicable Lease and the Landlord requests in writing that the banners are not to be used, no banners shall be used. Any banners permitted to be used shall be located or hung so as to make clear that the Sale is being conducted only at the affected Store and shall not be wider than the premises occupied by the affected Store. All exterior banners shall be professionally hung and to the extent that there is any damage to the façade of the premises of a Store as a result of the hanging or removal of the exterior banner, such damage shall be professionally repaired at the expense of the Merchant.

5. The Merchant shall be permitted to utilize sign walkers and street signage; provided, however, such sign walkers and street signage shall not be located on the shopping centre or mall premises.
6. Conspicuous signs shall be posted in the cash register areas of each Store to the effect that all sales are "final" and that customers with any questions or complaints subsequent to the conclusion of the Sale may contact a named representative of the Merchant or the Consultant at a specified telephone number.
7. The Merchant shall not distribute handbills, leaflets or other written materials to customers outside of any of the Stores, unless permitted by the applicable Lease or, if distribution is customary in the shopping centre in which the Store is located. Otherwise, the Merchant may solicit customers in the Stores themselves. The Merchant shall not use any giant balloons, flashing lights or amplified sound to advertise the Sale or solicit customers, except as permitted under the applicable Lease or agreed to by the Landlord.
8. At the conclusion of the Sale, the Merchant shall arrange that the premises for each Store are in "broom-swept" and clean condition, and shall otherwise leave the Stores in the same condition as on the commencement of the Sale, ordinary wear and tear excepted. No fixtures may be removed without complying with the provisions of the Initial Order of the Court, dated August 6, 2014. In any event, no property of any landlord of a Store shall be removed or sold during the Sale.
9. Subject to paragraph 8 above, the Merchant in consultation with the Consultant may sell furniture, fixtures and equipment ("FF&E") owned by the Merchant and located in the Stores during the Sale. The Merchant may advertise the sale of FF&E consistent with the guidelines provided in paragraphs 4 and 6 hereof on the understanding that the Landlord may require such signs to be placed in discreet locations within the Store reasonably acceptable to the Landlord. Additionally, the purchasers of any FF&E sold during the Sale shall only be permitted to remove the FF&E either through the back shipping areas designated by the Landlord or through other areas after regular store business hours or through the front door of the Store during Store business hours if the FF&E can fit in a shopping bag with Landlord's supervision as required by the Landlord. The Merchant shall repair any damage to the Stores resulting from the removal of any FF&E.
10. The Merchant shall not make any alterations to interior or exterior Store lighting. No property of any landlord of a Store shall be removed or sold during the Sale. The hanging of exterior banners or other signage shall not constitute an alteration to a Store.

11. The Consultant and its representatives shall have the same access rights to the Stores as the Merchant under the terms of the applicable leases, and the landlords shall have the rights of access to the Stores during the Sale provided for in the applicable leases (subject, for greater certainty, to the stay of proceedings set out in the Initial Order of the Court, dated August 6, 2014).
12. The Merchant shall not conduct any auctions of Merchandise or FF&E at any of the Stores. Subject to an agreement between the Merchant and the Landlords, the Merchant shall not augment the Merchandise included in the Sale except that they shall be entitled to include in the Sale, Merchandise to be located in the Merchant's distribution centre provided that it had been ordered by the Merchant prior to August 6, 2014 but has not yet been delivered.
13. Except with respect to FF&E that can fit in a shopping bag, removal of other furniture, movable fixtures and equipment shall take place before or after the regular hours of the Store or shopping center and through service of the exits and corridors designated by the landlord. The Merchant may abandon any of the FF&E not sold in the Sale at the Store premises at the conclusion of the Sale; provided however the landlord for the subject Store shall have the right to remove and dispose of such property without liability to the Merchant.
14. The Consultant shall designate a party to be contacted by landlords should a dispute arise concerning the conduct of the Sale. The initial contact person for Consultant shall be Ian Fredericks who may be reached by phone at (847) 418-2075 or email at ifredericks@hilcoglobal.com. If the parties are unable to resolve the dispute between themselves, the Landlord or Merchant shall have the right to schedule a "status hearing" before the Court on no less than **two (2) days** written notice to the other party or parties, during which time the Merchant shall cease all activity in dispute other than activity expressly permitted herein, pending the determination of the matter by the Court.
15. Nothing herein or in the Inventory Liquidation Consulting Agreement is, or shall be deemed to be a consent by any landlord to the sale, assignment or transfer of any leases or grant to the landlord any greater rights than already exist under the terms of any applicable leases.
16. For greater certainty, the Consultant is acting as the Merchant's consultant in accordance with the terms of the Inventory Liquidation Consulting Agreement. The Consultant shall have no different rights than the Merchant in the conduct of the liquidation shall and shall be bound by the same terms as the Merchant with respect thereto.
17. These Guidelines can be amended by written agreement between the Merchant and the applicable Landlord.

Schedule “B”

SALE AND INVESTOR SOLICITATION PROCESS ("SISP")

Overview

1. Benix & Co. Inc., Bombay & Co. Inc. and Bowring & Co. Inc. (collectively the "**Applicants**") are three (3) separate legal entities:
 - (i) Bombay & Co. Ltd., which currently operates fifty-five (55) stores across Canada and offers large furniture, small occasional furniture, wall décor and home accessories;
 - (ii) Bowring & Co. Ltd., which currently operates fifty-seven (57) stores across Canada and offers giftware, fashion tableware, and decorative home accessories; and
 - (iii) Benix & Co. Ltd., which closed its final store in June, 2014, and prior to closing operated a chain of stores specializing in housewares, with a focus on cooking, home entertaining and giftware.
2. As a result of sustained losses and insufficient liquidity to finance operations, the Applicants, on August 6, 2014, obtained an order (the "**Initial Order**") for protection, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c.C-36, as amended ("**CCAA**"). Richter Advisory Group Inc. was appointed as the monitor of the Applicants (the "**Monitor**").
3. The Applicants and the Monitor believe that prospective buyers and/or investors will be interested in purchasing or investing in the Applicants' business for the following reasons:
 - (i) the Applicants have developed a restructuring plan, which includes the closure of underperforming store locations, significant cost cutting measures including headcount reductions and rent reductions, and an overall focus on profitable stores;
 - (ii) the Applicants have strong, established brand names, which are considered to be a staple in the home furniture and housewares industry in Canada;
 - (iii) the Applicants have a widespread national retail presence, including desirable store locations across Canada;
 - (iv) the Applicants have well established distribution channels; and
 - (v) the Applicants have an experienced management team capable of delivering on the Applicants' restructuring plan.

4. The Applicants, with the assistance of the Monitor, will be conducting a liquidation process concurrent with the SISP. The purpose of the concurrent process will be to effect the closure of those stores that are cash negative stores or otherwise have a net negative effect on the Applicants' overall business. References made to the "Applicants business" in this SISP refer only to those stores and operations that the Applicants, in consultation with the Monitor, intend to continue operating and exclude those stores that will be closed.

Objectives

5. The Objective of the SISP are to:
 - (i) solicit offers from the market from those parties that are interested in refinancing the Applicants' business in an amount at least sufficient to repay all indebtedness owing to secured creditors of the Applicants and to provide sufficient working capital for the Applicants' ongoing business (the "**Investment Proposal**");
 - (ii) solicit offers from the market from those parties that are interested in purchasing the Applicants' business or a portion thereof (the "**Sale Proposal**");
 - (iii) ensure that the SISP is fair and effective for all parties, and is undertaken in a cost-effective manner;
 - (iv) preserve the continuity of the Applicants' operations during the SISP; and
 - (v) maximize value for the Applicants' stakeholders.(collectively the "**SISP Objectives**")

Role of the Monitor

6. The Monitor, will be responsible for managing all aspects of the SISP, while consulting with the Applicants' management ("**Management**") on how best to achieve the SISP Objectives. The Monitor's primary responsibilities will include:
 - (i) preparing a list of potential buyers and investors;
 - (ii) drafting of an initial offering summary ("**Teaser Letter**");
 - (iii) assisting legal counsel with the preparation of a confidentiality agreement ("**CA**");
 - (iv) populating and managing an electronic data room ("**Data Room**");

- (v) assisting legal counsel with the preparation of a template offer;
 - (vi) managing all communications with prospective buyers or investors and negotiating transactional documentation; and
 - (vii) consulting with the Canadian Imperial Bank of Commerce, in its capacity as "**DIP Lender**", throughout the process as the Monitor determines is appropriate and in accordance with the First Amended and Restated Forbearance Agreement among the Applicants, as borrowers and guarantors, and the DIP Lender, as lender, dated as of August 5, 2014 (as amended, revised, restated and/or replaced, from time to time to time, referred to as the "**FARFA**") and the Credit Agreement (as the term "**Credit Agreement**" is defined in the FARFA).
7. The Monitor, in consultation with Management, will have responsibility for managing all communications with prospective purchasers prior to and after receipt of binding offers. These communications include, but are not limited to, facilitating the delivery of all communications, contacting prospective purchasers/investors and providing them with the Teaser Letter, coordinating the execution of CAs, soliciting and tracking all expressions of interest, facilitating any requests for tours of the Applicants' facilities, managing the process of answering all inquiries from purchasers/investors, coordinating any presentations that may be requested by purchasers/investors, soliciting and tracking all offers and reviewing and negotiating transactional documentation.

Role of Management

8. Management shall assist the Monitor with the preparation of all of the material listed above and generally cooperate with the Monitor with all actions necessary to achieve the SISP Objectives.
9. Management has advised the Monitor that it, or a related party or parties, may submit a bid for the purchase of the Applicants' business. Any such party or parties who is/are interested to do so must advise the Monitor in writing of such intention on or before August 29, 2014 (the "**Participation Notice**"). Upon receipt of a Participation Notice, Management will be excluded from any participation in the SISP that might create an unfair advantage or jeopardize the integrity of the SISP. For greater certainty any such party or parties delivering a Participation Notice will be subject to the SISP procedures as an Interested Party.

Identification of Potential Interested Parties

10. The Monitor, after consultation with Management and the DIP Lender, will develop a list of strategic and financial parties who may be interested in

investing in the Applicants and/or acquiring the Applicants' business (the "**Potential Bidders**").

11. The Applicants will obtain a Court order approving, *inter alia*, the SISP on or before August 22, 2014 (the "**SISP Approval Order**").

Sale and Investor Solicitation Process

12. The Monitor will, on or before August 27, 2014, distribute the Teaser Letter to all Potential Bidders and any other party who requests same.
13. Potential Bidders who wish to commence due diligence will be required to sign a CA, in a form acceptable to the Monitor.
14. Upon execution of a CA, the Monitor will provide each Potential Bidder (now an "**Interested Party**") with:
 - (i) a copy of the SISP; and
 - (ii) access to the Data Room, where information in connection with the Applicants' business will be available.

(collectively the "**Data Room Information**")

15. The Monitor will work with Management to complete the population of the Data Room with the Data Room Information on or before August 29, 2014. The Applicants, in consultation with the Monitor, reserve the right to limit any Interested Party's access to the Data Room Information where, in the Applicants' discretion, to do so could negatively impact the Applicants' business operations.
16. The Monitor will provide each Interested Party with the form of template offer ("**Template Offer**") on or before August 29, 2014. Each Interested Party who wishes to advance an Investment Proposal may do so in any form provided it meets the requirements set out in Section 18(ii) hereof.
17. Requests from Interested Parties for additional information will be made to the Monitor. Subject to Section 9 of the SISP, the Monitor, where necessary, will coordinate its responses to requests for additional information with Management.
18. Each Interested Party will be required to submit an irrevocable offer to the Monitor on or before 12:00 noon (EST) on September 26, 2014 (the "**Offer Deadline**"), which offer, shall set out to the extent applicable, among other things:
 - (i) in the case of a Sale Proposal, an executed offer containing the following terms and information: (i) the purchase price (including

the liabilities to be assumed by the Interested Party); (ii) any of the Applicants' assets and liabilities to be excluded; (iii) the structure and financing of the transaction (including, but not limited to, the sources of financing for the purchase price, evidence of the availability of such financing and the steps necessary and associated timing to obtain the financing and consummate the transaction and any related contingencies, as applicable); (iv) the treatment of employees of the Applicants; and; (vi) any regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals; (vii) an allocation of the purchase price between the Applicants' assets; and a blackline of the Template Offer to the offer; or

- (ii) in the case of an Investment Proposal, an executed Investment Proposal containing the following terms and information: (i) the aggregate amount of the equity and debt financing with an allocation between each Applicant (including, the sources of such financing, evidence of the availability of such financing and the steps necessary and associated timing to obtain the financing and consummate the transaction and any related contingencies, as applicable); (ii) the underlying assumptions regarding the anticipated debt levels, debt service fees, interest and amortization); (iii) any amount to be allocated to the Applicants' unsecured creditors and employees; (iv) confirmation that any anticipated corporate, shareholder or internal approvals required to close the transaction have been obtained; (v) any anticipated regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals; and
- (iii) such other information reasonably requested by the Monitor.

Offer Recommendation, Acceptance and Negotiation Process

- 19. The Monitor, after consultation with the Applicants and the DIP Lender, may seek clarifications with respect to the offers and may, after consultation with the DIP Lender, negotiate any and all aspects of the offers or bids at any time prior to the completion of the Auction or No Auction process. The Monitor is not obligated to consult the Applicants in circumstances where a Participation Notice pursuant to paragraph 9 hereof has been delivered.
- 20. All offers must be capable of acceptance and must be irrevocable until 11:59 pm EST on November 6, 2014. All Offers must be accompanied by a deposit in the form of a wire transfer (to a bank account specified by the Monitor), or such other form of immediately available funds acceptable to

the Monitor, payable to the order of the Monitor, in trust, in an amount equal to 10% of the total financing or purchase consideration to be held and dealt with in accordance with the terms of the offer (the “**Deposits**”).

21. Deposits received from Interested Parties shall be held in an interest bearing account. Deposits, other than the Deposit of the Successful Bidder, shall be returned to such Interested Parties two business days after the selection of the Successful Bidder as set out in paragraph 27(v) or paragraph 30. The Deposit received from the Successful Bidder shall be applied to the purchase price of such transaction at closing or otherwise dealt with in accordance with the definitive documentation entered into with the Applicants.

Auction Trigger

22. Immediately after the Offer Deadline, the Monitor shall, where necessary, and after consulting with the DIP Lender, take such steps as are required to clarify values and information set out in any offer and/or negotiate the terms of any offer. Once all offers are clarified the Monitor shall:
 - (i) summarize the values set out in each offer;
 - (ii) after consulting with the DIP Lender, determine which offers provide for the indefeasible cash payment in full by the bidder to the DIP Lender, of all amounts owing to the DIP Lender under the FARFA, the Credit Agreement and the other Loan Documents (as defined in the FARFA) including, without limitation, all of the Outstanding Obligations (defined in the Credit Agreement) upon the successful closing thereof which closing is completed prior to the expiry or termination of the Forbearance Period (as defined in the FARFA), (such payment within such timeframes being referred to as “**Lender Payment in Full**”); and
 - (iii) determine which offer provides the greatest value to the Applicants’ stakeholders.

The Monitor shall provide a copy of such summary to the DIP Lender as soon as practicable. If such an offer is an Investment Proposal, the Applicants and/or the Monitor may return to Court for directions, as appropriate. If such an offer is a Sale Proposal for the purposes of this Auction section the Interested Party that the Monitor has determined, submitted the greatest value bid and provided for Lender Payment in Full shall be referred to as the “**Threshold Bidder**”. The determination of greatest value bid shall be made by the Monitor considering the following factors (a) the amount and nature of the consideration, including the ability to pay the Lender Payment in Full; (b) the proposed assumption of any liabilities, if any; (c) the ability of the bidder to close the transaction, within

the time period contemplated for a Lender Payment in Full; (d) the impact of the contemplated transaction on any actual or potential litigation; (e) any purchase price adjustments; (f) the proposed closing date and the likelihood, extent and impact of any potential delays in closing; (g) the net economic effect of any changes from the Template Offer; (h) the net after-tax consideration to be received by the Applicants; and (i) such other considerations as the Monitor deems relevant in their reasonable business judgment, after consulting with the DIP Lender, (collectively the “**Bid Assessment Criteria**”).

23. The Monitor shall identify any other offers that are within CDN \$5 million of the Threshold Bidder's offer. For the purposes of this Auction section any Interested Party that submits an offer that is within CDN \$5 million of the Threshold Bidder's offer and satisfied the Bid Assessment Criteria shall be referred to as a “**Qualified Bidder**”.
24. In the event the Monitor, after consulting with the DIP Lender, identifies Qualified Bidders the Monitor shall send written notice to any Qualified Bidders, on or before noon on October 3, 2014, advising the Qualified Bidders that they are Qualified Bidders (the “**Auction Notice**”). The Auction Notice shall also include:
 - (i) the date, time and location of the proposed auction;
 - (ii) the terms of the Opening Bid (as defined below);
 - (iii) the minimum first bid required in order to exceed the Threshold Bidder's offer; and
 - (iv) the procedures pursuant to which the auction will be conducted.
25. Qualified Bidders must notify the Monitor, in writing, by no later than noon on October 6, 2014, of their intention to participate in the auction (the “**Auction Notice Response**”). Where the Monitor does not receive an Auction Notice Response it shall be deemed that the applicable Interested Parties declined to participate.
26. In circumstances where no Qualified Bidder elects to participate in the auction process the Applicants and the Monitor, after consultation with the DIP Lender, shall proceed to consummate the sale transaction in accordance with the “No Auction” section of the SISP. If the only Qualified Bidder electing to participate in the Auction process is the Threshold Bidder, the Threshold Bidder shall be deemed to be the Successful Bidder, subject to court approval.
27. In circumstances where a Qualified Bidder elects to participate an auction shall be conducted on or before October 8, 2014, according to the following procedures:

- (i) Participation at the Auction. Only the Threshold Bidder and Qualified Bidders (collectively the “**Auction Participants**”) are eligible to participate at the auction. Only the authorized representatives (including counsel and other advisors) of each Auction Participant and the DIP Lender shall be permitted to attend the auction. The bidding shall begin with the Threshold Bidder’s offer (the “**Opening Bid**”) and each subsequent round of bidding shall continue in minimum increments of at least the Minimum Overbid Increment (as defined below).
- (ii) Monitor Shall Conduct the Auction. The Monitor shall direct and preside over the auction. At the start of the auction the Monitor shall confirm the terms of the Opening Bid to all Auction Participants. All bids made after the Opening Bid shall be Overbids (as defined below), and shall be made and received on an open basis, and all material terms of each Overbid shall be fully disclosed to all other Auction Participants. The Monitor shall maintain a transcript of the Opening Bid and all Overbids made and announced at the auction.
- (iii) Terms of Overbids. An “Overbid” is any bid made at the auction subsequent to the announcement of the Opening Bid. To submit an Overbid, in any round of the auction, an Auction Participant must comply with the following requirements:
 - a. Minimum Overbid Increment

Any Overbid shall be made in increments of at least \$150,000.
 - b. Announcing Overbids

At the end of each round of bidding, the Monitor shall announce the material terms of the then highest and/or best Overbid, the basis for the calculating the total consideration offered in such Overbid, and the resulting benefit to the Applicants based on, among other things, the Bid Assessment Criteria.
 - c. Failure to Bid

If at the end of any round of bidding an Auction Participant fails to submit an Overbid, then such Auction Participant shall not be entitled to continue to participate in the next round of the Auction.
- (iv) Additional Procedures. The Monitor may, after consultation with the Auction Participants and its advisors and the DIP Lender and its advisors, adopt rules for the auction at or prior to the auction that will better promote the goals of the auction and that are not inconsistent with any of the provisions of these bidding procedures, provided that no such rules may change the requirement that all

Overbids shall be made and received in one room, within a defined period, on an open basis, and all other Auction Participants shall be entitled to be present for all bidding with the understanding that the true identity of each Auction Participant submitting a bid shall be fully disclosed to all other Auction Participants and that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Auction Participants.

- (v) Closing the Auction. Upon conclusion of the bidding, the auction shall be closed, and the Monitor shall immediately review the final Overbid of each Auction Participant on the basis of the Bid Assessment Criteria and after consultation with the DIP Lender, notify the Auction Participants as to the winner of the auction process subject to Court Approval (the **"Successful Bidder"** and the Successful Bid being the **"Successful Bid"**).

The bidders shall bid in inverse order according to the ranking of their offers or previous bids, as determined by the Monitor; the terms and conditions of all bids shall be open to all other Qualified Bidders at such time as they are made; and the Auction process shall continue until there are only two Qualified Bidders, each of which has submitted its final bid or the lowest ranking of which does not wish to make a further bid.

- 28. The Applicants shall complete the sale transaction or transactions with the Successful Bidder following approval of the Successful Bid by the Court. The Applicants will be deemed to have accepted the Successful Bid only when this bid is approved by the Court.
- 29. The Applicants shall file a motion with the Court to approve the Successful Bid by no later than October 15, 2014 (the **"Auction Approval Hearing"**). The Applicants and the Successful Bidder will make best efforts to have the Auction Approval Hearing scheduled prior to October 31, 2014.

No Auction

- 30. In circumstances where no auction is required and Management has not delivered a Participation Notice, the Monitor will summarize the terms of all offers received from Interested Parties and provide its recommendation to Management and the DIP Lender, as with respect to selecting the offer to consummate the transactions (the **"Accepted Offer"**). The Monitor's recommendation shall be subject to the same criteria as enumerated in paragraph 22. Any proposed Accepted Offer that does not provide for Lender Payment in Full shall be subject to the consent of the DIP Lender prior to being designated as the Accepted Offer. If, under these circumstances, Management selects the Accepted Offer, the Monitor, after consulting with the DIP Lender, shall promptly notify the Successful

Bidder that its offer has been accepted (the "**Acceptance Notice**"), subject to the terms of the SISP and subject to the approval by the *Ontario Superior Court of Justice* (Commercial List) (the "**Court**"). The Applicants shall file a motion with the Court for the approval of the Accepted Offer on or before October 8, 2014. Management shall however, have the discretion to accept the Monitor's recommendation, select an alternative to the Monitor's suggestion or to refuse all offers received and if Management chooses to do the latter, the Applicants shall immediately bring a motion to the Court for directions regarding same. Nothing whatsoever in this SISP precludes the DIP Lender from objecting to and opposing the approval of the Accepted Offer where the DIP Lender has not consented to the Accepted Offer whether or not such offer provides for Lender Payment in Full.

31. Subject to paragraph 26 and to the prior consent of the DIP Lender where the Accepted Offer does not provide for Lender Payment in Full, in circumstances where no auction is required and where Management has submitted a Participation Notice, the Monitor shall have the sole discretion to accept an offer or to refuse all offers received. If, under these circumstances, the Monitor, after consulting with the DIP Lender, selects an offer, the Monitor shall promptly provide the Successful Bidder with the Acceptance Notice, which shall be subject to the terms of the SISP and subject to the Court's approval. The Monitor shall file a motion with the Court for the approval of the Accepted Offer on or before October 8, 2014.
32. If the Applicants in the first instance or the Monitor in the second instance, after consulting with the DIP Lender, determine that no offer should be accepted, the SISP process shall be terminated and the Applicants shall immediately bring a motion seeking directions from the Court.

Court Approval and Closing

33. The Accepted Offer or the Successful Bid, as the case may be, shall be subject to approval by the DIP Lender where such Accepted Offer or Successful Bid does not provide for the Lender Payment in Full and shall be subject only to the conditions contained in the Accepted Offer or Successful Bid.
34. Any Accepted Offer or Successful Bid shall be conditional upon the Applicants obtaining Court approval of the Accepted Offer or Successful Bid.
35. Following the selection of the Accepted Offer or the Successful Bid and after receipt of the foregoing approvals, the Monitor shall take such steps as may be necessary to facilitate a closing of each transaction by no later than November 6, 2014.

Other

36. The Monitor, after consulting with the Applicants and the DIP Lender, may amend the SISP, including as it relates to any time limits as may be necessary to achieve the above objectives, or as may be amended by further Order of the Court.
37. Neither the Applicants nor the Monitor shall be liable for any claim for a brokerage commission, finder's fee or like payment in respect of the consummation of any of the transactions contemplated under the SISP Procedures arising out of any agreement or arrangement entered into by the party that submitted the Accepted Offer or Successful Bid. Any such claim shall be the sole liability of the party that submitted such Accepted Offer or Successful Bid.

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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 AND ARRANGEMENT INVOLVING BOMBAY & CO. INC. ,
BOWRING & CO. INC. AND BENIX & CO. INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]**

Proceedings commenced in Toronto

APPROVAL AND STAY EXTENSION ORDER

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APPENDIX “C”

BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.

**REPORT OF RICHTER ADVISORY GROUP INC.,
IN ITS CAPACITY AS PROPOSED MONITOR OF
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.**

AUGUST 6, 2014

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**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
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.**

**PRE-FILING REPORT OF RICHTER ADVISORY GROUP INC.
In its capacity as proposed Monitor of the Applicant**

August 6, 2014

Introduction

1. Richter Advisory Group Inc. ("**Richter**") understands that Bombay & Co. Inc. ("**Bombay**") and Bowring & Co. Inc. ("**Bowring**") and Benix & Co. Inc., ("**Benix**", and together with Bombay and Bowring the "**B+C Entities**" or the "**Applicants**") intends to make an application to the Court for an order (the "**Initial Order**") granting a stay of proceedings in favour of the Company until September 5, 2014 pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**")
2. On the application for the Initial Order, the Applicants will be seeking an order that Richter be appointed as the CCAA monitor (the "**Proposed Monitor**" and if appointed "**Monitor**") of the Applicants in the CCAA proceedings.
3. Richter, in its capacity as the Proposed Monitor, has reviewed the Court materials to be filed by the Applicants in support of its application. The purpose of this limited scope report of the Proposed Monitor is to provide information to this Honourable Court regarding the following:
 - (i) Richter's qualifications to act as Monitor (if appointed);
 - (ii) A limited summary of certain background information about the Applicants and the CCAA proceedings;
 - (iii) The objectives of the CCAA proceedings;
 - (iv) The Applicants' consolidated statement of projected cash flow for the period from August 2, 2014 to November 1, 2014;
 - (v) The Applicants' request that it be authorized and empowered to obtain and borrow interim financing, including the terms of the debtor-in-possession ("**DIP**") facility;

- (vi) The Applicants' request to pay certain pre-filing amounts owing to essential service providers;
- (vii) The charges proposed in the Initial Order; and
- (viii) The Proposed Monitor's conclusions and recommendations.

Terms of Reference

- 4. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.
- 5. Capitalized terms not otherwise defined herein are as defined in the Applicants' application materials, including the affidavit of Freddy Benitah sworn August 6, 2014 (the "**Benitah Affidavit**") filed in support of the Applicants' application for relief under the CCAA. This report should be read in conjunction with the Benitah Affidavit, as certain information contained in the Benitah Affidavit has not been included herein in order to avoid unnecessary duplication.
- 6. The information contained in this report is based on unaudited financial information as well as discussions with representatives of the Applicants. The Proposed Monitor has not conducted an audit or other verification of such information and, accordingly, no opinion is expressed regarding the accuracy, reliability or completeness of the information contained herein. Future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.

Richter's Qualifications to Act as Monitor

- 7. Richter was engaged by the Applicants on June 26, 2014 to provide consulting services and assist the Applicants in developing and assessing various strategic alternatives, which included seeking potential additional financing, equity investment, going concern sale opportunities as well as various restructuring options.
- 8. Richter is a trustee within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act* (Canada). The senior Richter professional personnel with carriage of this matter have acquired knowledge of the Applicants and its business since the commencement of Richter's engagement as consultant. Richter is, therefore, in a position to immediately assist the Applicants in its CCAA proceedings.

9. Richter is not subject to any of the restrictions on who may be appointed as Monitor set out in section 11.7(2) of the CCAA and, in particular, neither Richter nor any of its representatives has been at any time in the two preceding years;
- (i) A director, an officer or an employee of the Applicants;
 - (ii) Related to the Applicants or to any director or officer of the Applicants; or
 - (iii) The auditor of the Applicants.
10. Richter has consented to act as Monitor, should the Court grant the Applicants' request to commence the CCAA proceedings.

General Background to the Proposed CCAA Proceedings

11. The Applicants include three separate legal entities:
- (i) Bombay, which currently operates fifty-five (55) stores across Canada and offers large furniture, small, occasional furniture, wall décor and home accessories;
 - (ii) Bowring, which currently operates fifty-seven (57) stores across Canada and offers giftware, fashion tableware, and decorative home accessories; and
 - (iii) Benix, which closed its final store in June 2014 and previously operated a chain of stores specializing in housewares, with a focus on cooking, homeware and giftware.
12. As described in the Benitah affidavit, as a result of sustained losses, the Applicants are experiencing a liquidity crisis and have defaulted on various financial and other covenants with their primary secured lender, Canadian Imperial Bank of Commerce ("CIBC").
13. The Applicants' business, affairs, financial performance and position, as well as the causes of its insolvency, are detailed extensively in the Benitah Affidavit and are, therefore, not repeated herein. The Proposed Monitor has reviewed the Benitah Affidavit and discussed the business and affairs of the Applicants and the causes of insolvency with senior management personnel of the Applicants and is of the view that the Benitah Affidavit provides a fair summary thereof.

Objectives of CCAA Proceedings

14. The primary objectives of the Applicants' CCAA proceedings are to: (i) ensure the ongoing operations of Bombay and Bowring; (ii) ensure that Bombay and Bowring have the necessary working capital funds to maximize the ongoing businesses of Bombay and Bowring for the benefit of the Applicants' stakeholders; (iii) restructure the operations of Bombay and Bowring, including the proposed closure of underperforming locations; and (iv) identify one or more parties interested in investing in and/or purchasing the Applicants' business or assets.
15. Although Bombay, Bowring and Benix are distinct legal entities and operate separate businesses, own separate assets and record separate liabilities, the Applicants share common head office space, utilize a shared distribution centre, and are jointly liable for amounts owing under its credit facilities with CIBC. In addition, it is the Applicants' belief that potential interested parties may be interested in investing in and/or acquiring all three brands and, as such, it is the Applicants' intention that Bombay, Bowring and Benix be marketed together pursuant to a sale and investment solicitation process to be developed by the Applicants with the assistance of the Monitor.
16. For the above reasons it is the Applicants' belief that the procedural consolidation of their CCAA proceeding will realize the greatest value for all interested parties and, as such, is appropriate in the circumstances.

Creditors

17. The Proposed Monitor has been advised by the Applicants that CIBC is a secured creditor of the Applicants, owed approximately \$14.5 million, pursuant to a consolidated credit agreement between the B+C Entities and CIBC dated December 13, 2010 (and subsequent amendments thereto).
18. The Applicants have advised the Proposed Monitor that due to the Applicants' continuing losses, the B+C Entities breached certain of their financial and other covenants under their credit facilities with CIBC.

19. On March 6, 2014, the Applicants and CIBC agreed on the terms of a forbearance agreement (the **"Forbearance Agreement"**), pursuant to which CIBC agreed to forbear, subject to certain terms and conditions, from taking steps to proceed with enforcement of its security held in support of its loans to the Applicants on the condition that the Applicants implement and carry out a plan for the refinancing of the indebtedness owing to CIBC. The Forbearance Agreement expired on June 30, 2014 and the Applicants have been unsuccessful in securing refinancing.
20. Following the expiration of the Forbearance Agreement, the Applicants and CIBC have been negotiating the terms of a further forbearance agreement that will provide the Applicants with interim financing in the form of additional availability under the existing loan arrangements during the Applicants' CCAA proceedings (the **"DIP Forbearance Agreement"**).
21. In addition to CIBC, the Proposed Monitor has been advised by the Applicants that two (2) corporations related to the Applicants, Isaac Bennet Sales Agencies, Inc. (**"IBSA"**) and F.B.I. Inc., are secured creditors of the Applicants, pursuant to various loan and security agreements, and are owed approximately \$39.5 million (IBSA approximately \$28.5 million and FBI approximately \$11 million)
22. Pursuant to various inter-creditor agreements between CIBC, IBSA and FBI, all amounts advanced by IBSA and FBI are subordinated to the amounts owed by the Applicants to CIBC.
23. The Proposed Monitor has instructed its independent legal counsel, Cassels Brock & Blackwell LLP (**"Cassels"**) to review the security of IBSA and FBI with respect to Bombay and Bowings and CIBC with respect to the Applicants in the following jurisdictions: Ontario, Quebec, British Columbia and Nova Scotia. Although a security opinion has not yet been provided, at this time, the Proposed Monitor has been advised that Cassels has not identified any concerns with the security held by CIBC, IBSA or FBI.
24. In addition to the amounts owed by the Applicants to CIBC, IBSA and FBI, the Applicants estimate that they have accrued and unpaid unsecured obligations totaling approximately \$25 million (excluding intercompany and related party indebtedness).

The Applicants' Cash Flow Statement

25. The Applicants, with the assistance of the Proposed Monitor, have prepared a consolidated cash flow forecast of its receipts, disbursements and financing requirements for the period August 2, 2014 to November 1, 2014 (the "**Cash Flow Forecast**"). A copy of the Cash Flow Forecast is attached as **Appendix "A"** to this report and is summarized below:

Bombay & Co. Inc., Bowring & Co. Inc., and Benix & Co. Inc. Cash Flow Forecast For the period August 2, 2014 - November 1, 2014 (\$000's)	
Gross Receipts	\$ 34,505
Disbursements	
Purchases	15,336
Rent	6,586
Store expenses & Other	5,407
Payroll	6,139
Sales Tax	1,680
Interest	398
Utilities	387
DIP Fee	175
Professional Fees	1,424
	37,531
Net Cash Flow	(3,027)
Opening Bank Loan	14,767
Closing Bank Loan	\$ 17,794

26. The Cash Flow Forecast (see Appendix "A") estimates that during the period of the projection, the additional financial support required by the Applicants will peak at approximately \$5 million during the week ended October 11, 2014.
27. The Proposed Monitor has reviewed the Cash Flow Forecast to the standard required of a Court-appointed Monitor by section 23(1)(b) of the CCAA. Section 23(1)(b) requires a Monitor to review the debtor's cash flow statement as to its reasonableness and to file a report with the Court on the Monitor's findings. The Canadian Association of Insolvency and Restructuring Professionals' standards of professional practice include a standard for monitors fulfilling their statutory responsibilities under the CCAA in respect of a monitor's report on the Cash Flow Forecast.

28. Pursuant to this standard, the Proposed Monitor's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussion related to information supplied to it by certain key members of management and employees of the Applicants. Since the probable and hypothetical assumptions need not be supported, the Proposed Monitor's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposed Monitor also reviewed the support provided by the Applicants for the probable and hypothetical assumptions and the preparation and presentation of the Cash Flow Forecast.
29. Based on the Proposed Monitor's review, nothing has come to its attention that causes it to believe, in all material respects, that:
- (i) The probable and hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
 - (ii) As at the date of this report, the probable and hypothetical assumptions are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow Forecast, given the probable and hypothetical assumptions; or
 - (iii) The Cash Flow Forecast does not reflect the probable and hypothetical assumptions.
30. Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the probable and hypothetical assumptions occur, and the variation could be material. Accordingly, the Proposed Monitor expresses no assurance as to whether the Cash Flow Forecast will be achieved. In addition, the Proposed Monitor expresses no opinion or other form of assurance with respect to the accuracy of the financial information presented in the Cash Flow Forecast, or relied upon by the Proposed Monitor in preparing this report.
31. The Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

The Applicants' Request for Interim Financing

32. The Applicants' continuing losses have virtually eliminated their liquidity, leaving them without funds to operate or restructure.

33. As shown in the Cash Flow Forecast, it is estimated that for the period ending November 1, 2014, the Applicants will require additional financial support in the amount of approximately \$5 million. Accordingly, the ability to borrow additional funds, in the form of a Court-approved DIP facility, secured by a DIP Charge (as hereinafter defined), is vital to providing the stability to, and the necessary cash flow for, the Bombay and Bowring businesses, so that their value can be preserved while the Applicants pursue their restructuring plan.

DIP Forbearance Agreement

34. As noted above, based on the Cash Flow Forecast, the Applicants will require interim financing to continue operations and implement their restructuring initiatives.
35. Following extensive negotiations, CIBC (the “**DIP Lender**”) and the Applicants agreed upon the terms of a further forbearance agreement that will provide for interim financing (the “**DIP Financing**”) in the form of a new asset based credit facility under the Applicants' existing loan arrangements with CIBC (the “**Existing CIBC Credit Facility**”) during the CCAA Proceedings (the “**DIP Forbearance Agreement**”). A copy of the DIP Forbearance Agreement is attached as Exhibit “L” to the Benitah Affidavit.
36. The significant terms of the DIP Forbearance Agreement include:
- (i) The maximum availability under the DIP Financing excess limit is \$5 million;
 - (ii) The interest rate on the DIP Financing is prime plus 3%;
 - (iii) The payment of a fee to the DIP Lender in the amount of \$175,000 (\$50,000 of which relates to the original Forbearance Agreement);
 - (iv) The implementation of “blocked account” agreements is required;
 - (v) The release by the Applicants, and their shareholders, of all claims against the DIP Lender;
 - (vi) The DIP Lender's agreement, subject to certain conditions, to forbear from taking steps to proceed with enforcement of its security held in support of its loans to the Applicants for the period of the DIP Forbearance Agreement;

- (vii) The maturity date is the earlier of: (i) the occurrence or existence of any Terminating Event (as defined in the DIP Forbearance Agreement); or (ii) January 20, 2015;
 - (viii) Upon the occurrence of an Terminating Event, the DIP Lender may exercise any of its remedies against the Applicants upon providing not less than three (3) business days' notice (the "**Notice Period**") to the Applicants and the Monitor of the DIP Lender's intention to enforce its rights and remedies against the Applicants. During the Notice Period, the DIP Lender will continue to fund employee payroll and may continue to fund additional amounts at the DIP Lender's discretion; and
 - (ix) The DIP Forbearance Agreement is conditional upon, *inter alia*, the DIP Lender being granted a charge in its favour against the assets of the Applicants (the "**DIP Charge**") in an amount equal to the aggregate of any and all advances of funds by the DIP Lender to the Applicants subsequent to the issuance of the Initial Order. In this regard, the Proposed Monitor understands it is the intention of the Applicants and DIP Lender that any funds received post-filing from the sale of inventory existing at the date of the filing by the Applicants or otherwise will be used to repay pre-filing indebtedness owing to CIBC under the Existing CIBC Credit Facility (the "**Repayment Provisions**"). As a result, the DIP Charge, as proposed by the Applicants, will be greater than the \$5 million in additional DIP Financing made available.
37. The Proposed Monitor has inquired into the marketing process for the DIP Financing and has been advised by the Applicants that the DIP Financing requirement was not marketed externally or to other potential lenders to fund ongoing operations. In their assessment of the DIP Lender, the Applicants considered the CIBC proposal as advantageous, as CIBC was already familiar with the Applicants' business and financial profile as well as its restructuring options as a result of its discussions with the Applicants and their advisors throughout the Applicants' strategic review process and as a result of their pre-existing relationship with the Applicants.
38. The Applicants are of the opinion that any offer from other lenders would have required a great deal of time and expense to pursue and there was no commercial advantage to pursuing other options for DIP Financing. The Applicants have advised the Proposed Monitor that, in their view, the DIP Financing represents the only viable alternative to the Applicants to ensure the continuation of the Applicants' operations at this time.

39. The Proposed Monitor is of the view that, given the Applicants' current circumstances, the terms of the DIP Forbearance Agreement are commercially reasonable for the following reasons:
- (i) The Applicants are facing an imminent liquidity crisis and Bombay and Bowring are without the cash needed to operate – short term funding is needed urgently. The ability of Bombay and Bowring to procure ongoing services is limited in light of past due obligations with many of their vendors as well as certain landlords;
 - (ii) The Applicants' continuing operations will likely cease and the Applicants will have virtually no prospect of restructuring if the DIP Financing is not available;
 - (iii) Further delays sourcing alternative DIP Financing cannot be justified, as the Applicants' poor financial performance and highly levered balance sheet make it unlikely that the Applicants would be able to secure alternative DIP Financing and, even if they could, the funding would likely be insufficient and expensive; and
 - (iv) The Proposed Monitor has compared the principal financial terms of the DIP Financing to a number of other recent DIP financing packages with respect to pricing, loan availability and certain security considerations. Based on this comparison, the Proposed Monitor is of the view that, in the circumstances, and subject to the Repayment Provisions, the financial terms of the DIP Financing appear to be commercially reasonable.
40. In light of the foregoing, it is the Proposed Monitor's view that further time spent attempting to source DIP Financing would: (i) not be in the interest of the Applicants and/or its stakeholders; (ii) not result in the finalization of alternative DIP Financing on better terms; and (iii) would severely, and likely fatally, compromise the Applicants' ability to continue to operate.

Payment of Certain Pre-Filing Amounts

41. The proposed form of Initial Order grants the Applicants the authority to pay certain expenses incurred prior to the commencement of the CCAA Proceedings, subject to the prior approval of the Monitor or the Court.
42. The Proposed Monitor has been advised that the majority of these expenses relate to amounts owed to the Applicants' foreign sales agents, transportation providers, customs brokers and other essential service providers.

43. As detailed in the Benitah Affidavit, the Applicants are of the view that there is a significant risk that the Applicants' overseas buying agents, freight forwarders and other critical service providers will not continue to provide services to the Applicants if their respective pre-filing amounts owing are not paid.
44. The Proposed Monitor agrees with the Applicants' view that an interruption of services provided by certain essential suppliers could have a significant and immediate detrimental impact on the business, operations and cash flows of Bombay and Bowring. However, the Proposed Monitor also recognizes that the Applicants' funding is limited and will work with the Applicants to ensure that payment to service providers in respect of pre-filing liabilities are minimized.
45. The Proposed Monitor supports the Applicants' request to allow it to pay certain pre-filing amounts to service providers that are critical to the continued operations of Bombay and Bowring, but only with the prior written approval of the Monitor or the Court.

Court Ordered Charges

46. The proposed Initial Order provides for an Administration Charge (as defined below), a D&O Charge (as defined below), and a DIP Charge:

(i) **Administration Charge**

47. The proposed Initial Order provides for a charge in the maximum amount of \$750,000 charging the assets of the Applicants to secure the fees and disbursements incurred in connection with services rendered to the Applicants both before and after the commencement of the CCAA proceedings by the following entities: the Monitor, the Monitor's legal counsel and legal counsel to the Applicants (the "**Administration Charge**").
48. The quantum of the Administration Charge sought by the Applicants was determined in consultation with the Proposed Monitor. The creation of the Administration Charge is typical in CCAA proceedings as is the proposed priority of the Administration Charge as set out in the form of Initial Order filed with the Court.

(ii) **D&O Charge**

49. The proposed Initial Order provides for a charge in the maximum aggregate amount of \$1,700,000 charging the assets of each of the Applicants in the maximum amount of \$1 million in respect of Bombay, \$600,000 in respect of Bowring and \$100,000 in respect of Benix to indemnify their directors and officers for liabilities incurred by the Applicants that result in post-filing claims against the directors and officers in their personal capacities (the “D&O Charge”).
50. The amount of the D&O Charge was estimated by taking into consideration employee payroll and related expenses (including source deductions), other employment related liabilities that attract liability for directors and officers, vacation pay and sales tax.
51. The Proposed Monitor has been advised that the Applicants’ directors and officers do not enjoy the protection of any directors and officers indemnification insurance. As a result, due to the potential for personal liability, the directors and officers of the Applicants are unwilling to continue their services and involvement in the CCAA Proceedings without the protection of the D&O Charge. As the Applicants will require the participation and experience of the Applicants’ directors and officers to pursue a successful restructuring, the Proposed Monitor believes that the D&O Charge (both the amount and priority ranking) is required and reasonable in the circumstances.

(iii) **DIP Charge**

52. The Applicants require immediate funding to operate and pursue a restructuring during the CCAA proceedings, as evidenced by the Cash Flow Forecast.
53. As noted above, a condition of the DIP Forbearance Agreement is that the DIP Lender receives the benefit of a DIP Charge to the maximum amount of the aggregate of any and all advances by the DIP Lender to the Applicants subsequent to the granting of the Initial Order.
54. As noted above, the amount owing under the Existing CIBC Credit Facility as at the filing date will be repaid from amounts collected from the sale of pre-filing inventory or otherwise during the course of the CCAA proceedings. New advances under the DIP Forbearance Agreement will be used to fund ongoing capital expenditures, professional fees and operating costs, including the purchase of new inventory. As a result, the Monitor understands that the DIP Charge proposed by the Applicants will be greater than the \$5 million excess DIP Facility limit.

55. Should the Court find that the Repayment Provisions included in the DIP Forbearance Agreement are permissible pursuant to the CCAA, the Proposed Monitor supports the Company's request for the DIP Charge.

Summary and Proposed Ranking of the Court Ordered Charges

56. It is contemplated that the priorities of the charges sought by the Applicants (collectively, the "Charges") will be as follows:
- (i) First – the Administration Charge;
 - (ii) Second – the D&O Charge; and
 - (iii) Third – the DIP Charge.
57. The Initial Order sought by the Applicants provides that the Charges will rank in priority to the security interests of IBSA, FBI and CIBC, each of which the Proposed Monitor understands has consented to the Charges. The Charges will be subordinate to the interests of secured creditors who have perfected Purchase Money Security Interests against the Applicants under the applicable *Personal Property Security Act* and, in case of the DIP Charge, will be subordinate to any Priority Payables owing to Her Majesty.
58. The Proposed Monitor believes that, subject to its comments regarding the Repayment Provisions, the Charges and rankings are required and reasonable in the circumstances of the CCAA proceedings in order to preserve going concern operations of Bombay and Bowring and maintain their enterprise value and, accordingly, supports the granting and the proposed ranking of the Charges.

Proposed Monitor's Conclusions and Recommendations

59. The Proposed Monitor is of the view that, subject to the Court's view on the Repayment Provisions, the relief requested by the Applicants, including the authority to enter into the DIP Forbearance Agreement, is necessary, commercially reasonable and justified. The Proposed Monitor is also of the view that granting the relief requested will provide the Applicants the best opportunity to undertake a going concern sale or other restructuring under the CCAA Proceedings thereby preserving value for the benefit of the Applicants' stakeholders.

All of which is respectfully submitted this 6th day of August, 2014.

Richter Advisory Group Inc.
in its capacity as Proposed Monitor of
Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc.

Per:



Paul van Eyk, CPA, IFA, CIRP



Adam Sherman, MBA, CIRP

Court File No.
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 AND ARRANGEMENT INVOLVING BOMBAY & CO. INC. , BOWRING & CO.
INC. AND BENIX & CO. INC.

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

PROCEEDING COMMENCED AT
TORONTO

**REPORT OF RICHTER ADVISORY GROUP INC.,
IN ITS CAPACITY AS PROPOSED MONITOR OF
BOMBAY & CO. INC., BOWRING & CO. INC. AND
BENIX & CO. INC.**

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APPENDIX “D”

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BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.

**FIRST REPORT OF RICHTER ADVISORY GROUP INC.,
IN ITS CAPACITY AS MONITOR OF
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.**

AUGUST 19, 2014

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Court File No. CV-14-10659-00CL

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
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.

FIRST REPORT OF RICHTER ADVISORY GROUP INC.
In its capacity as Monitor of Bombay & Co. Inc., Bowring & Co. Inc., and Benix & Co. Inc.

August 19, 2014

Introduction

1. On August 6, 2014 (the "**Filing Date**"), the Ontario Superior Court of Justice (Commercial List) (the "**Court**") issued an order (the "**Initial Order**") granting Bombay & Co. Inc. ("**Bombay**"), Bowring & Co. Inc. ("**Bowring**") and Benix & Co. Inc., ("**Benix**", and together with Bombay and Bowring the "**B+C Entities**") protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). Richter Advisory Group Inc. was appointed the Company's monitor (the "**Monitor**"). The Initial Order provided the Company with, inter alia, a stay of proceedings until September 5, 2014 (the "**Stay Period**"). The proceedings commenced by the B+C Entities under the CCAA are herein referred to as the "**CCAA Proceedings**". The Initial Order also granted the B+C Entities the authority to enter into terms of an amended forbearance agreement (the "**DIP Forbearance Agreement**"), pursuant to which the B+C Entities were able to secure interim financing and forbearance terms from their primary secured lender.
2. The principal purpose of the CCAA Proceedings are to: (i) ensure the ongoing operations of Bombay and Bowring; (ii) ensure that Bombay and Bowring have the necessary working capital funds to maximize the ongoing businesses of Bombay and Bowring for the benefit of the B+C Entities' stakeholders; (iii) restructure the operations of Bombay and Bowring, including the proposed closure of underperforming locations; and (iv) identify one or more parties interested in purchasing and/or investing in the B+C Entities' business or assets.

Purpose of this Report

3. The purpose of this report, the Monitor's first report (the "**First Report**") is to provide information to the Court in respect of the following:
 - (i) the B+C Entities' activities since the issuance of the Initial Order;
 - (ii) the Monitor's activities since the issuance of the Initial Order;
 - (iii) the key terms of a letter agreement (the "**Inventory Liquidation Consulting Agreement**") among Bombay, Bowring and a joint venture comprised of Merchant Retail Solutions, ULC, an affiliate of Hilco Merchant Resources, LLC and Gordon Brothers Retail Partners, LLC (collectively, the "**Consultant**") in which the Consultant will act as liquidation consultant to assist in liquidating inventory and other assets at certain Bombay and Bowring store locations;
 - (iv) the outline of a sales and investment solicitation process ("**SISP**") the B+C Entities propose to carry out; and
 - (v) the B+C Entities' request for an extension of the Stay Period to November 28, 2014.

Terms of Reference

4. In preparing this First Report, the Monitor has relied on unaudited financial information prepared by the representatives of the B+C Entities, the B+C Entities' books and records, discussions with the B+C Entities' management ("**Management**") and discussions with the B+C Entities' advisors. The Monitor has not conducted an audit or other verification of such information.
5. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

The B+C Entities' Activities since the Issuance of the Initial Order

6. Since the date of the Initial Order, the B+C Entities' activities have included:
 - (i) meeting and corresponding with employees regarding the CCAA Proceedings;

- (ii) preparing weekly financial reports for the Canadian Imperial Bank of Commerce (“**CIBC**” or the “**DIP Lender**”), the B+C Entities primary secured lender and DIP Lender, in accordance with the terms of the DIP Forbearance Agreement entered into between CIBC and the B+C Entities;
- (iii) communicating with key suppliers to secure goods and services during the CCAA Proceedings and to address payment terms;
- (iv) responding to calls and enquiries from creditors and other stakeholders regarding the CCAA Proceedings;
- (v) consulting with Oberfeld Snowcap, a company with expertise in the valuation of leases (the “**Lease Valuation Consultant**”), for the purpose of determining whether there is sale value in the leases connected to the Closing Stores (as defined below);
- (vi) reporting receipts and disbursements;
- (vii) making payments to suppliers for goods and services received following the issuance of the Initial Order;
- (viii) consulting with the Monitor to develop the SISP (as discussed below);
- (ix) reviewing the performance of each of Bombay and Bowring store to identify those underperforming stores that should be closed; and
- (x) consulting with the Monitor and the Consultant to develop the Inventory Liquidation Consulting Agreement.

The Monitor's Activities since the Issuance of the Initial Order

7. Since the date of the Initial Order, the Monitor's activities have included:

- (i) arranging for notice of the CCAA Proceedings to be published in the August 14, 2014 and August 21, 2014 editions of the Globe & Mail, as required pursuant to the Initial Order;
- (ii) sending a notice, within 5 days of the issuance of the Initial Order, of the CCAA Proceedings to all known creditors of the B+C Entities;

- (iii) establishing a website at www.richter.ca/en/insolvency-cases/b/bombay-and-co-inc-bowring-and-co-inc-benix-and-co-inc, where all materials filed with the Court, and all orders made by the Court in connection with the CCAA Proceedings, are available in electronic form;
- (iv) implementing procedures for the monitoring of the B+C Entities' cash flows and for ongoing reporting of variances to the B+C Entities' cash flow forecast;
- (v) assisting the B+C Entities with the preparation of their weekly report to CIBC in accordance with the terms of the DIP Forbearance Agreement;
- (vi) considering processes to market the B+C Entities' business and/or assets for sale and assisting the B+C Entities' in developing the SISP and communications with interested parties;
- (vii) corresponding with the Consultant regarding the liquidation and closure of underperforming stores and the terms of the Inventory Liquidation Consulting Agreement ;
- (viii) attending frequently at the B+C Entities' premises and meeting with Management to discuss the B+C Entities' operations and the CCAA Proceedings;
- (ix) corresponding and communicating extensively with the B+C Entities and their legal counsel;
- (x) instructing its legal counsel to send notice to all *Personal Property Security Act* creditors of the CCAA Proceedings. The notices were sent within the two business day requirement set out in the Initial Order. The notices informed all recipients that their rights may have been impacted by the Initial Order and of their ability to come back before the Court and seek to vary or amend the Initial Order. To date, neither the Monitor, nor its counsel, have received a response to these notices;
- (xi) corresponding and communicating with CIBC and its advisors;
- (xii) responding to calls and enquiries from creditors and other stakeholders regarding the CCAA Proceedings; and
- (xiii) preparing this First Report.

The Inventory Liquidation Consulting Agreement

8. As set out in the affidavit of F. Benitah sworn August 15, 2014 filed in support of the Company's motion returnable August 22, 2014 (the "**August 15 Benitah Affidavit**"), the B+C Entities, with the assistance of its advisors and in consultation with the Monitor, has concluded that a restructuring around profitable stores, while downsizing unprofitable locations, will maximize value for all stakeholders.
9. The B+C Entities, with the assistance of the Monitor, have identified stores that are underperforming with a view to closing those locations (the "**Closing Stores**") and disclaiming the leases as part of the restructuring initiatives that need to be implemented by the B+C Entities.
10. The Consultant was selected by the B+C Entities, in consultation with the Monitor, based on the Consultant's familiarity with the B+C Entities' inventory and operations as well as the Consultant's extensive knowledge and experience in retail liquidations. In this regard, the Monitor has been advised that the B+C Entities began working with the Consultant on a liquidation strategy for the Closing Stores prior to the Filing Date.
11. The key terms of the Inventory Liquidation Consulting Agreement, a copy of which is attached hereto as **Appendix "A"**, include:
 - (i) the Consultant will assist the B+C Entities in conducting a store closing or similar themed liquidation sale of all merchandise located in the Closing Stores, which are identified in Exhibit A to the Inventory Liquidation Consulting Agreement;
 - (ii) the liquidation is to commence on or about August 23, 2014 (the "**Commencement Date**") and is scheduled to terminate on or before November 23, 2014 (the "**Liquidation Period**");
 - (iii) the B+C Entities may elect to increase or decrease the number of Closing Stores included in the liquidation process. In this regard, if the lease terms for certain of the Closing Stores can be renegotiated during the Liquidation Period such that a location considered for closure may become desirable to a potential investor or purchaser, such store(s) can be removed from the liquidation process and placed into the SISP process (as discussed further below);
 - (iv) the conduct of the liquidation (the "**Sale Guidelines**") in regards to store operations and closings is governed by Exhibit C to the Inventory Liquidation Consulting Agreement. In the Monitor's view, the Sales Guidelines are in a form consistent with recent Canadian retail liquidations;

- (v) the B+C Entities are responsible for all reasonable costs and expenses in connection with the liquidation process at the Closing Stores;
 - (vi) In consideration of its services, the Consultant will earn a fee of two percent (2%) of the gross proceeds from the sale of all goods, saleable in the ordinary course, located in the Closing Stores on the Commencement Date as well as certain inventory located at the B+C Entities' distribution centre located at 3389 Steeles Avenue East, Brampton, Ontario;
 - (vii) the Consultant will also assist Bombay and Bowring in selling any owned furnishings, trade fixtures and equipment ("FF&E") located in the Closing Stores. The Consultant will earn a fee of twenty percent (20%) of the gross proceeds from the sale of the FF&E located in the Closing Stores; and
 - (viii) the Inventory Liquidation Consulting Agreement is subject to the approval of this Honourable Court.
12. At the conclusion of the Liquidation Period each of the Closing Stores will be surrendered to the landlord. The B+C Entities will work with the Consultant to coordinate the disclaimer of leases so that such disclaimers become effective on the conclusion of the liquidation period of each Closing Store.
13. The Monitor is supportive of the engagement of the Consultant and the Inventory Liquidation Consulting Agreement for the following reasons:
- (i) the liquidation of the Closing Stores through an experienced retail liquidator will allow the B+C Entities to focus on other aspects of their restructuring and particularly the remaining stores that are not designated for closure;
 - (ii) the Consultant has extensive experience in retail liquidations and inventory disposition in the Canadian marketplace;
 - (iii) the Consultant has previous experience liquidating Bombay/Bowring inventory due to its participation in the first Bombay/Bowring insolvency proceedings;
 - (iv) the B+C Entities began working with the Consultant on the development of a liquidation strategy prior to the Filing Date. As part of this work, the Monitor understands that the Consultant has prepared multiple liquidation models for the B+C Entities taking into consideration different inventory mix and store closing assumptions;

- (v) the Consultant recently conducted an appraisal of the B+C Entities' inventories and is familiar with both the inventory composition and the operations of the B+C Entities;
- (vi) the fee payable to the Consultant is, in the Monitor's experience, favourable for retail liquidations;
- (vii) the simple structure of the Inventory Liquidation Consulting Agreement provides maximum flexibility for the B+C Entities to add and/or remove store locations from the liquidation process as well as make adjustments to the inventory mix at the Closing Stores;
- (viii) the Consultant has extensive experience working with Canadian landlords of retail tenants in insolvency proceedings and understands their requirements and concerns;
- (ix) the cash flow forecast filed by the B+C Entities in support of the Initial Order (the "**Cash Flow Forecast**") contemplates that the inventory in the Closing Stores will be liquidated expeditiously. In the Monitor's view, it is essential that the liquidation of the Closing Stores commence as soon as possible to ensure that the B+C Entities have sufficient liquidity to fund their post-filing obligations. The delay associated with the further marketing of the liquidation opportunity (i.e. setting up a data room, contacting potential interested parties, responding to information requests, reviewing and evaluating offers, negotiating a definitive agreement, etc.) would, in the Monitor's view, negatively impact the B+C Entities' cash flows putting the B+C Entities' restructuring at risk and potentially impairing recoveries; and
- (x) the Lease Valuation Consultant has confirmed that, subject to the terms of lease being renegotiated, there is no residual value in the leases that are connected to the Closing Stores.

14. Based on the foregoing and taking into consideration the number of Closing Stores, the Monitor is of the view that the additional costs and delays associated with marketing the liquidation opportunity is not warranted. As such, the Monitor supports the Inventory Liquidation Consulting Agreement and respectfully recommends that this Honourable Court issue an order approving the Inventory Liquidation Consulting Agreement.

The Proposed Sales and Investment Solicitation Process

15. The Monitor notes that, to date, no active marketing of the B+C Entities' assets or operations have been undertaken. The Monitor also notes that, to date, it has not received any serious expressions of interest to acquire or invest in the business and/or assets of the B+C Entities and, to the knowledge of the Monitor, neither have the B+C Entities.
16. As noted in the B+C Entities' materials filed in support of its application pursuant to the CCAA, it is the B+C Entities' belief that potential interested parties may be interested in acquiring and/or investing in all three brands and, as such, it is the B+C Entities' intention that Bombay, Bowring and Benix be marketed together.
17. In order to provide third parties with an opportunity to consider an acquisition of or investment in the B+C Entities, the Monitor proposes to market the B+C Entities' business and assets to third parties for a period of approximately 35 days. The Monitor and the B+C Entities have developed a process to manage the sales and investment solicitation process ("**SISP**"), which is attached as **Appendix "B"** to this First Report, that is designed to ensure that the marketing process is fair and reasonable and prospective interested parties have the ability to make an offer to invest in and/or acquire the B+C Entities or their assets. The Monitor will oversee all aspects of the SISP.
18. The SISP, which sets out the manner in which prospective interested parties may submit a bid to purchase the B+C Entities and/or their assets or make an investment in the B+C Entities, provides a means for testing the market and gauging interest in the B+C Entities and/or their assets.
19. The Monitor understands that Management or a related party or parties may be considering the submission of a bid pursuant to the SISP. The SISP contemplates that, if those parties intend to participate in the SISP, they must advise the Monitor in writing of such intention on or before August 29, 2014 (the "**Participation Notice**"). Upon receipt of a Participation Notice, Management will be excused from any participation in the SISP other than as a bidder, and will be subject to the SISP procedures in its capacity as a bidder.
20. The principal elements of the SISP are as follows (defined terms used in this section not otherwise defined herein have the meaning ascribed to them in the SISP):
 - (i) as soon as possible following the issuance of a Court order approving the SISP (anticipated to be August 22, 2014) and no later than August 27, 2014, the Monitor will distribute the Teaser

Letter to a list of prospective purchasers and investors ("**Potential Bidders**"), which list has already been developed by the Monitor and the B+C Entities;

- (ii) potential Bidders that wish to commence due diligence will be required to sign a confidentiality agreement ("**CA**");
- (iii) once a CA has been signed by a Potential Bidder (now an "**Interested Party**"), they will receive access to an electronic data room. The data room is being populated by the Monitor with the assistance of the B+C Entities. Interested Parties will also receive a copy of the SISP;
- (iv) after completion of the due diligence period, each Interested Party is required to submit an offer to acquire and/or invest in the B+C Entities' business or assets to the Monitor on or before 12:00 p.m. (EST) on September 26, 2014 (the "**Offer Deadline**");
- (v) all offers must be irrevocable until 11:59 p.m. (EST) on November 6, 2014 and must be accompanied by a deposit payable to the Monitor, in trust, in an amount equal to 10% of the total purchase price or financing;
- (vi) the Monitor shall have discretion to consult and negotiate with any participating bidder with respect to their offer;
- (vii) once all offers are clarified, the Monitor shall determine which offer provides the greatest value to the B+C Entities' stakeholders. If such offer is an Investment Proposal, the B+C Entities and/or the Monitor may return to Court for directions, as appropriate. If such offer is a Sale Proposal, an auction may be triggered if one or more of the submitted offers are within \$5 million of the highest offer (the "**Threshold Bidder**");
- (viii) in circumstances where no auction is required and Management has not delivered a Participation Notice, the Monitor will provide its recommendation to Management with respect to selecting the offer to consummate the transaction. If, under these circumstances, Management selects the offer, the Monitor shall promptly notify the Successful Bidder that its offer has been accepted, subject to Court approval. If Management does not accept the offer, the B+C Entities and/or the Monitor will return to Court for directions;

- (ix) in circumstances where no auction is required and Management has submitted a Participation Notice, the Monitor shall have the sole discretion to accept and offer or refuse all offers received. If, under these circumstances, the Monitor accepts an offer, the Monitor shall promptly notify the Successful Bidder that its offer has been accepted, subject to Court approval;
- (x) if no acceptable offers have been received by the Offer Deadline, the SISF shall be terminated and the B+C Entities will seek direction from the Court;
- (xi) in the event an auction is triggered, the Monitor shall send notice to any Qualified Bidders, on or before October 3, 2014, advising of: (i) the date, time and location of the proposed auction, (ii) the terms of the Opening Bid (as hereinafter defined), (iii) the minimum first bid required in order to exceed the Threshold Bidder's offer, and (iv) the procedures pursuant to which the auction will be conducted;
- (xii) Qualified Bidders must notify the Monitor, in writing, by no later than 12:00 p.m. (EST) on October 6, 2014, of their intention to participate in the auction;
- (xiii) if the only Qualified Bidder electing to participate in the auction process is the Threshold Bidder, the Threshold Bidder shall be deemed to be the Successful Bidder, subject to Court approval;
- (xiv) in circumstances where more than one Qualified Bidder elects to participate in the auction, the auction shall take place on or before October 8, 2014;
- (xv) bidding at the auction shall begin with the Threshold Bidder's offer (the "**Opening Bid**") and each subsequent round of bidding shall continue in minimum increments of at least the Minimum Overbid Increment (\$150,000);
- (xvi) if at the end of any round of bidding an Auction Participant fails to submit an Overbid, such Auction Participant will not be eligible to continue to participate in the next round of the auction;
- (xvii) upon conclusion of the bidding, the auction shall be closed and the Monitor shall notify the Auction Participants of the Successful Bid;

- (xviii) the Accepted Offer or the Successful Bid is subject to approval by the DIP Lender if the cash proceeds payable on closing are not sufficient to repay all amounts owing to the DIP Lender; and
- (xix) the Accepted Offer or the Successful Bid is subject approval of this Honourable Court.
21. As noted in the August 15 Benitah Affidavit, a copy of the SISP was provided to CIBC on August 14, 2014. CIBC has advised that it was not provided sufficient time to fully review the SISP and, consequently, reserves the right to object to the SISP and to negotiate the SISP further after a more careful review.
22. The Monitor notes that the proposed timeframe is condensed, but with full cooperation from the B+C Entities during the SISP period, particularly in respect of the provision of information to interested parties, the Monitor believes that the deadlines proposed in the SISP are reasonable in the circumstances. The Monitor will report back to the Court if facts or circumstances require the Monitor or the B+C Entities to reevaluate the time periods or the SISP.
23. The Monitor is of the view that, in the circumstances, the proposed SISP represents the best opportunity to identify a potential going concern sale or investment transaction for the B+C Entities and maximize the value of the B+C Entities' business for the benefit of their stakeholders.
24. The proposed SISP will provide a mechanism to preserve the going concern value of the B+C Entities, whereas a wind-down of the operations and an immediate liquidation of the B+C Entities' business would likely result in a substantial diminution in realizable value for all creditors. A wind-down and liquidation of the B+C Entities' business would also eliminate a significant number of jobs that may be preserved if a successful sale or restructuring is effected.
25. In light of the above, the Monitor supports the B+C Entities' request for approval of the proposed SISP to permit Interested Parties an opportunity to make an offer to acquire the B+C Entities' assets or invest in the B+C Entities' business.

The B+C Entities' Request for an Extension of the Stay of Proceedings to November 28, 2014

26. The current Stay Period expires on September 5, 2014. The B+C Entities are seeking an extension of the Stay Period to November 28, 2014.

27. As the Cash Flow Statement only runs until November 1, 2014, the B+C Entities, with the assistance of the Monitor, have prepared an extended consolidated forecast of its receipts, disbursements and financing requirements for the period August 2, 2014 to November 29, 2014 (the “**Extended Cash Flow Statement**”). A copy of the Extended Cash Flow Statement is attached hereto as **Appendix “C”** and is summarized below:

Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc. Cash Flow Forecast For the Period August 2, 2014 - November 29, 2014 (\$000's)		Total
Gross Receipts	\$	48,462
Disbursements		
Purchases		19,120
Rent		9,183
Store expenses & Other		7,086
Payroll		8,356
Sales Tax		1,680
Interest		557
Utilities		506
DIP Fee		175
Professional Fees		1,559
		48,223
Net Cash Flow		239
Opening Bank Loan		14,767
Closing Bank Loan	\$	14,528

28. The Extended Cash Flow Forecast indicates that the B+C Entities will have sufficient liquidity to fund both operating costs and the costs of these CCAA Proceedings during the extension of the Stay Period, if granted.
29. The Monitor is of the view that the extension to the Stay Period is appropriate in the circumstances and supports the B+C Entities' request for an extension of the Stay Period for the following reasons:
- (i) The B+C Entities have acted and are acting in good faith and with due diligence;
 - (ii) It will allow for the SISP to be substantially advanced;
 - (iii) It will permit the B+C Entities to move forward with the liquidation and closure of underperforming stores; and

- (iv) The granting of the extension should not prejudice any employee or creditor, as the B+C Entities are projected to have sufficient funds to pay post-filing services and supplies, as contemplated by the Extended Cash Flow Forecast.

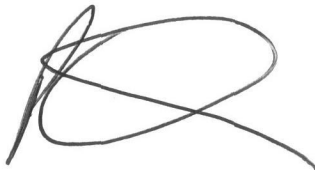
Monitor's Recommendations

30. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court issue an order:
- (i) authorizing and directing the B+C Entities to enter into the Inventory Liquidation Consulting Agreement;
 - (ii) approving the SISP; and
 - (iii) extending the Stay Period to November 28, 2014.

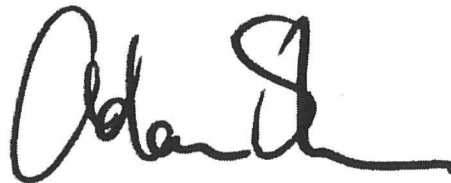
All of which is respectfully submitted this 19th day of August, 2014.

Richter Advisory Group Inc.
in its capacity as Proposed Monitor of
Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc.

Per:



Paul van Eyk, CPA, IFA, CIRP



Adam Sherman, MBA, CIRP

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 AND ARRANGEMENT INVOLVING BOMBAY & CO. INC., BOWRING & CO.
INC. AND BENIX & CO. INC.

ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) PROCEEDING COMMENCED AT TORONTO	
FIRST REPORT OF RICHTER ADVISORY GROUP INC., IN ITS CAPACITY AS MONITOR OF BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.	
CASSELS BROCK & BLACKWELL LLP 2100 Scotia Plaza 40 King Street West Toronto, ON M5H 3C2 SHAYNE KUKULOWICZ LSUC #:30729S Tel: 416.860.6463 Fax: 416.640.3176 skukulowicz@casselsbrock.com JANE DIETRICH LSUC #:49302U Tel: 416.860.5223 Fax: 416.640.3144 jdietrich@casselsbrock.com LARRY ELLIS LSUC #49313K Tel: 416.869.5406 Fax: 416.640.3004 lellis@casselsbrock.com <i>Lawyers for Richter Advisory Group Inc., in its Capacity as Monitor</i>	

APPENDIX “E”

**AMENDMENT NO. 1 TO
FIRST AMENDED AND RESTATED FORBEARANCE AGREEMENT**

This Amendment No. 1 to First Amended and Restated Forbearance Agreement dated as of September ____, 2014 is made

BETWEEN:

**BENIX & CO. INC., BOMBAY & CO. INC. and BOWRING & CO. INC., as Borrowers
and Guarantors**
(each as "**Borrowers**" and "**Guarantors**")

- and -

CANADIAN IMPERIAL BANK OF COMMERCE, as Lender
(the "**Lender**")

RECITALS:

- A. The Borrowers and the Lender entered into a first amended and restated forbearance agreement dated as of August 5, 2014 (the "**FARFA**").
- B. Each of the Borrowers and the Lender wish to amend certain terms and provisions of the FARFA, all as provided below.

NOW THEREFORE for valuable consideration, the receipt and sufficiency of which are acknowledged by the parties to this Amendment No. 1, the parties agree as follows:

**ARTICLE 1
INTERPRETATION AND GENERAL**

Section 1.1 Definitions.

This Amendment No. 1 to First Amended and Restated Forbearance Agreement shall be herein referred to as "**this Amendment No. 1**". All capitalized terms used in this Amendment No. 1 which are not otherwise defined shall have the meanings established for such terms in the FARFA.

Section 1.2 Canadian Currency.

Unless otherwise specified herein, all amounts and values referred to in this Amendment No. 1 shall be calculated in lawful money of Canada.

Section 1.3 Headings.

The division of this Amendment No. 1 into Articles, Sections and Subsections and the insertion of headings are for convenience of reference only and shall not affect the meaning or interpretation of this Amendment No. 1.

Section 1.4 Number and Gender.

Where the context so requires, words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.

ARTICLE 2 AMENDMENT TO FARFA PROVISIONS

Section 2.1 Amendments to Definitions.

- (a) In Section 5.1.1 of the FARFA:
 - (i) the defined term **"Availability Block"** is hereby deleted in its entirety and replaced with the following:

“**"Availability Block"** means an amount equal to: (i) \$2,500,000 from the date hereof to and including August 31, 2014; (ii) \$2,000,000 from September 1, 2014 to and including September 30, 2014; and (iii) \$2,500,000 from October 1, 2014 and thereafter.”; and
 - (ii) the defined term **"BBC Availability"** is hereby deleted in its entirety.
- (b) In Section 5.1.2 of the FARFA:
 - (i) the defined term **"Combined Operating L/C Facility Limit"** is hereby deleted in its entirety and replaced with the following:

“**"Combined Operating L/C Facility Limit"** means, at any time, the Operating Facility Limit at such time plus the face amount of all Letters of Credit issued and outstanding under the L/C Facility at any such time.”; and
 - (ii) the defined term **"Operating Facility Limit"** is hereby deleted in its entirety and replaced with the following:

“**"Operating Facility Limit"** means the DIP Excess Limit plus: (a) at any time commencing as at the date hereof to and including December 31, 2014, \$18,800,000 less the face amount of all Letters of Credit issued and outstanding under the L/C Facility at such time, (b) at any time commencing January 1, 2015 to and including January 19, 2015, \$13,800,000 less the face amount of all Letters of Credit issued and outstanding under the L/C Facility at such time, and (c) thereafter, \$nil.”.

Section 2.2 Other Amendments.

- (a) Section 8.21 of the FARFA is hereby amended by deleting the words **"BBC Availability or"** as contained in such Section.
- (b) Schedule 2 – Approved CCAA Cash Flow as attached to the FARFA is hereby deleted in its entirety and replaced with Annex **"A"** as attached to this Amendment No. 1.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties.

The Obligors jointly and severally represent and warrant to the Lender that:

- (a) The representations and warranties set out in the FARFA and the other Loan Documents are true, complete and correct in every material respect as at the date of this Amendment No. 1.

ARTICLE 4
CONDITIONS PRECEDENT TO THIS AGREEMENT

Section 4.1 Conditions Precedent.

Upon the following events having occurred to the satisfaction of the Lender and its legal counsel, this Amendment No. 1 shall come into effect and the FARFA shall be amended to reflect the amendments contemplated herein:

- (a) the Lender having received this Amendment No. 1 executed by the Obligors and the Annex "A" attachment hereto.

ARTICLE 5
GENERAL

Section 5.1 Nature of this Amendment No. 1.

It is acknowledged and agreed that the terms of this Amendment No. 1 are in addition to and, unless otherwise specifically provided for, shall not limit, restrict, modify, amend or release any of the understandings, agreements or covenants as set out in the FARFA. The FARFA shall be read and construed in conjunction with this Amendment No. 1 and the FARFA, as amended by this Amendment No. 1, together with all of the powers, provisions, conditions, covenants and agreements contained or implied in the FARFA shall be and shall continue to be in full force and effect. References to the "FARFA" or the "Agreement" in the FARFA or in any other document delivered in connection with, or pursuant to, the FARFA, shall mean the FARFA, as amended by this Amendment No. 1. In the event of any conflict between this Amendment No. 1 and the FARFA, this Amendment No. 1 shall govern.

Section 5.2 Waiver.

The conditions listed in Section 4.1 to this Amendment No. 1 may be waived by the Lender in whole or in part and with or without terms or conditions.

Section 5.3 Severability.

Any provision of this Amendment No. 1 which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 5.4 Time of Essence.

Time shall, in all respects, be of the essence of this Amendment No. 1.

Section 5.5 Assignment.

The Obligors shall not assign this Amendment No. 1 or any part hereof without the prior written consent of the Lender.

Section 5.6 Law Governing.

This Amendment No. 1 shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereby submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

Section 5.7 Successors and Assigns.

This Amendment No. 1 enures to the benefit of and is binding upon the Obligors and the Lender and their respective successors and permitted assigns.

Section 5.8 Counterparts.

This Amendment No. 1 may be executed in multiple counterparts, each of which shall be deemed to be an original agreement and all of which shall constitute one agreement. All counterparts shall be construed together and shall constitute one and the same agreement. This Amendment No. 1, to the extent signed and delivered by means of electronic transmission (including, without limitation, facsimile and PDF transmissions), shall be treated in all manner and respects as an original agreement and should be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

Section 5.9 Continuing Effect of Guarantees and Security Documents.

Each of the Obligors acknowledges, confirms and agrees: (i) to the amendments and provisions hereof, and (ii) that the Existing Security executed by it shall remain in full force and effect as binding obligations enforceable against it notwithstanding the execution and delivery of Amendment No. 1 and continue to secure all present and future indebtedness, liabilities and obligations of the Obligor to the Lender.

Section 5.10 No Novation.

Nothing in this Amendment No. 1, nor in the FARFA when read together with this Amendment No. 1, shall constitute novation, payment, re-advance, or otherwise of any existing indebtedness, liabilities and obligations of the Obligors to the Lender.

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IN WITNESS WHEREOF the parties have executed this Amendment No. 1 as of the day and year first above written.

CANADIAN IMPERIAL BANK OF COMMERCE

Per:



Name: Paul Montgomery
Authorized Signatory

Name: _____
Authorized Signatory

I/~~We~~ have the authority to bind the Bank.

BENIX & CO. INC.

Per:

A handwritten signature in dark ink, appearing to be "Smith", is written over a horizontal line.

Name:

Title:

I have the authority to bind the Corporation.

A small, handwritten mark or signature in the bottom right corner of the page.

BOMBAY & CO. INC.

Per:

A handwritten signature in dark ink, appearing to be "B. Smith", is written over a horizontal line.

Name:

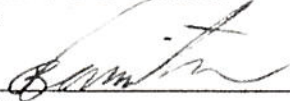
Title:

I have the authority to bind the Corporation.

A small, stylized handwritten mark or signature in the bottom right corner of the page.

BOWRING & CO. INC.

Per:

A handwritten signature in dark ink, appearing to be "Samuel", is written over a horizontal line.

Name:

Title:

I have the authority to bind the Corporation.

**ANNEX "A" to AMENDMENT NO. 1 TO
FIRST AMENDED AND RESTATED FORBEARANCE AGREEMENT**

**"SCHEDULE 2
APPROVED CCAA CASH FLOW**

See Attached."

TOR_LAW\8495464\3

B&C Group - DIP Cash Flow Forecast

(000's)	Aug 09	Aug 16	Aug 23	Aug 30	Sep 06	Sep 13	Sep 20	Sep 27	Oct 04	Oct 11	Oct 18	Oct 25	Month Ended			Total
													Nov	Dec	Jan	
Receipts																
Store Receipts (incl. taxes)	\$1,982	\$1,492	\$1,719	\$1,894	\$1,864	\$1,738	\$1,703	\$1,772	\$1,877	\$1,936	\$1,908	\$1,969	\$11,707	\$16,840	\$16,409	\$66,810
Liquidation receipts (incl. taxes)	-	462	954	985	959	936	925	916	836	795	772	738	1,537	-	-	10,815
	1,982	1,954	2,673	2,879	2,823	2,674	2,627	2,688	2,713	2,732	2,680	2,706	13,243	16,840	16,409	77,625
Disbursements																
TT Payments	225	208	431	354	394	566	412	499	477	1,156	437	369	1,236	903	462	8,129
Domestic Purchases	-	-	-	-	-	200	400	400	400	450	100	91	501	600	900	4,043
LC Payments	602	280	600	407	310	500	500	450	400	790	970	555	1,465	1,770	3,650	13,250
Payroll	479	480	510	438	438	438	438	532	432	432	432	532	2,135	1,968	2,577	12,259
Vacation Pay (terminated empl.)	50	-	-	-	-	-	-	-	-	-	-	-	-	100	100	250
Rent	1,800	-	-	-	2,500	-	-	-	2,286	-	-	-	1,998	2,447	1,827	12,858
Domestic Freight	49	37	37	42	42	42	42	64	64	64	64	64	280	541	470	1,903
Utilities	40	31	31	29	29	29	29	28	28	28	28	28	116	129	172	775
Sales Tax	-	-	-	-	760	-	-	-	380	-	-	-	540	670	2,010	4,360
Credit Card Fees	175	-	-	-	175	-	-	-	154	-	-	-	237	230	180	1,150
Capex	5	5	130	5	5	130	5	5	5	5	5	5	20	20	30	380
Other	75	159	162	158	164	186	239	186	186	234	305	232	1,082	1,765	2,388	7,521
Liquidation																
Hilco Fee	-	18	18	18	18	18	18	18	18	18	18	18	47	-	-	241
Supervision	-	47	47	47	47	47	47	47	47	47	47	47	126	-	-	638
Advertising	84	21	21	21	21	21	21	21	21	21	21	21	21	-	-	335
	3,584	1,285	1,986	1,518	4,902	2,177	2,150	2,249	4,896	3,244	2,427	1,961	9,803	11,143	14,766	68,092
Net CF (from operations)	(1,601)	668	687	1,361	(2,079)	498	477	439	(2,183)	(512)	253	745	3,440	5,697	1,643	9,534
Interest	117	-	-	-	138	-	-	-	144	-	-	-	159	137	99	793
Professional Fees	237	124	124	209	90	90	136	79	113	68	51	62	164	11	-	1,559
Critical Supplier	300	55	-	300	-	-	55	-	-	-	55	-	55	-	-	875
DC Moving Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	500	500
Deposits	150	-	50	-	-	-	-	-	-	-	-	-	-	-	50	50
CIBC DIP Fee	175	-	-	-	-	-	-	-	-	-	-	-	-	-	-	175
Net Cash Flow	(\$2,580)	\$489	\$512	\$852	(\$2,307)	\$407	\$286	\$360	(\$2,439)	(\$580)	\$147	\$683	\$3,063	\$5,494	\$1,194	\$5,581
Opening Bank Loan	\$14,767	\$17,347	\$16,858	\$16,346	\$15,494	\$17,801	\$17,393	\$17,107	\$16,747	\$19,187	\$19,767	\$19,619	\$18,936	\$15,874	\$10,380	\$14,767
Closing Bank Loan	\$17,347	\$16,858	\$16,346	\$15,494	\$17,801	\$17,393	\$17,107	\$16,747	\$19,187	\$19,767	\$19,619	\$18,936	\$15,874	\$10,380	\$9,186	\$9,186
LC Balance	\$2,717	\$2,887	\$2,687	\$3,070	\$3,730	\$3,785	\$3,600	\$3,525	\$3,475	\$3,110	\$2,650	\$2,505	\$3,190	\$3,770	\$2,520	\$2,520
Notional BBC¹	\$972	\$1,519	\$2,038	\$2,814	\$844	\$1,122	\$1,997	\$3,768	\$2,266	\$1,638	\$1,571	\$1,626	\$3,088	\$6,787	\$5,023	\$5,023

¹ Notional BBC is a calculation used only for the purposes of the covenant defined in section 6.5.4 of the Forbearance Agreement

APPENDIX “F”

**AMENDMENT NO. 2 TO
FIRST AMENDED AND RESTATED FORBEARANCE AGREEMENT**

This Amendment No. 2 to First Amended and Restated Forbearance Agreement dated as of November 19, 2014 is made

BETWEEN:

**BENIX & CO. INC., BOMBAY & CO. INC. and BOWRING & CO. INC., as Borrowers
and Guarantors**
(each as “Borrowers” and “Guarantors”)

- and -

CANADIAN IMPERIAL BANK OF COMMERCE, as Lender
(the “Lender”)

RECITALS:

- A. The Borrowers and the Lender entered into a first amended and restated forbearance agreement dated as of August 5, 2014, as amended pursuant to an amendment No. 1 to first amended and restated forbearance agreement dated as of September 12, 2014 (as amended, the “**FARFA**”).
- B. Each of the Borrowers and the Lender wish to amend certain terms and provisions of the FARFA, all as provided below.

NOW THEREFORE for valuable consideration, the receipt and sufficiency of which are acknowledged by the parties to this Amendment No. 2, the parties agree as follows:

**ARTICLE 1
INTERPRETATION AND GENERAL**

Section 1.1 Definitions.

This Amendment No. 2 to First Amended and Restated Forbearance Agreement shall be herein referred to as “**this Amendment No. 2**”. All capitalized terms used in this Amendment No. 2 which are not otherwise defined shall have the meanings established for such terms in the FARFA.

Section 1.2 Headings.

The division of this Amendment No. 2 into Articles, Sections and Subsections and the insertion of headings are for convenience of reference only and shall not affect the meaning or interpretation of this Amendment No. 2.

Section 1.3 Number and Gender.

Where the context so requires, words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.

ARTICLE 2
AMENDMENT TO FARFA PROVISIONS

Section 2.1 Amendment.

(a) Section 4.1.14.6 of the FARFA is hereby amended by deleting the words "sixty (60) Business Days" in the first line of such Section and replacing them with the words "one hundred (100) Business Days".

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties.

The Obligors jointly and severally represent and warrant to the Lender that:

(a) The representations and warranties set out in the FARFA and the other Loan Documents are true, complete and correct in every material respect as at the date of this Amendment No. 2.

ARTICLE 4
CONDITIONS PRECEDENT TO THIS AGREEMENT

Section 4.1 Conditions Precedent.

Upon the following events having occurred to the satisfaction of the Lender and its legal counsel, this Amendment No. 2 shall come into effect and the FARFA shall be amended to reflect the amendments contemplated herein:

(a) the Lender having received this Amendment No. 2 executed by the Obligors.

ARTICLE 5
GENERAL

Section 5.1 Nature of this Amendment No. 2.

It is acknowledged and agreed that the terms of this Amendment No. 2 are in addition to and, unless otherwise specifically provided for, shall not limit, restrict, modify, amend or release any of the understandings, agreements or covenants as set out in the FARFA. The FARFA shall be read and construed in conjunction with this Amendment No. 2 and the FARFA, as amended by this Amendment No. 2, together with all of the powers, provisions, conditions, covenants and agreements contained or implied in the FARFA shall be and shall continue to be in full force and effect. References to the "FARFA" or the "Agreement" in the FARFA or in any other document delivered in connection with, or pursuant to, the FARFA, shall mean the FARFA, as amended by this Amendment No. 2. In the event of any conflict between this Amendment No. 2 and the FARFA, this Amendment No. 2 shall govern.

Section 5.2 Waiver.

The conditions listed in Section 4.1 to this Amendment No. 2 may be waived by the Lender in whole or in part and with or without terms or conditions.

Section 5.3 Severability.

Any provision of this Amendment No. 2 which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 5.4 Time of Essence.

Time shall, in all respects, be of the essence of this Amendment No. 2.

Section 5.5 Assignment.

The Obligors shall not assign this Amendment No. 2 or any part hereof without the prior written consent of the Lender.

Section 5.6 Law Governing.

This Amendment No. 2 shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereby submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

Section 5.7 Successors and Assigns.

This Amendment No. 2 enures to the benefit of and is binding upon the Obligors and the Lender and their respective successors and permitted assigns.

Section 5.8 Counterparts.

This Amendment No. 2 may be executed in multiple counterparts, each of which shall be deemed to be an original agreement and all of which shall constitute one agreement. All counterparts shall be construed together and shall constitute one and the same agreement. This Amendment No. 2, to the extent signed and delivered by means of electronic transmission (including, without limitation, facsimile and PDF transmissions), shall be treated in all manner and respects as an original agreement and should be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

Section 5.9 Continuing Effect of Guarantees and Security Documents.

Each of the Obligors acknowledges, confirms and agrees: (i) to the amendments and provisions hereof, and (ii) that the Existing Security executed by it shall remain in full force and effect as binding obligations enforceable against it notwithstanding the execution and delivery of this Amendment No. 2 and continue to secure all present and future indebtedness, liabilities and obligations of the Obligor to the Lender.

Section 5.10 No Novation.


Nothing in this Amendment No. 2, nor in the FARFA when read together with this Amendment No. 2, shall constitute novation, payment, re-advance, or otherwise of any existing indebtedness, liabilities and obligations of the Obligor to the Lender.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties have executed this Amendment No. 2 as of the day and year first above written.

CANADIAN IMPERIAL BANK OF COMMERCE

Per:

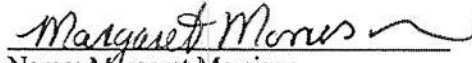

Name: PAUL MONTMERY, SR. DIRECTOR
Authorized Signatory

Name:
Authorized Signatory

I/We have the authority to bind the Bank.

BENIX & CO. INC.

Per:



Name: Margaret Morrison

Title: CFO

I have the authority to bind the Corporation.

BOMBAY & CO. INC.

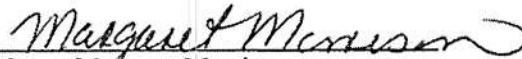
Per:


Name: Margaret Morrison
Title: CFO

I have the authority to bind the Corporation.

BOWRING & CO. INC.

Per:

A handwritten signature in cursive script, appearing to read "Margaret Morrison", written over a horizontal line.

Name: Margaret Morrison

Title: CFO

I have the authority to bind the Corporation.

APPENDIX “G”

Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc.
Consolidated Cash Flow for the Period November 9, 2014 - January 31, 2015

(\$000's)	Nov 15	Nov 22	Nov 29	Dec 06	Dec 13	Dec 20	Dec 27	Jan 03	Jan 10	Jan 17	Jan 24	Jan 31	Total
Gross Receipts	\$ 2,850	\$ 3,013	\$ 4,680	\$ 5,547	\$ 5,143	\$ 4,382	\$ 3,051	\$ 2,651	\$ 2,651	\$ 2,651	\$ 2,651	\$ 2,651	\$ 41,921
Disbursements													
Purchases	1,313	1,597	1,692	769	567	1,363	650	571	611	523	512	504	10,672
Rent	-	415	-	888	888	-	-	1,123	-	1,123	-	-	4,437
Store expenses & Other	414	290	469	657	599	575	654	795	420	545	532	345	6,296
Payroll	452	552	668	568	568	568	576	476	476	476	676	476	6,533
Sales Tax	-	-	-	68	-	-	-	246	-	-	-	1,410	1,724
Interest	-	-	-	108	-	-	-	69	-	-	-	-	177
Utilities	31	31	35	35	35	35	30	30	30	30	30	30	382
Professional Fees	197	124	226	100	50	50	20	20	20	20	20	20	867
	2,407	3,008	3,090	3,193	2,707	2,591	1,931	3,330	1,558	2,717	1,770	2,786	31,087
Net Cash Flow	443	5	1,590	2,354	2,436	1,792	1,121	(679)	1,094	(66)	881	(135)	10,835
Opening Bank Loan	\$19,228	\$18,786	\$18,781	\$17,191	\$14,837	\$12,401	\$10,610	\$9,489	\$10,168	\$9,074	\$9,140	\$8,259	\$19,228
Closing Bank Loan	\$18,786	\$18,781	\$17,191	\$14,837	\$12,401	\$10,610	\$9,489	\$10,168	\$9,074	\$9,140	\$8,259	\$8,394	\$8,394

APPENDIX “H”

SALE AND INVESTOR SOLICITATION PROCESS ("SISP")

Overview

1. Benix & Co. Inc., Bombay & Co. Inc. and Bowring & Co. Inc. (collectively the "**Applicants**") are three (3) separate legal entities:
 - (i) Bombay & Co. Ltd., which currently operates fifty-five (55) stores across Canada and offers large furniture, small occasional furniture, wall décor and home accessories;
 - (ii) Bowring & Co. Ltd., which currently operates fifty-seven (57) stores across Canada and offers giftware, fashion tableware, and decorative home accessories; and
 - (iii) Benix & Co. Ltd., which closed its final store in June, 2014, and prior to closing operated a chain of stores specializing in housewares, with a focus on cooking, home entertaining and giftware.
2. As a result of sustained losses and insufficient liquidity to finance operations, the Applicants, on August 6, 2014, obtained an order (the "**Initial Order**") for protection, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c.C-36, as amended ("**CCAA**"). Richter Advisory Group Inc. was appointed as the monitor of the Applicants (the "**Monitor**").
3. The Applicants and the Monitor believe that prospective buyers and/or investors will be interested in purchasing or investing in the Applicants' business for the following reasons:
 - (i) the Applicants have developed a restructuring plan, which includes the closure of underperforming store locations, significant cost cutting measures including headcount reductions and rent reductions, and an overall focus on profitable stores;
 - (ii) the Applicants have strong, established brand names, which are considered to be a staple in the home furniture and housewares industry in Canada;
 - (iii) the Applicants have a widespread national retail presence, including desirable store locations across Canada;
 - (iv) the Applicants have well established distribution channels; and
 - (v) the Applicants have an experienced management team capable of delivering on the Applicants' restructuring plan.

4. The Applicants, with the assistance of the Monitor, will be conducting a liquidation process concurrent with the SISP. The purpose of the concurrent process will be to effect the closure of those stores that are cash negative stores or otherwise have a net negative effect on the Applicants' overall business. References made to the "Applicants business" in this SISP refer only to those stores and operations that the Applicants, in consultation with the Monitor, intend to continue operating and exclude those stores that will be closed.

Objectives

5. The Objective of the SISP are to:
 - (i) solicit offers from the market from those parties that are interested in refinancing the Applicants' business in an amount at least sufficient to repay all indebtedness owing to secured creditors of the Applicants and to provide sufficient working capital for the Applicants' ongoing business (the "**Investment Proposal**");
 - (ii) solicit offers from the market from those parties that are interested in purchasing the Applicants' business or a portion thereof (the "**Sale Proposal**");
 - (iii) ensure that the SISP is fair and effective for all parties, and is undertaken in a cost-effective manner;
 - (iv) preserve the continuity of the Applicants' operations during the SISP; and
 - (v) maximize value for the Applicants' stakeholders.(collectively the "**SISP Objectives**")

Role of the Monitor

6. The Monitor, will be responsible for managing all aspects of the SISP, while consulting with the Applicants' management ("**Management**") on how best to achieve the SISP Objectives. The Monitor's primary responsibilities will include:
 - (i) preparing a list of potential buyers and investors;
 - (ii) drafting of an initial offering summary ("**Teaser Letter**");
 - (iii) assisting legal counsel with the preparation of a confidentiality agreement ("**CA**");
 - (iv) populating and managing an electronic data room ("**Data Room**");

- (v) assisting legal counsel with the preparation of a template offer;
 - (vi) managing all communications with prospective buyers or investors and negotiating transactional documentation; and
 - (vii) consulting with the Canadian Imperial Bank of Commerce, in its capacity as "**DIP Lender**", throughout the process as the Monitor determines is appropriate and in accordance with the First Amended and Restated Forbearance Agreement among the Applicants, as borrowers and guarantors, and the DIP Lender, as lender, dated as of August 5, 2014 (as amended, revised, restated and/or replaced, from time to time to time, referred to as the "**FARFA**") and the Credit Agreement (as the term "**Credit Agreement**" is defined in the FARFA).
7. The Monitor, in consultation with Management, will have responsibility for managing all communications with prospective purchasers prior to and after receipt of binding offers. These communications include, but are not limited to, facilitating the delivery of all communications, contacting prospective purchasers/investors and providing them with the Teaser Letter, coordinating the execution of CAs, soliciting and tracking all expressions of interest, facilitating any requests for tours of the Applicants' facilities, managing the process of answering all inquiries from purchasers/investors, coordinating any presentations that may be requested by purchasers/investors, soliciting and tracking all offers and reviewing and negotiating transactional documentation.

Role of Management

8. Management shall assist the Monitor with the preparation of all of the material listed above and generally cooperate with the Monitor with all actions necessary to achieve the SISP Objectives.
9. Management has advised the Monitor that it, or a related party or parties, may submit a bid for the purchase of the Applicants' business. Any such party or parties who is/are interested to do so must advise the Monitor in writing of such intention on or before August 29, 2014 (the "**Participation Notice**"). Upon receipt of a Participation Notice, Management will be excluded from any participation in the SISP that might create an unfair advantage or jeopardize the integrity of the SISP. For greater certainty any such party or parties delivering a Participation Notice will be subject to the SISP procedures as an Interested Party.

Identification of Potential Interested Parties

10. The Monitor, after consultation with Management and the DIP Lender, will develop a list of strategic and financial parties who may be interested in

investing in the Applicants and/or acquiring the Applicants' business (the "**Potential Bidders**").

11. The Applicants will obtain a Court order approving, *inter alia*, the SISP on or before August 22, 2014 (the "**SISP Approval Order**").

Sale and Investor Solicitation Process

12. The Monitor will, on or before August 27, 2014, distribute the Teaser Letter to all Potential Bidders and any other party who requests same.
13. Potential Bidders who wish to commence due diligence will be required to sign a CA, in a form acceptable to the Monitor.
14. Upon execution of a CA, the Monitor will provide each Potential Bidder (now an "**Interested Party**") with:
 - (i) a copy of the SISP; and
 - (ii) access to the Data Room, where information in connection with the Applicants' business will be available.

(collectively the "**Data Room Information**")

15. The Monitor will work with Management to complete the population of the Data Room with the Data Room Information on or before August 29, 2014. The Applicants, in consultation with the Monitor, reserve the right to limit any Interested Party's access to the Data Room Information where, in the Applicants' discretion, to do so could negatively impact the Applicants' business operations.
16. The Monitor will provide each Interested Party with the form of template offer ("**Template Offer**") on or before August 29, 2014. Each Interested Party who wishes to advance an Investment Proposal may do so in any form provided it meets the requirements set out in Section 18(ii) hereof.
17. Requests from Interested Parties for additional information will be made to the Monitor. Subject to Section 9 of the SISP, the Monitor, where necessary, will coordinate its responses to requests for additional information with Management.
18. Each Interested Party will be required to submit an irrevocable offer to the Monitor on or before 12:00 noon (EST) on September 26, 2014 (the "**Offer Deadline**"), which offer, shall set out to the extent applicable, among other things:
 - (i) in the case of a Sale Proposal, an executed offer containing the following terms and information: (i) the purchase price (including

the liabilities to be assumed by the Interested Party); (ii) any of the Applicants' assets and liabilities to be excluded; (iii) the structure and financing of the transaction (including, but not limited to, the sources of financing for the purchase price, evidence of the availability of such financing and the steps necessary and associated timing to obtain the financing and consummate the transaction and any related contingencies, as applicable); (iv) the treatment of employees of the Applicants; and; (vi) any regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals; (vii) an allocation of the purchase price between the Applicants' assets; and a blackline of the Template Offer to the offer; or

- (ii) in the case of an Investment Proposal, an executed Investment Proposal containing the following terms and information: (i) the aggregate amount of the equity and debt financing with an allocation between each Applicant (including, the sources of such financing, evidence of the availability of such financing and the steps necessary and associated timing to obtain the financing and consummate the transaction and any related contingencies, as applicable); (ii) the underlying assumptions regarding the anticipated debt levels, debt service fees, interest and amortization); (iii) any amount to be allocated to the Applicants' unsecured creditors and employees; (iv) confirmation that any anticipated corporate, shareholder or internal approvals required to close the transaction have been obtained; (v) any anticipated regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals; and
- (iii) such other information reasonably requested by the Monitor.

Offer Recommendation, Acceptance and Negotiation Process

- 19. The Monitor, after consultation with the Applicants and the DIP Lender, may seek clarifications with respect to the offers and may, after consultation with the DIP Lender, negotiate any and all aspects of the offers or bids at any time prior to the completion of the Auction or No Auction process. The Monitor is not obligated to consult the Applicants in circumstances where a Participation Notice pursuant to paragraph 9 hereof has been delivered.
- 20. All offers must be capable of acceptance and must be irrevocable until 11:59 pm EST on November 6, 2014. All Offers must be accompanied by a deposit in the form of a wire transfer (to a bank account specified by the Monitor), or such other form of immediately available funds acceptable to

the Monitor, payable to the order of the Monitor, in trust, in an amount equal to 10% of the total financing or purchase consideration to be held and dealt with in accordance with the terms of the offer (the “**Deposits**”).

21. Deposits received from Interested Parties shall be held in an interest bearing account. Deposits, other than the Deposit of the Successful Bidder, shall be returned to such Interested Parties two business days after the selection of the Successful Bidder as set out in paragraph 27(v) or paragraph 30. The Deposit received from the Successful Bidder shall be applied to the purchase price of such transaction at closing or otherwise dealt with in accordance with the definitive documentation entered into with the Applicants.

Auction Trigger

22. Immediately after the Offer Deadline, the Monitor shall, where necessary, and after consulting with the DIP Lender, take such steps as are required to clarify values and information set out in any offer and/or negotiate the terms of any offer. Once all offers are clarified the Monitor shall:
 - (i) summarize the values set out in each offer;
 - (ii) after consulting with the DIP Lender, determine which offers provide for the indefeasible cash payment in full by the bidder to the DIP Lender, of all amounts owing to the DIP Lender under the FARFA, the Credit Agreement and the other Loan Documents (as defined in the FARFA) including, without limitation, all of the Outstanding Obligations (defined in the Credit Agreement) upon the successful closing thereof which closing is completed prior to the expiry or termination of the Forbearance Period (as defined in the FARFA), (such payment within such timeframes being referred to as “**Lender Payment in Full**”); and
 - (iii) determine which offer provides the greatest value to the Applicants’ stakeholders.

The Monitor shall provide a copy of such summary to the DIP Lender as soon as practicable. If such an offer is an Investment Proposal, the Applicants and/or the Monitor may return to Court for directions, as appropriate. If such an offer is a Sale Proposal for the purposes of this Auction section the Interested Party that the Monitor has determined, submitted the greatest value bid and provided for Lender Payment in Full shall be referred to as the “**Threshold Bidder**”. The determination of greatest value bid shall be made by the Monitor considering the following factors (a) the amount and nature of the consideration, including the ability to pay the Lender Payment in Full; (b) the proposed assumption of any liabilities, if any; (c) the ability of the bidder to close the transaction, within

the time period contemplated for a Lender Payment in Full; (d) the impact of the contemplated transaction on any actual or potential litigation; (e) any purchase price adjustments; (f) the proposed closing date and the likelihood, extent and impact of any potential delays in closing; (g) the net economic effect of any changes from the Template Offer; (h) the net after-tax consideration to be received by the Applicants; and (i) such other considerations as the Monitor deems relevant in their reasonable business judgment, after consulting with the DIP Lender, (collectively the “**Bid Assessment Criteria**”).

23. The Monitor shall identify any other offers that are within CDN \$5 million of the Threshold Bidder's offer. For the purposes of this Auction section any Interested Party that submits an offer that is within CDN \$5 million of the Threshold Bidder's offer and satisfied the Bid Assessment Criteria shall be referred to as a “**Qualified Bidder**”.
24. In the event the Monitor, after consulting with the DIP Lender, identifies Qualified Bidders the Monitor shall send written notice to any Qualified Bidders, on or before noon on October 3, 2014, advising the Qualified Bidders that they are Qualified Bidders (the “**Auction Notice**”). The Auction Notice shall also include:
 - (i) the date, time and location of the proposed auction;
 - (ii) the terms of the Opening Bid (as defined below);
 - (iii) the minimum first bid required in order to exceed the Threshold Bidder's offer; and
 - (iv) the procedures pursuant to which the auction will be conducted.
25. Qualified Bidders must notify the Monitor, in writing, by no later than noon on October 6, 2014, of their intention to participate in the auction (the “**Auction Notice Response**”). Where the Monitor does not receive an Auction Notice Response it shall be deemed that the applicable Interested Parties declined to participate.
26. In circumstances where no Qualified Bidder elects to participate in the auction process the Applicants and the Monitor, after consultation with the DIP Lender, shall proceed to consummate the sale transaction in accordance with the “No Auction” section of the SISP. If the only Qualified Bidder electing to participate in the Auction process is the Threshold Bidder, the Threshold Bidder shall be deemed to be the Successful Bidder, subject to court approval.
27. In circumstances where a Qualified Bidder elects to participate an auction shall be conducted on or before October 8, 2014, according to the following procedures:

- (i) Participation at the Auction. Only the Threshold Bidder and Qualified Bidders (collectively the “**Auction Participants**”) are eligible to participate at the auction. Only the authorized representatives (including counsel and other advisors) of each Auction Participant and the DIP Lender shall be permitted to attend the auction. The bidding shall begin with the Threshold Bidder’s offer (the “**Opening Bid**”) and each subsequent round of bidding shall continue in minimum increments of at least the Minimum Overbid Increment (as defined below).
- (ii) Monitor Shall Conduct the Auction. The Monitor shall direct and preside over the auction. At the start of the auction the Monitor shall confirm the terms of the Opening Bid to all Auction Participants. All bids made after the Opening Bid shall be Overbids (as defined below), and shall be made and received on an open basis, and all material terms of each Overbid shall be fully disclosed to all other Auction Participants. The Monitor shall maintain a transcript of the Opening Bid and all Overbids made and announced at the auction.
- (iii) Terms of Overbids. An “Overbid” is any bid made at the auction subsequent to the announcement of the Opening Bid. To submit an Overbid, in any round of the auction, an Auction Participant must comply with the following requirements:
 - a. Minimum Overbid Increment

Any Overbid shall be made in increments of at least \$150,000.
 - b. Announcing Overbids

At the end of each round of bidding, the Monitor shall announce the material terms of the then highest and/or best Overbid, the basis for the calculating the total consideration offered in such Overbid, and the resulting benefit to the Applicants based on, among other things, the Bid Assessment Criteria.
 - c. Failure to Bid

If at the end of any round of bidding an Auction Participant fails to submit an Overbid, then such Auction Participant shall not be entitled to continue to participate in the next round of the Auction.
- (iv) Additional Procedures. The Monitor may, after consultation with the Auction Participants and its advisors and the DIP Lender and its advisors, adopt rules for the auction at or prior to the auction that will better promote the goals of the auction and that are not inconsistent with any of the provisions of these bidding procedures, provided that no such rules may change the requirement that all

Overbids shall be made and received in one room, within a defined period, on an open basis, and all other Auction Participants shall be entitled to be present for all bidding with the understanding that the true identity of each Auction Participant submitting a bid shall be fully disclosed to all other Auction Participants and that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Auction Participants.

- (v) Closing the Auction. Upon conclusion of the bidding, the auction shall be closed, and the Monitor shall immediately review the final Overbid of each Auction Participant on the basis of the Bid Assessment Criteria and after consultation with the DIP Lender, notify the Auction Participants as to the winner of the auction process subject to Court Approval (the **"Successful Bidder"** and the Successful Bid being the **"Successful Bid"**).

The bidders shall bid in inverse order according to the ranking of their offers or previous bids, as determined by the Monitor; the terms and conditions of all bids shall be open to all other Qualified Bidders at such time as they are made; and the Auction process shall continue until there are only two Qualified Bidders, each of which has submitted its final bid or the lowest ranking of which does not wish to make a further bid.

- 28. The Applicants shall complete the sale transaction or transactions with the Successful Bidder following approval of the Successful Bid by the Court. The Applicants will be deemed to have accepted the Successful Bid only when this bid is approved by the Court.
- 29. The Applicants shall file a motion with the Court to approve the Successful Bid by no later than October 15, 2014 (the **"Auction Approval Hearing"**). The Applicants and the Successful Bidder will make best efforts to have the Auction Approval Hearing scheduled prior to October 31, 2014.

No Auction

- 30. In circumstances where no auction is required and Management has not delivered a Participation Notice, the Monitor will summarize the terms of all offers received from Interested Parties and provide its recommendation to Management and the DIP Lender, as with respect to selecting the offer to consummate the transactions (the **"Accepted Offer"**). The Monitor's recommendation shall be subject to the same criteria as enumerated in paragraph 22. Any proposed Accepted Offer that does not provide for Lender Payment in Full shall be subject to the consent of the DIP Lender prior to being designated as the Accepted Offer. If, under these circumstances, Management selects the Accepted Offer, the Monitor, after consulting with the DIP Lender, shall promptly notify the Successful

Bidder that its offer has been accepted (the "**Acceptance Notice**"), subject to the terms of the SISP and subject to the approval by the *Ontario Superior Court of Justice* (Commercial List) (the "**Court**"). The Applicants shall file a motion with the Court for the approval of the Accepted Offer on or before October 8, 2014. Management shall however, have the discretion to accept the Monitor's recommendation, select an alternative to the Monitor's suggestion or to refuse all offers received and if Management chooses to do the latter, the Applicants shall immediately bring a motion to the Court for directions regarding same. Nothing whatsoever in this SISP precludes the DIP Lender from objecting to and opposing the approval of the Accepted Offer where the DIP Lender has not consented to the Accepted Offer whether or not such offer provides for Lender Payment in Full.

31. Subject to paragraph 26 and to the prior consent of the DIP Lender where the Accepted Offer does not provide for Lender Payment in Full, in circumstances where no auction is required and where Management has submitted a Participation Notice, the Monitor shall have the sole discretion to accept an offer or to refuse all offers received. If, under these circumstances, the Monitor, after consulting with the DIP Lender, selects an offer, the Monitor shall promptly provide the Successful Bidder with the Acceptance Notice, which shall be subject to the terms of the SISP and subject to the Court's approval. The Monitor shall file a motion with the Court for the approval of the Accepted Offer on or before October 8, 2014.
32. If the Applicants in the first instance or the Monitor in the second instance, after consulting with the DIP Lender, determine that no offer should be accepted, the SISP process shall be terminated and the Applicants shall immediately bring a motion seeking directions from the Court.

Court Approval and Closing

33. The Accepted Offer or the Successful Bid, as the case may be, shall be subject to approval by the DIP Lender where such Accepted Offer or Successful Bid does not provide for the Lender Payment in Full and shall be subject only to the conditions contained in the Accepted Offer or Successful Bid.
34. Any Accepted Offer or Successful Bid shall be conditional upon the Applicants obtaining Court approval of the Accepted Offer or Successful Bid.
35. Following the selection of the Accepted Offer or the Successful Bid and after receipt of the foregoing approvals, the Monitor shall take such steps as may be necessary to facilitate a closing of each transaction by no later than November 6, 2014.

Other

36. The Monitor, after consulting with the Applicants and the DIP Lender, may amend the SISP, including as it relates to any time limits as may be necessary to achieve the above objectives, or as may be amended by further Order of the Court.
37. Neither the Applicants nor the Monitor shall be liable for any claim for a brokerage commission, finder's fee or like payment in respect of the consummation of any of the transactions contemplated under the SISP Procedures arising out of any agreement or arrangement entered into by the party that submitted the Accepted Offer or Successful Bid. Any such claim shall be the sole liability of the party that submitted such Accepted Offer or Successful Bid.

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APPENDIX “I”

**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
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX & CO. INC.**

AFFIDAVIT OF GILLES BENCHAYA

I, Gilles Benchaya, of the City of Montreal, in the Province of Quebec, **MAKE OATH AND SAY** that:

1. I am a Partner of Richter Advisory Group Inc. ("**Richter**") and, as such, I have knowledge of the matters hereinafter deposed to except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. On August 6, 2014, the Ontario Superior Court of Justice (Commercial List) issued an order (the "**Initial Order**") granting Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc. (collectively, the "**B+C Entities**") protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c C-36, as amended. Pursuant to the Initial Order, Richter was appointed as Monitor of the B+C Entities (the "**Monitor**").
3. During the CCAA proceedings, the Monitor has provided services and incurred disbursements, in the amount of \$900,117.75 and \$36,169.58 respectively (excluding harmonized sales tax ("**HST**") in the period from June 27, 2014 to October 31, 2014 (the "**Period**") with respect to services provided. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a summary of all invoices rendered by the Monitor on a periodic basis during the Period (the "**Accounts**").
4. True copies of the Accounts, which include a fair and accurate description of the services provided along with the hours and applicable rates claimed by the Monitor, are attached as **Exhibit "B"** to my Affidavit.

5. The Monitor has previously filed one report with the Court with respect to the CCAA proceedings, dated August 19, 2014 (the "**First Report**"), in addition to a pre-petition report which was filed by Richter in its capacity as Proposed Monitor. Contemporaneous with the filing of this Affidavit, the Monitor is filing its second report to the Court with respect to the CCAA proceedings (the "**Second Report**"). Details of the activities undertaken and services provided by the Monitor in connection with the administration of the CCAA proceedings are described in the First Report and the Second Report.
6. In the course of performing its duties pursuant to the provisions of the Initial Order, the Monitor's staff has expended a total of 2,012.4 hours during the Period. Attached as **Exhibit "C"** to this my Affidavit is a schedule setting out a summary of the individual staff involved in the administration of the CCAA and the hours and applicable rates claimed by the Monitor for the Period. The average hourly rate billed by the Monitor during the Period is \$447.29.
7. The total amount of professional fees and disbursements being claimed for work performed by the Monitor during the Period is \$936,287.33 (excluding HST).
8. The Monitor requests that this Honourable Court approve its Accounts for the Period, in the total amount of \$936,287.33 (excluding HST) for services rendered and recorded during the Period.
9. Cassels Brock & Blackwell LLP ("**Cassels**"), as independent counsel to the Monitor, has provided legal services to the Monitor throughout the CCAA proceedings in a manner consistent with the instructions of the Monitor and have prepared an affidavit with respect to the services rendered during the period July 4, 2014 to November 14, 2014. The Monitor has reviewed the invoices rendered by Cassels during the period July 4, 2014 to November 14, 2014.
10. To the best of my knowledge, the rates charged by the Monitor and Cassels are comparable to the rates charged for the provision of similar services by other accounting and law firms.
11. I verily believe that the fees and disbursements incurred by the Monitor and Cassels are fair and reasonable in the circumstances.

12. This Affidavit is sworn in connection with a motion for an Order of this Honourable Court to, among other things, approve the fees and disbursements of the Monitor and those of its legal counsel and for no improper purpose.

Dated at Montreal, Province of Quebec, this 21st day of November, 2014

Richter Advisory Group Inc.
In its capacity as Monitor of
Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc.



Gilles Benchaya, CPA, CA, CIRP

SWORN BEFORE ME at the City of
Montreal, in the Province of Quebec,
this 21st day of November, 2014.



Commissioner of Oaths



Exhibit "A"

Court File No.: CV14-10659-OOCL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX CO. INC.**

Statement of Fees Summary

Richter Advisory Group Inc.
IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT ("CCAA")

Re: Bombay & Co Inc., Bowring & Co Inc. and Benix & Co Inc.

Statement of Fees Summary

For the Period from June 27, 2014 to October 31, 2014

<u>Invoice</u>	<u>Date of invoice</u>	<u>Fees</u>	<u>HST</u>	<u>Sub-Total</u>	<u>Disbursements</u>	<u>Total</u>
RC200121	August 1, 2014	269,051.00	34,976.63	304,027.63	8,804.00	312,831.63
RC200124	August 29, 2014	239,726.00	31,164.38	270,890.38	12,865.23	283,755.61
RC200125	September 16, 2014	89,642.00	11,653.46	101,295.46	3,329.71	104,625.17
RC200127	September 29, 2014	99,320.00	12,911.60	112,231.60	4,545.06	116,776.66
RC200130	October 8, 2014	74,357.50	9,666.48	84,023.98	6,209.80	90,233.78
RC200133	October 23, 2014	71,920.00	9,349.60	81,269.60	415.78	81,685.38
RC200137	November 6, 2014	56,101.25	7,293.16	63,394.41	-	63,394.41
		<u>900,117.75</u>	<u>117,015.31</u>	<u>1,017,133.06</u>	<u>36,169.58</u>	<u>1,053,302.64</u>

This is Exhibit "A" referred to in the
Affidavit of Gilles Benchaya sworn before
Me this 31st day of November 2014

Christiane Girard
A Commissioner, etc.



Exhibit “B”

Court File No.: CV14-10659-OOCL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX CO. INC.**

Copies of Invoices of the Monitor



Date: 08/01/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

For professional services rendered for the period ended July 26, 2014.

- Numerous meetings with senior management and personnel in Toronto, ON. to review business operations, cash flow, F2014/15 financial forecast;
- Preparation of monthly store level forecast model for 2014/2015 including detailed store p&ls, cashflow statement, availability schedule, etc.;
- Detailed analysis of store profitability, proximity store closures, analysis of a go forward stores and preparation of a go-forward model integrated to forecast model and other various analyses in connection with restructuring plan;
- Preparation of detailed store lease analysis integrated to forecast model and subsequent meeting with Company to discuss store leases;
-
- Preparation of DIP cash flow model and other supporting analysis including: integrated BBC, rollforwards of working capital, review of analysis prepared by management, etc.;
- Ongoing discussions and calls with lawyers, Company's management and lenders to discuss on-going progress, approach and strategy;
- Numerous discussions with lender regarding BBC, availability, DIP loan, cashflow, etc.;
- Completion of a Memo on July 22, 2014 regarding restructuring plan and DIP Cash Flow;
- Liquidation, bankruptcy planning, discussion with lawyers, profitability analysis of profitable stores;
- Other acts of consultation.



Date: 08/01/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

On-account for professional services rendered (per summary attached)	\$269,051.00
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HST #89593 7217 RT0001	34,976.63
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	Sub-total	<hr/>	\$304,027.63
Disbursements		<hr/>	8,804.00
	Balance to pay:	<hr/>	\$312,831.63



Date: 08/01/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Time Charges
June 27, 2014 to July 26, 2014**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya , Partner	87.0	\$625	\$54,375
Paul van Eyk , Partner	17.3	\$650	11,245
Warren Levine , Principal	229.5	\$550	126,225
Michael Prinsky , Associate	82.5	\$425	35,063
Igor Bernadski , Associate	46.0	\$425	19,550
Jason Parravano , Analyst	<u>161.5</u>	<u>\$325</u>	<u>52,488</u>
	<u>623.8</u>		<u>\$298,945</u>
Courtesy Discount (pre-filing only)			(\$29,895)
Total			<u>\$269.051</u>



Date: 08/01/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Disbursements
June 27, 2014 to July 26, 2014**

Airfare ⁽¹⁾	\$2,891
Hotels ⁽²⁾	2,376
Meals	1,685
Ground Transportation & Other	<u>1,852</u>
Total	<u>\$8,804</u>

⁽¹⁾ 3 return flights (Average per segment: \$482)

⁽²⁾ 10 nights (Average per night: \$238)

Payment Options

We accept Direct Telephone Banking and Internet Banking. If you choose to pay your account using one of these payment options, please contact Collection Department at 514.934.3580 or e-mail collection@richter.ca

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of June 27 to July 26, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Gilles Benchaya	06/27/2014	3.00	1,875.00	Meeting at company with Fred/Margaret re : current liquidity situation and Options Prep of summary overview of corp structure, current financial position, etc
Gilles Benchaya	06/30/2014	3.00	1,875.00	Work on model with Warren
Gilles Benchaya	06/30/2014	1.00	625.00	Update call with Fasken and Paul to discuss current status and options
Gilles Benchaya	06/30/2014	1.00	625.00	Telephone call with Margaret regarding info for model call with Margaret re review of info required for development of restructuring plan
Gilles Benchaya	07/01/2014	4.00	2,500.00	Review of historical results, corp structure, divisional performance Call with Margaret to discuss short term liquidity and bank reporting
Gilles Benchaya	07/02/2014	5.00	3,125.00	call with Hilco re Appraisal and NOLV analysis Attendance at B&C for meetings with principals, Hilco and Richter team Followup call N Werner B Nortman Hilco re liquidation plan
Gilles Benchaya	07/03/2014	4.00	2,500.00	review of Company short term liquidity model Development of detailed assumptions with staff , Mgt and Hilco re updated NOLV LC analysis including o/s exposure and timing of new openings in relation to merchandise plan Meeting with Bank to discuss status, timing of restructuring plan and short term requirements
Gilles Benchaya	07/04/2014	3.00	1,875.00	prep of additional assumptiond for Hilco liquidation model on underperforming stores Review of PWC report including detailed cashflow and availability model Review of current credit agreement and draft forbearance agreement
Gilles Benchaya	07/08/2014	4.00	2,500.00	Analysis of availability model based on proposed DIP term sheet Prep of preliminary liquidation analysis including detailed assumptions for staff Review daily sales summary Bombay and Bowring Call with Paul M CIBC and Paul C of Deloitte re status and liquidity requirements Discussion Fred B. re liquidity requirements, landlord defaults, DIP, alternatives etc review stock ledger position and breakdown by category, including rec to GL for NOLV purposes Detailed analysis of landlord defaults/ cures required and impact on CF analysis of shareholder loans by company Status update with Fasken and PVK
Gilles Benchaya	07/09/2014	4.00	2,500.00	review daily sales performance update to cure schedule and discussion Margaret on landlord defaults review draft Hilco consulting agreement discussion 13 week cf with Margaret and impact of defaults
Gilles Benchaya	07/10/2014	3.00	1,875.00	Discussions with PVK and Faskens on next steps prof fee estimate for case review of Deloitte queries and richter responses with Warren Discussion Riocan defaults with Margaret and Fred
Gilles Benchaya	07/11/2014	3.00	1,875.00	Phone calls with PVK on bank reporting requirements and update on file review of Bombay consultants with Margaret and Fred and their respective roles Discussion on senior management functions and roles with Marg and Fred call with Ben Nortman re store closing scenarios
Gilles Benchaya	07/14/2014	5.00	3,125.00	call with CIBC Review updated detailed 13 week cashflow and related availability calculation Work on detailed restructuring plan including org structure 4 wall profitability analysis close proximity stores, etc Review daily sales results
Gilles Benchaya	07/15/2014	5.00	3,125.00	call with CIBC Review updated detailed 13 week cashflow and related availability calculation Work on detailed restructuring plan including org structure 4 wall profitability analysis close proximity stores, etc Review daily sales results
Gilles Benchaya	07/16/2014	6.00	3,750.00	Prep/review detailed draft report on restructuring plan outlining go forward stores, head count reductions, sga reductions, revised org structure, historical performance and forecasted results
Gilles Benchaya	07/17/2014	6.00	3,750.00	Meetings with management to discuss restructuring strategy Revisions to detailed restructuring plan pursuant to meeting
Gilles Benchaya	07/18/2014	8.00	5,000.00	Cal l with PVK and Deloitte to discuss cash requirements, hilco agreement & status update review of latest Hilco liquidation scenarios updated consulting fee analysis review latest sales summary and cashflow call with Deloitte input from Fred on closing stores and vendor status followup discussion with Margaret on lcs, in-transit inventories and new requirements review latest updated 13 week and rolling availability Call B Nortman re consulting agreement and budgeted expenses call with N Werner at Hilco to discuss closing store scenario model

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of June 27 to July 26, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Gilles Benchaya	07/22/2014	8.00	5,000.00	call with N Werner at Hilco to discuss closing store scenario model and assumptions review of updated Hilco closing store scenario and impact on liquidity Review/modifications to updated deck for bank meeting outlining restructuring plan Meeting with fred and Margaret on updated restructuring plan and report in anticipation of bank mtg Call Margaret to review Fasken info list request and Richter assistance in compiling
Gilles Benchaya	07/23/2014	3.00	1,875.00	Meeting at Company to review updated deck with mgt and subsequent mtgs PVK CIBC
Gilles Benchaya	07/24/2014	4.00	2,500.00	Call with CIBC counsel meeting with Ben Nortman of Hilco to discuss liquidation strategy (dc goods, store complement replenishment opportunity) review of proposed abl structure
Gilles Benchaya	07/25/2014	4.00	2,500.00	Updated rent default notices and cure requirements review of availability model with latest ABL structure proposed by Bank review of detailed cashflow and p&l model for Deloitte
Paul van Eyk	07/02/2014	4.00	2,600.00	Attendance at B&C for meetings with principals, Hilco and Richter team
Paul van Eyk	07/03/2014	2.00	1,300.00	Meeting with bank and company and their clients
Paul van Eyk	07/10/2014	1.00	650.00	Discussions with Gilles and Faskens on next steps
Paul van Eyk	07/11/2014	1.00	650.00	Phone calls with Gilles on bank reporting and file
Paul van Eyk	07/14/2014	0.50	325.00	Call with CIBC
Paul van Eyk	07/17/2014	3.50	2,275.00	Attendance at Company for meetings
Paul van Eyk	07/18/2014	1.00	650.00	Call with Deloitte
Paul van Eyk	07/23/2014	3.50	2,275.00	Review of deck, discussions with Gilles, attendance at CIBC meeting, email to lawyers
Paul van Eyk	07/24/2014	0.80	520.00	Conference call with lawyers for CIBC and Company
Warren Levine	06/27/2014	4.50	2,475.00	Review of Information sent from Company and organize on server. Read various reports
Warren Levine	06/28/2014	6.00	3,300.00	Email correspondence with Richter team to set them up on analyses. Lining up financials and start to put together a weekly cash flow model.
Warren Levine	06/29/2014	5.50	3,025.00	Various correspondence with Company (Margaret). Continue to work on cash flow model. Correspondence with Richter analysts to work on lining up financials for CF model.
Warren Levine	06/30/2014	10.50	5,775.00	Follow up with compnay on missing info. Review and discussions with M. Prinsky, J. Parravano on analysis to prepare. Work on weekly cash flow model. Discussions and meeting with G. Benchaya
Warren Levine	07/01/2014	8.00	4,400.00	Preparation on an LC schedule, to be used in CF model. Correspondence with Company to review info, questions. Review of May F/S and Trial balance. Review of analysis worked on by
Warren Levine	07/02/2014	9.00	4,950.00	Travel to Company and meet with Margaret and Fred. Review preliminary CF model and analyses with Margaret. Spend time to continue working on CF model incorporating her
Warren Levine	07/04/2014	6.00	3,300.00	Communication with Hilco regarding assumptions for liquidation. Work on Cash Flow model
Warren Levine	07/05/2014	3.50	1,925.00	Modeling working capital rollforwards in CF model.
Warren Levine	07/06/2014	7.00	3,850.00	Continued work on CF model (EBITDA to CF rec, rollforwards)
Warren Levine	07/07/2014	9.00	4,950.00	Cash flow model. Review with Margaret. Forecast prof fees.
Warren Levine	07/08/2014	9.00	4,950.00	Review CF with Margaret. Work on estimated HC reductions
Warren Levine	07/09/2014	9.00	4,950.00	Landlord cure analysis. Short term cash flow analysis
Warren Levine	07/10/2014	9.00	4,950.00	Analysis of Open to Buy report. Allocate purchases in CF model
Warren Levine	07/11/2014	9.00	4,950.00	Analysis of Head Office and DC projections. Incorporate in model
Warren Levine	07/12/2014	1.50	825.00	Review daily sales trending
Warren Levine	07/13/2014	8.00	4,400.00	Further analysis of open to buy. True up and revised weekly CF model.
Warren Levine	07/14/2014	9.00	4,950.00	Call with CIBC. Work on restructuring plan presentation. Updates to CF.
Warren Levine	07/14/2014	1.00	550.00	Review of dsales trending
Warren Levine	07/15/2014	9.00	4,950.00	Analysis of sales normalization and sensitivity. Updates to P&L and CF models
Warren Levine	07/16/2014	9.00	4,950.00	Work on draft restructuring report outlining go forward stores, HC and SG&A reductions and associated CF and availability impact.
Warren Levine	07/17/2014	9.00	4,950.00	Calls with Deloitte to review forecast and CF model. Meetings with G Benchaya / management
Warren Levine	07/17/2014	1.00	550.00	Update CF model.
Warren Levine	07/18/2014	9.00	4,950.00	Review Hilco realization scenarios and update in CF model. Meetings with Management
Warren Levine	07/19/2014	4.50	2,475.00	Review recent sales trending. Updates to DIP cash flow
Warren Levine	07/20/2014	10.00	5,500.00	Further updates to restructuring plan report. Changes to CF model to reflect recent trending,
Warren Levine	07/21/2014	10.00	5,500.00	Review Margaret's LC rollforward and update in CF model.
Warren Levine	07/22/2014	12.50	6,875.00	Further work on restructuring report. Circulate a draft to management for review and discussion.
Warren Levine	07/23/2014	9.50	5,225.00	Further refinements / changes to restructuring report. Updates to CF model
Warren Levine	07/23/2014	1.00	550.00	True up LC rollforward / discrepant LCs.
Warren Levine	07/24/2014	10.50	5,775.00	Work on files for upcoming filing (A/P creditors, etc.) Further revisions to restructuring report.
Warren Levine	07/25/2014	7.00	3,850.00	Update rent analysis and cures. Calls / email correspondence with Deloitte.
Warren Levine	07/25/2014	1.00	550.00	Updates to CF model.
Warren Levine	07/26/2014	2.00	1,100.00	Deloitte and Fasken requests. DIP model
Michael Prinsky	06/27/2014	8.00	3,400.00	Lining up of all store P&Ls by month from Jan 2012 to YTD 2014 (4.5hrs) Reconciliation of store P&Ls to FS (2hrs) Modifications to lined up P&Ls to reflect 4-wall (1.5hrs)

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of June 27 to July 26, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Michael Prinsky	06/30/2014	10.00	4,250.00	Discussions with Company to reconcile store P&Ls to FS (1hr) Lining up revised version of store P&Ls by month to include missing stores (3.5hrs) Reconilation to FS (1hr) Development of store toggle and sensitivity drivers in store model (2hrs) Discussion with Company re: reconciliation (0.5hrs) Development of Forecast P&L by location for balance of 2014 and 2015 by month (2hrs)
Michael Prinsky	07/01/2014	8.00	3,400.00	Lining up revised version of store P&Ls by month to include missing locations (3hrs) Development of Forecast P&L by location for balance of 2014 and 2015 by month (5hrs)
Michael Prinsky	07/02/2014	4.00	1,700.00	Development of Forecast P&L by location for balance of 2014 and 2015 by month (3hrs) Analysis of 4-wall ebita contribution by location (1hr)
Michael Prinsky	07/08/2014	8.00	3,400.00	Analysis of open POs and LCs by vendor (1.5hrs) Update store model for summary May and June actual results (3.5hrs) Reconciliation of P&L model to FS (1hr) Analysis of Pos and LCs with payment terms for bombay and bowring (2hrs)
Michael Prinsky	07/09/2014	8.00	3,400.00	Preparation of Month FS package based on store P&L model (1.5hrs) Modifications to store P&L model to incorporate new assumptions (4.5hrs) Analysis of revised open to buy listing by company (2hrs)
Michael Prinsky	07/10/2014	6.00	2,550.00	Additional normalization adjustments to store P&L model (2.5hrs) Adjust store P&L for sensitivities (1.5hrs) Analysis of open to buy listing for bombay and bowring with vendor information and payment terms based on revised information (2hrs)
Michael Prinsky	07/11/2014	9.00	3,825.00	Update of store P&L model for may and june actuals by company (3hrs) Analysis of payment timing by week for open open orders (3hrs) Modification to store P&L model (3hrs)
Michael Prinsky	07/12/2014	3.00	1,275.00	Update of open to buy analysis (1hr) modifications to store P&L forecast model (2hrs)
Michael Prinsky	07/13/2014	3.00	1,275.00	Reconilation and modification of store P&L model COGS (3hrs)
Michael Prinsky	07/15/2014	5.00	2,125.00	Analysis of sensitivity impact by store (1.5hrs) Update of open to buy analysis with new information (2hrs) Review of store P&L model (1.5hrs)
Michael Prinsky	07/16/2014	3.00	1,275.00	Review treatment of shared expenses/allocations in model with company (1hr) Modifications to store model (2hrs)
Michael Prinsky	07/17/2014	6.00	2,550.00	Modification to treatment of COGS/margin in store P&L model (4.5hrs) Review of store P&L model (1.5hrs)
Michael Prinsky	07/18/2014	1.50	637.50	Review of store P&L model (1.5hrs)
Igor Bernadski	07/17/2014	4.00	1,700.00	Preperation of report for lenders & model update
Igor Bernadski	07/18/2014	5.00	2,125.00	Preperation of report for lenders & model update
Igor Bernadski	07/21/2014	10.00	4,250.00	Preperation of report for lenders & model update
Igor Bernadski	07/22/2014	10.00	4,250.00	Preperation of report for lenders & model update
Igor Bernadski	07/23/2014	8.00	3,400.00	Preperation of report for lenders & model update
Igor Bernadski	07/24/2014	5.00	2,125.00	Preperation of report for lenders & model update
Igor Bernadski	07/25/2014	4.00	1,700.00	Preperation of report for lenders & model update
Jason Parravano	06/28/2014	5.00	1,625.00	Store Monthly P&L analysis to determine individual profitability. Looking at individual stores ebitda in order to determine loss driving stores that could potentially be suited to closed
Jason Parravano	06/29/2014	5.00	1,625.00	Store Monthly P&L analysis to determine individual profitability. Looking at individual stores ebitda in order to determine loss driving stores that could potentially be suited to closed
Jason Parravano	06/30/2014	5.00	1,625.00	SG&A costs breakdown analysis
Jason Parravano	07/01/2014	5.00	1,625.00	Go forward store plan analysis. Looking at the results and forecasts excluding the closing stores to determine the profitability of the go forward business.
Jason Parravano	07/02/2014	8.00	2,600.00	Comp sales analysis to determine the year of year increase in sales from the same stores to determine the sensitivity adjustments needed for the F2016 go forward business. Go forward store plan and store location analysis to determine the proximity of the current open stores and the effect on stores closing in a 10-15km proximity
Jason Parravano	07/03/2014	4.50	1,462.50	4wall EBITDA analysis to zero in on results of individual stores excluding HO charges and DC charges as well as the advertising charges that would still occur.
Jason Parravano	07/04/2014	4.00	1,300.00	4wall EBITDA analysis to zero in on results of individual stores excluding HO charges and DC charges as well as the advertising charges that would still occur. Initial drafting of report to shareholders/company and lenders
Jason Parravano	07/05/2014	3.00	975.00	P&L Model update to incorporate updated store results and update 4wall and go-forward analysis with revised figures from B&C
Jason Parravano	07/06/2014	4.00	1,300.00	Lease discussion with Fred/Margaret to go over the current stores in a loss position to determine if potential rent concessions would render the store profitable. Update to closure list to reflect discussion and location analysis
Jason Parravano	07/07/2014	7.00	2,275.00	Store closure updates along with updates to the model to reflect changes from the discussion with Fred and Margaret. DSOH Analysis in order to be used I nthe DIP Model

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of June 27 to July 26, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Jason Parravano	07/08/2014	7.00	2,275.00	Headcount analysis to determine the current run rate and the current number of employees pre restructuring. DC & HO position breakdown and cost analysis
Jason Parravano	07/09/2014	5.00	1,625.00	Hilco liquidation and incorporation into the Store P&L database Headcount reduction analysis to determine the revised run rate prior to a restructuring that would eliminate approximately 20 employees from the current run rate. Lease default analysis for Gilles to determine which locations required cure payments
Jason Parravano	07/10/2014	5.00	1,625.00	P&L model updates to incorporate normalizations and adjustments to the go forward store model for sensitivities. Normalization were made to reflect the state of stores in the past year, such as renovations that would not be recurring in the go forward model in order to forecast sales and profits Headcount reduction summary to present to company incorporating the revised run rate and
Jason Parravano	07/11/2014	8.00	2,600.00	Headcount reduction analysis and tie in to the forecasts for the go forward model. Discussion with Fred and Margaret to discuss how certain employees are allocated to the business and
Jason Parravano	07/12/2014	2.00	650.00	Updates to the store P&L analysis to reflect sensitivity adjustments to be made for the go forward model such as proximity adjustments and other sales increases.
Jason Parravano	07/13/2014	6.50	2,112.50	Updates to the store P&L analysis to reflect sensitivity adjustments to be made for the go forward model such as proximity adjustments and other sales increases.
Jason Parravano	07/14/2014	8.00	2,600.00	DC costs analysis and forecasts to determine which amounts could be reduced in order to forecast the costs going forward post restructuring.
Jason Parravano	07/15/2014	6.00	1,950.00	Sales sensitivity effect by store analysis Normalization adjustments made in the P&L Model Analysis of travel expenses LC matching with the OTB's
Jason Parravano	07/16/2014	6.00	1,950.00	Comp sales analysis with June results added to the P&L model. June results incorporated into the model as they just became finalized on a store by store basis.
Jason Parravano	07/17/2014	8.00	2,600.00	Consulting fee analysis to determine which fees would be non recurring in the future for the go forward model Headcount reduction analysis finalized with comments from Margaret Go-forward store analysis to exclude effect of past open stores in historicals
Jason Parravano	07/18/2014	8.00	2,600.00	Drafting of Restructuring report to present to bank and company
Jason Parravano	07/19/2014	8.00	2,600.00	Drafting of Restructuring report to present to bank and company
Jason Parravano	07/20/2014	6.00	1,950.00	Drafting of Restructuring report to present to bank and company
Jason Parravano	07/21/2014	6.00	1,950.00	Drafting of Restructuring report to present to bank and company
Jason Parravano	07/22/2014	6.00	1,950.00	Drafting of Restructuring report to present to bank and company
Jason Parravano	07/23/2014	8.00	2,600.00	Drafting of Restructuring report to present to bank and company
Jason Parravano	07/24/2014	3.00	975.00	Drafting of Restructuring report to present to bank and company
Jason Parravano	07/25/2014	3.50	1,137.50	Initial set up of B&C monitoring Compiling data to send over to CIBC field examiners
Jason Parravano	07/26/2014	1.00	325.00	Comp sales analysis
Fees		623.80	298,946.00	
Courtesy Discount			(29,895.00)	
Total			<u>269,051.00</u>	

Date: 08/29/2014

**Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9**

Attention: Ms. Morrison

**Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")**

To: For professional services rendered for the period ended August 23, 2014.

- Numerous meetings with senior management and personnel in Toronto, ON. to review business operations, cash flow, F2014/15 financial forecast;
- Discussions and calls with lawyers, Company management and lenders to discuss on-going progress, approach and strategy;
- Liquidation, bankruptcy planning, discussion with lawyers, profitability analysis of profitable stores;
- Numerous discussions with lender regarding BBC availability, DIP loan, cashflow and forbearance agreement;
- Preparation of the pre-filing report and review of initial court order;
- Preparation of the communication packages to be issued by the Company to its employees and vendors;
- Preparation of a teaser as well as other elements as part of the SISP process, such as determining list of potential interested parties, preparation of a NDA, and set-up of a virtual data room;
- Preparation of a monitoring report for the weeks ended August 9 and August 16, 2014 for the lender and its advisor;
- Preparation of the First monitors report to be presented to the court of August 22, 2014 and obtained stay of proceedings as well as approval for the SISP;
- Other acts of consultation.



Date: 08/29/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

Professional services rendered (per summary attached)	\$ 259,726.00
Less Courtesy Discount (pre-filing only)	<u>(20,000.00)</u>
	239,726.00
HST #89593 7217 RT0001	<u>31,164.38</u>
	270,890.38
Disbursements	12,865.23
	Balance to pay: <u>\$283,755.61</u>

Payment Options

We accept Direct Telephone Banking and Internet Banking. If you choose to pay your account using one of these payment options, please contact Collection Department at 514.934.3580 or e-mail collection@richter.ca



Date: 08/29/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Time Charges
July 27, 2014 to August 23, 2014**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya , Partner	109.8	\$625	\$ 68,625
Paul van Eyk , Partner	12.8	\$650	8,288
Warren Levine , Principal	70.0	\$550	38,500
Adam Sherman , Vice-President	118.0	\$525	61,950
Igor Bernadski , Associate	103.5	\$425	43,988
Jason Parravano , Analyst	86.0	\$325	27,950
Carol O'Donnell , File Administrator Supervisor	28.9	\$250	7,225
Ann Stremski , File Administrator	<u>17.3</u>	\$185	<u>3,200</u>
Total	<u>546.3</u>		<u>\$259,726</u>



Date: 08/29/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Disbursements
July 27, 2014 to August 23, 2014**

Airfare ⁽¹⁾	\$ 4,589
Hotels ⁽²⁾	3,047
Meals	1,331
Ground Transportation & Other	<u>3,898</u>
Total	<u>\$12,865</u>

⁽¹⁾ 8 return flights (Average per segment: \$287)

⁽²⁾ 14 nights (Average per night: \$218)

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of July 27 to August 22, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Gilles Benchaya	07/29/2014	5.00	3,125.00	Draft nda for SISP Work on communications package (vendors, clients, employees) followup on comm package with Margaret and Fred Updated to do list for Management
Gilles Benchaya	07/30/2014	3.00	1,875.00	Further updates to comm package based on mgt feedback discussion of timeline for communications package Call with Cassels to discuss process
Gilles Benchaya	07/31/2014	4.00	2,500.00	Analysis of latest DIP agreement and review of comments with Counsel
Gilles Benchaya			3,562.50	Review of amended and restated forbearance. Analysis field exam findings and impact on availability. Review of latest working draft of the DIP cash flow budget incorporating reported results through last week, and the revised CIBC borrowing base provided. Review of Affidavit. Call with Counsel and Fasken re: markup of forbearance.
Gilles Benchaya	08/01/2014	5.70	625.00	Review draft order
Gilles Benchaya	08/03/2014	1.00	4,062.50	Draft pre-filing Monitors report review. Sales and investment solicitation process timeline determination. Call with counsel re SISP, Monitor report and Order. Followup with company on counsel comments to order, SISP etc. Prep of detailed info package for meeting with shareholders.
Gilles Benchaya	08/04/2014	6.50	5,500.00	Meeting with IB/FB to review detailed restructuring plan, process and address queries. Analysis of D&O charge. Work on teaser and dataroom content for SISP. Meeting at Fasken in preparation of filing.
Gilles Benchaya	08/05/2014	8.80	4,187.50	Review latest cf and exhibits to Forbearance agreement. Discuss availability calc with team and impact of field exam comments on reserves. Analysis of shareholder advances including detailed support provided and followup with Margaret on o/s items. Review draft security opinion. Followup with counsel on info for security opinion. Call with CIBC and counsel. Further revisions to cashflow and availability based on discussions with lender. Review monitors report.
Gilles Benchaya	08/06/2014	6.70	5,062.50	Call P Casey re forbearance conditions. Review analysis on layaways and impact of full reserve. Detailed analysis of S/H advances and review of supporting docs from IBSA and FBA. Call with J Dietrich re S/H analysis. Followup disc with Mmorrisson re support required and review of support for s/h. Call CIBC re bbc reporting. Review translated employee communication docs. Review initial BBC prepared by Co prior to issuance to lenders. Discussion o/s check status and clearance. Followup call JD re: S/H transactions.
Gilles Benchaya	08/07/2014	8.10	4,062.50	Meeting with MS potential interested party. Review updated BBC using CIBC template. Discuss vendor issue with Margaret and monitor involvement. Further updates and clarification to initial bbc and disc with MM re changes required. Review claims against BB. Update on purchases and lc openings. Disc MM re compliance certificate for credit agreement. Telephone calls with A Sherman re various operational matters post filing (vendors, employees, o/s checks, etc.).
Gilles Benchaya	08/08/2014	6.50	4,062.50	Detailed review of dataroom documents. Call F Benitah re data room info status. Followup call MM re o/s data room info required. Review markup SISP from Fasken. Call with counsel and Fasken re SISP comments. Review bbc comments from CIBC and disc with IB re changes and validation required. Review SISP comments from Cassels. Discuss various operational matters with IB/JP.
Gilles Benchaya	08/11/2014	6.50	5,062.50	Review additional info received re S/H for security opinion. Clarke prepayment letter. Discussion AS LE re SISP timeline and subsequent changes. Fasken comments on Hilco agreement. Assessment of additional closures on proforma EBITDA. SBCG questions re BombayUpdated store closure and related 4-wall impact. Discussion JP Hilco RE req. for wed mtg to discuss closing store sales strategy. Analysis of % rent deals offered on EBITDA and CF. Modifications to teaser document. Review markup to Hilco agreement re changes to store mix.
Gilles Benchaya	08/12/2014	8.10	5,125.00	Revised closure list. Review of BBC and supporting documentation incl treatment of LCs and disc with MM. Updated consult agreement. Markup of standard NDA re sisp. Meetings with JP Hilco and management team onsite re liquidation strategy. Review updated draft consult agreement. Review final changes to nda. Call A Sherman re operational matters. Discussion J Klaiman Oberfeld re: lease values. Review draft sales guidelines comments and disc with Hilco re same.
Gilles Benchaya	08/13/2014	8.20	4,562.50	Monitors report changes. Security review letter. Call counsel re SISP and Hilco. Discussion MM re rent payment required per court order. Review stock ledger inventory. Revised consulting agreement and exhibit of stores. Revised SISP and timeline. Review Gowling comments re SISP. Further changes on consulting agreement provided by Hilco. Updated store closing exhibit. A Sherman operational matters, GSI, vendor payment, etc.
Gilles Benchaya	08/14/2014	7.30	2,125.00	Review P Casey comments on SISP and disc with A sherman on responses. Draft FB affidavit. Ammendment to Forbearance. Fee affidavit. Review daily sales BB and Bowrings. Review Forbearance reporting requirements.
Gilles Benchaya	08/15/2014	3.40	2,187.50	Followup Klaiman re lease values at closing stores. Draft monitors report review and comments from LE Cassels. BBB call with counsel. Review updated monitors report. Followup A Sherman re Deloitte comments to SISP.
Gilles Benchaya	08/18/2014	3.50	2,625.00	Clarification on CF store closings re request from CF. Gowlings comments on SISP. Detailed review of weekly monitoring package and discussions with staff on changes required. Updated monitoring and comparison to DIP budget. Review BBC report from Company and supportings docs.
	08/19/2014	4.20		

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of July 27 to August 22, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Gilles Benchaya			2,187.50	Review final changes to BBC prior to issuance. Markup of SISP from Gowlings. Latest CF list of store closures. Hydro Q request for deposit/prepayment. Discussion Wlevine re HST reserve treatment for BBC. Call with F Benitah re various operational matters and sales process queries.
Gilles Benchaya	08/20/2014	3.50	3,250.00	
Gilles Benchaya	08/21/2014	5.20	2,875.00	Review of potential int parties list and assessment of additional parties to include. Updated dip cashflow and comparison to previous version. Revised dip cf pursuant to my review notes and disc with Marg. Discussion with Margaret on lease disclaimer status and steps to implement. Followup call Cassels re lease disclaimers. Call A sherman re operational matters including hydro Q, transport, etc. Changes to sales guidelines proposed by Hilco.
Gilles Benchaya	08/22/2014	4.60		TD merch service letter and chargeback claim. Followup review of merchant service agreement. Call A Kaufman re chargeback reserve. Call with TD re chargeback reserve. Updated list of potential interested parties and contact information. Review of teaser, list and data room and issuance to MM and Fred for approval.
Paul van Eyk	07/29/2014	1.50	975.00	Review of material, conference calls
Paul van Eyk	07/30/2014	1.75	1,137.50	Review of filing material, conference call with lawyers and Richter. Discussions with team and Cassels. Call with Faskens on critical vendor concept
Paul van Eyk	07/31/2014	4.00	2,600.00	Review of DIP agreement, discussions with lawyers and Richter
Paul van Eyk	08/19/2014	4.00	2,600.00	Review of First Report, discussions with Adam, review of SISP changes and discussion with Cassels
Paul van Eyk	08/22/2014	1.50	975.00	Attendance at court for First Report
Warren Levine	07/27/2014	10.50	5,775.00	working on dip model and updates to the lender presentation
Warren Levine	07/28/2014	1.00	550.00	call with jason to discuss certain asumptions in dip model
Warren Levine	07/28/2014	10.00	5,500.00	working on dip model and updates to the lender presentation
Warren Levine	07/29/2014	10.50	5,775.00	review of communications packages, updates to model and discussions with management discussions with management and meetings to discuss documentaion for filing as well as
Warren Levine	07/30/2014	10.50	5,775.00	updates to the dip model
Warren Levine	07/31/2014	1.00	550.00	call with jason to discuss communication packages and changes to the nda discussion with gilles to incorporate items from the forbearance agreement to the model and
Warren Levine	07/31/2014	8.00	4,400.00	update to the borrowing base
Warren Levine	08/01/2014	1.00	550.00	discussions with gilles regarding field exam findings and the effects on availability.
Warren Levine	08/06/2014	1.00	550.00	Calls with Igor, Gilles re DIP Cash Flow, BBC
Warren Levine	08/18/2014	1.50	825.00	Review prior week monitoring, DIP cash flow, forbearance
Warren Levine	08/18/2014	1.00	550.00	Review of court documents, and updated DIP CF model.
Warren Levine	08/19/2014	1.50	825.00	Review of weekly monitoring report. Discuissions with Igor, Jason. Reviewed changes,
Warren Levine	08/19/2014	0.50	275.00	Call with Margaret, Igor to review BBC and related issues.
Warren Levine	08/19/2014	0.50	275.00	Review first report of monitor.
Warren Levine	08/20/2014	4.00	2,200.00	Discussion with Nancy, Peter, Margaret re GST reserve on BBC Review of monitoring report and updated DIP CF model Meetings with Jason/Igor to discuss process, DIP model, unsecured creditor claims
Warren Levine	08/21/2014	5.00	2,750.00	Work on updated DIP CF model, including review of work done by Igor. Discussions with Margaret regarding various items affecting CF (rent, sales, critical payments, LCs, etc) Correspondence with Gilles, Margaret for their feedback on updated model Follow up with Margaret on various lease related issues (emails from lawyers)
Warren Levine	08/22/2014	2.50	1,375.00	Review of teaser, SISP, NDA. Update and review DIP Cash flow budget. Discusson with Gilles on credit card holdback, status of restructuring
Adam Sherman	07/28/2014	4.00	2,100.00	Emails from P. van Eyk and G. Benchaya re updates. Conference call with P. van Eyk and W. Levine re pre-filing report, SISP, Teaser, data room, etc. Review latest DIIP cash flow. Email from S. Brotman re comments on Hilco agreement. Email from W. Levine re information for pre-filing report. Email from P. van Eyk re Hilco agreement. Email from W. Levin re draft structure for data room. Draft SISP. Begin drafting pre-filing report.
Adam Sherman	07/29/2014	3.00	1,575.00	Conference call with the Company, Faskens and Cassels re update and next steps. Conference call with the Company, Faskens and Cassels re update and next steps. Draft SISP and pre-filing report. Email from G. Benchaya attaching draft NDA. Discussions with P. van Eyk re filing considerations and other matters. Email from Cassels attaching PPSA search summaries. Email from Cassels attaching invoice for the period ending July 25, 2014. Emails from L. Ellis re update on his discussion with S. Brotman. Emails with P. van Eyk and W. Levine re planning.
Adam Sherman	07/30/2014	3.00	1,575.00	Emails with W. Levine. Review, revise and update SISP, including email to W. Levine/G. Benchaya attaching same. Email from W. Levine providing comments on SISP. Email from W. Levine attaching draft affidavit in support of CCAA application. Conference call with the Company, Faskens, and Cassels re update and next steps. Email from W. Levine attaching a/p lists as at July 26, 2014. Emails from P. van Eyk and G. Benchaya. Email from W. Levine attaching updated DIP Forbearance Agreement. Draft pre-filing report.
Adam Sherman	07/31/2014	2.50	1,312.50	Email from P. van Eyk attaching updated DIP Forbearance Agreement. Email from W. Levine re preliminary comments on updated DIP Forbearance Agreement. Conference call with the Company, Faskens and Cassels re update and next steps. Confernece call with Cassels re comments on updated DIP Forbearance Agreement. Email from J. Dietrich re update on her discussion with S. Brotman re comments on updated DIP Forbearance Agreement. Draft pre-filing report.

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of July 27 to August 22, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Adam Sherman	08/01/2014	3.00	1,575.00	Email from S. Brotman to D. Cohen re comments on DIP Forbearance Agreement. Email from S. Brotman forwarding an email from D. Cohen attaching revised DIP Forbearance Agreement. Emails with P. van Eyk. Telephone call with J. Dietrich. Conference call with J. Dietrich and S. Brotman re DIP Forbearance Agreement, next steps, etc. Conference call with the Company, CIBC, Gowlings, Faskens and Cassels re DIP Forbearance Agreement and next steps. Emails with P. van Eyk and J. Dietrich. Draft pre-filing report. Email from S. Brotman re D&O Charge.
Adam Sherman	08/03/2014	4.00	2,100.00	Email from S. Brotman attaching draft initial order. Email from J. Dietrich re comments on draft initial order. Email from S. Brotman re status of SISP and pre-filing report. Email to S. Brotman attaching draft SISP. Email from L. Ellis re comments on draft initial order. Emails with G. Benchaya re D&O Charge. Review, revise and update pre-filing report. Email to Cassels attaching draft pre-filing report.
Adam Sherman	08/04/2014	4.00	2,100.00	Email from J. Dietrich re comments on SISP. Email from J. Dietrich re comments on pre-filing report. Emails with P. van Eyk re pre-filing report. Email from L. Ellis re comments on pre-filing report. Email from G. Benchaya attaching draft Teaser. Conference call with Cassels re pre-filing report, SISP and other matters. Email from L. Ellis re revised SISP. Email from G. Benchaya attaching estimate re D&O Charge. Emails from P. van Eyk re D&O Charge. Email from P. van Eyk re comments on Teaser. Email from L. Ellis re his discussion with S. Brotman. Email from I. Bernadski attaching updated Teaser. Review, revise and update pre-filing report. Telephone call with G. Benchaya. Email from G. Benchaya re comments on forbearance covenants. Email from I. Bernadski attaching DIP cash flow. Email to Gowlings, Faskens and Cassels attaching draft pre-filing report. Email from S. Brotman attaching draft initial order.
Adam Sherman	08/05/2014	8.00	4,200.00	Email from S. Brotman confirming court time scheduled tomorrow. Email from C. O'Neil re comments on DIP Forbearance Agreement. Emails with L. Ellis. Email from I. Bernadski attaching updated DIP cash flow. Emails with G. Benchaya. Email to Deloitte attaching draft pre-filing report. Telephone calls with S. Brotman re various matters. Emails with P. van Eyk re Monitor's consent. Email to Faskens attaching signed Monitor's consent. Email from G. Benchaya re update on revised DIP terms. Conference call with Faskens and Cassels re status update. Telephone calls with G. Benchaya. Email from J. Dietrich attaching further revised DIP Forbearance Agreement. Email from I. Bernadski attaching updated DIP cash flow. Email from J. Dietrich attaching updated draft affidavit. Email from S. Brotman re comments on pre-filing report. Telephone call with F. Lamie. Emails with J. Dietrich re Gowlings' comments on pre-filing report. Emails with C. O'Donnell. Telephone calls with J. Dietrich re pre-filing report, DIP Forbearance Agreement and other matters. Emails with G. Benchaya re finalized DIP cash flow. Email from and telephone call with G. Benchaya re HST. Telephone calls and emails with L. Ellis and J. Dietrich re finalization of court materials. Email from G. Benchaya attaching draft communication letters. Reformat cash flow for inclusion in pre-filing report. Email from J. Dietrich attaching Gowlings comments on pre-filing report. Email from J. Dietrich re comments on draft initial order. Review, revise and update pre-filing report.
Adam Sherman	08/06/2014	8.00	4,200.00	Emails from J. Dietrich re Gowlings' comments on draft initial order, pre-filing report, etc. Email from J. Dietrich confirming finalization of DIP agreement. Review, revise and update pre-filing report, including email to J. Dietrich and L. Ellis attaching same. Email from J. Dietrich re comments on pre-filing report, including subsequent discussion with J. Dietrich and L. Ellis in connection with same. Email from J. Dietrich requested a copy of the cash flow forecast, including subsequent email to J. Dietrich attaching same. Emails from/to J. Dietrich re need for advertisement in Quebec paper. Email from Faskens attaching updated affidavit. Email from J. Dietrich attaching schedule of advances re security review. Conference call with Faskens, Gowlings and Cassels re form of initial order and other matters. Email from J. Dietrich attaching draft language for inclusion in initial order re notice to PPSA registrants. Email from J. Dietrich to S. Brotman attaching draft of security review re related parties. Emails with J. Dietrich re additional revisions to pre-filing report re security reviews. Emails with P. van Eyk. Emails and telephone calls with C. O'Donnell re website link. Emails from Faskens re service of application materials. Revise, finalize and sign pre-filing report, including subsequent email to J. Dietrich attaching same. Conference call with G. Benchaya and J. Dietrich re security review and timing of advances re related parties. Attendance in Court re CCAA application. Emails with G. Benchaya. Email from Faskens attaching initial order and endorsement. Attendance at the Company, including meetings with management re various matters. Review, revise and update communication letters.
Adam Sherman	08/07/2014	5.00	2,625.00	Emails with M. Morrison. Attendance at Company distribution center, including meetings with management and staff to advise of CCAA proceedings. Emails with G. Benchaya and J. Dietrich re related party security review. Emails with G. Benchaya re treatment of o/s cheques. Email from J. Dietrich re web host obligations, including subsequent email to C. O'Donnell re same. Emails from/to M. Morrison re Bennett's Palletizing. Emails from M. Morrison and S. Carvajal re Clarke Transportation. Email from G. Benchaya attaching shareholder loan summary. Email from J. Dietrich re her discussion with S. Brotman re next steps. Email from Cassels attaching invoice for period ending August 1, 2014. Emails from/to J. Dietrich re minor amendments to DIP Forbearance Agreement. Emails from/to P. van Eyk.

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of July 27 to August 22, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Adam Sherman	08/08/2014	5.50	2,887.50	Review and sign Form 1 for filing with the OSB, including emails with C. O'Donnell re same. Telephone call with R. March and D. Comfort of Ippolito re CCAA proceedings, ongoing supply to the Company and other matters. Emails and telephone calls with S. Marrello re various employee related matters. Telephone call with Clarke Transportation re CCAA proceedings, amounts owed to Clarke, goods in transit, payment for services post-filing and other matters. Emails from and telephone call with S. Carvajal, including subsequent email to S. Carvajal attaching initial order re continuation of services. Telephone call with M. Zeldin of Riocan re various matters related to the CCAA proceedings, including subsequent email to M. Zeldin re same. Telephone calls and emails to J. Waite. Emails with G. Benchaya. Emails with P. van Eyk. Email from C. O'Donnell re ad, including revisions to the ad and subsequent email to C. O'Donnell re same. Email from Cassels re email service list, including subsequent email to C. O'Donnell re same. Voicemail from and telephone call with Speedy Transportation. Emails with M. Morrison re Speedy transportation. Telephone call with Trip Go Delivery Service re CCAA proceedings, amounts owed to Trip Go, payment for services post-filing and other matters. Voicemail from and telephone call with D&A Collection Corporation. Emails and telephone calls with M. Morrison re Bennett's Palletizing. Email from J. Dietrich. Telephone calls with various creditors re CCAA proceedings. Draft Monitor's 1st report.
Adam Sherman	08/11/2014	7.00	3,675.00	Attendance at the Companies head office, including various meetngs and discussions wiht I. Bernadski and management re various matters. Emails with C. O'Donnell re advertisement of CCAA proceedings, including amendments to same. Telephone call with A. Fonte of First Gulf (property manager) re CCAA proceedings, including subsequent email from A. Fonte in connection with same. Telephone calls and emails with G. Benchaya re various matters. Email from M. Strauss of hte Globe and Mail. Emails with P. Van Eyk. Emails with C. O'Donnell re completion of Form 2 for filing with OSB. Emails from B. Blonder of Plan B Project Management re CCAA proceedings, claims agasint Bombay, etc. Email from J. Dietrich re Faskens comments on the SISP. Telephone calls with J. Dietrich re various matters. Email from J. Dietrich re scheduling of hearing to approve SISP. Emails and Telephone calls with I. Bernadski. Telephone call with J. Waite re various creditor/vendor matters. Emails J. Dietrich forarding email from A. Kauffman attaching updated liquidation agreement. Email from C. O'Donnell re notice to creditors. Email from A. Kauffman re press enquiries. Email from M. Morrison re Atripco.
Adam Sherman	08/12/2014	7.00	3,675.00	Email from K. Stairs of SCS Stairs Construction Services. Email from F. Abulfazl re Clarke Transport. Email from L. Ellis attaching revised SISP. Emails with C. O'Donnell re ad. Email from S. Brotman. Email from and telephone call wiht I. Bernadski re landlord enquiries. Emails with M. Morrison and S. Carvajal re Clarke. Emails and telephone calls with F. Abulfazl re deposit agreemenbt with Clarke Transport. Emails with C. O'Donnell re notice to creditors. Email from L. Ellis re SISP timeline. Email from L. Ellis re J. Dietrich's comments on SISP. Email from J. Dietrich forwarding email from A. Kauffman attaching rider and sale guidelines re liquidation agreement. Conference call with J. Dietrich, L. Ellis and G. Benchaya re SISP, liquidation agreement, shareholder loans and other matters. Emails with S. Marrello re employee matters. Email from L. Ellis attaching revised SISP. Emails with F. Abulfazl and Clarke Transport re deposit agreement. Email from A. Kauffman re revised SISP. Emails and telephone calls with G. Benchaya re varoius matters. Conference call with Cassels, Faskens and Management re SISP, liquidation agreement and other matters. Email from F. Abulfazl re Gemmar. Email from S. Carvajal re Omnitrans. Emails with C. O'Donnell re supplementary mailing list. Email from J. Dietrich attaching further revised SISP. Emails with S. Marrello re employee list. Email from J. Benchaya re comments on liquidation agreement. Email from G. Benchaya attaching shareholder loan schedule. Email from C. O'Neill providng Faskens comments on the liquidation agreement. Draft Monitor's First Repot.

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of July 27 to August 22, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Adam Sherman	08/13/2014	8.00	4,200.00	<p>Telephone call with and email from J. McDougall of Field Stores. Telephone call with and email from Cintas Facility Services. Telephone calls and emails with G. Benchaya. Sign notice to creditors. Emails with C. O'Donnell. Telephone call with Vista Security. Telephone call with Reilly Lock. Telephone call with CGI Credit Group re claim of Black Press Group. Telephone call with and emails to/from Currey China Limited. Telephone call with D. French of Logistics Specialty Freight. Telephone calls from/to R. Bracken of Royal Canadian Securities re interest in the Companies. Telephone call with Hydro Enersource Mississauga. Email from leasing consultant confirming no value in leases for stores considered for closure. Email from Hellmann Canada re post-filing payment terms. Completion of Form 2, including email to C. O'Donnell re same. Emails with C. O'Donnell re creditor matiling. Email from Cassels attaching invoice for the week ending August 8, 2014. Email from C. O'Neill attaching updated liquidation agreement. Email from Best Choice Transport. Email from S. Marrello attaching employee list, including email to C. O'Donnell re same. Email from A. Kauffman re his discussion with counsel for Cadillac Fairview. Email from S. Marrello re claim of former employee. Email from A. Kauffman re comments on SISP. Email from C. O'Neill re liquidation agreement. Email from A. Kauffman re stay extension. Emails with S. Marrello re cancellation of labout board mediation scheduled for August 18, 2014. Email from F. Abulfazl re payment of pre-filing settlement. Email from A. Kauffman attaching draft notice of motion, affidavit and order. Telephone call with S. Marrello re payment of vacation pay arrears for terminated employees. Email from S. Marrello attaching draft termination letters. Email from I. Bernadski attaching weekly monitoring report for CIBC, including email in response to same. Email from I. Bernadski attachiing cash flow forecast extended to November 29, 2014. Email from G. Benchaya providing Hilco's comments on the liquidation agreement. Email to M. Morrison requesting confirmation of the Companies' directors/officers, including subsequent email from M. Morrison in response to same. Email from and telephone call with S. Marrello re communication to employees terminated prior to the filing date. Draft Monitor's First Report. Email from D. Chochla attaching corporate profile reports for each of Bombay, Bowring and Benix. Telephone call with Gemmar re various matters, including post-filing serices, including email to Gemmar in connection with same.</p>
Adam Sherman	08/14/2014	7.00	3,675.00	<p>Emails from/to F. Abulfazl re payment of pre-filing settlement. Telephone call from/to BFI re update on CCAA proceedings and payment for services post-filing. Telephone calls with Paul's Transport re update payment for services post-filing. Telephone call with L. Ellis re various matters. Conference call with L. Ellis and G. Benchaya re SISP, Hilco Agreement, motion materials, etc. Telephone calls and emails with S. Marrello re treatment of former employees. Several telephone calls and emails with G. Benchaya re various matters. Telephone call with Amour Transport re update of CCAA proceedings and payment for post-filing services. Voicemail from and telephone call with C. O'Neill re requested amendments to DIP Forbearance Agreement. Email from Equinox Development re claim agasint Bombay. Telephone call with BFI re status of CCAA proceedings and payment for post-filing services. Email from C. O'Donnell re OSB request to amend Form 2, including amendments to Form 2 and subsequent email to C. O'Donnell. Email from C. O'Donnell attaching draft stay of proceedings, including telephone call with C. O'Donnell re same. Email from Cassels attaching security review. Email from Cassels re upated e-service list, including email to C. O'Donnell re same. Email from C. O'Neill attaching revised liquidation agreement. Email from F. Abulfazl re Decor Cam. Email from I. Fredericks of Hilco re liquidation agreement. Email from Cassels attached revised SISP. Email from L. Ellis attaching invoice for week ending August 8, 2014. Email from L. Ellis providng comments on the Companies' notice of motion, affidavit and order. Emails between Cassels and Gowlings re SISP. Telephone call and email with C. O'Donnell re fee affidavit. Reformat extended cash flow forecast, including subsequent email to A. Kaffman attaching same. Emails from and telephone calls with S. Lee of Hyundai Merchant Marine re CCAA proceedings, status of outstanding accounts and payment for post-filing services. Email from S. Marrello re former emaployee claims requiring a stay notice. Email from P. Mitelman of Gemmar Systems re payment for post-filing services, including email to F. Abulfazl re same. Telephone call with C. Finesinger re private label credit card program. Telephone call with C. O'Neill. Email from S. Abudulai re priority among related party security. Review, revise, update and continue drafting Monitor's First Report.</p>

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of July 27 to August 22, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
				<p>Emails from S. Carvajal and M. Morrison re Hyundai Merchant Marine hold on freight. Conference call with S. Carvajal and S. Lee of Hyundai Merchant Marine re release of freight. Telephone call with Newfoundland Power. Telephone call with Magnet Signs. Email from L. Ellis re status of the Companies' court materials. Emails from/to S. Baerg of TD Merchant Services re scheduling of conference call to discuss the Companies' CCAA proceedings. Conference call with the Companies and TD Merchant Services re varoius mattes in connection with the Companies' CCAA proceedings. Email form L. Ellis re landlord enquiries, including subsequent email to L. Ellis in response to same. Emails and telephone calls with G. Benchaya re various matters. Telephone call with Frontline Carrier. Email from F. Kauffman attaching updated affidavit. Emails with P. van Eyk. Email from G. Benchhaya forwarding an email from Deloitte providng comments on the SISP, including discussion with G. Benchaya re same. Telephone call with Marc Glassman of Marc's re interest in inventory. Email from National Leasing. Email from and telephone call with S. Simian of CMA CGM (Canada) re CCAA proceedings, payment for services post-filing, etc. Emails from and telephone call with D. Pissarouk re Carmichael Engineering. Telephone call with Armour Transport. Telephone call with SDM Realty Advisors, property manager for Bowring store re CCAA proceedings. Email from Cassels attaching draft fee affidavit. Email to C. O'Donnell to provide contact information for several former employee to provide notice of the CCAA proceedings and other Court details re claims initiated by several former employees to issue stay notices. Email to L. Ellis re comments on fee affidavit. Review, revise and update</p>
Adam Sherman	08/15/2014	7.00	3,675.00	Monitor's First Report.
Adam Sherman	08/16/2014	1.50	787.50	Review, revise and update First Monitor's Report, including subsequent email to Cassels attaching a draft copy of same.
				<p>Telephone call with Evergreen Castle Inc. re CCAA proceedings, status of account, payment for post-filing services, etc. Emails and telephone calls with C. O'Donnell re fee affidavit. Email from Faskens providing comments on the Monitor's First Report. Conference call with G. Benchaya and Cassels re Faskens comments on the Monitor's First Report. Review, revise and update Monitor's First Report, including email to Cassels attaching same. Emails from and telephone call with S. Carvajal re Hyundai Merchant Marine and CMA CGM (Canada). Telephone call with R. Callaghan of All Seasons Window Cleaning re CCAA proceedings, claim against Bombay and payment for post-filing services. Telephone call with J. Freeman of Fogler Rubinoff, solicitor for Toronto Star, re status of CCAA proceedings, Toronto Star's claims against the B+C Entities and other matters in connection with same. Telephone call with P. Casey re SISP. Telephone call with and email to Bell Canada re CCAA proceedings. Telephone calls with P. Mitelman of Gemmar re payment for post-filing services. Voicemail to F. Abulfazl. Voicemails from/to H. Gaizutis. Email to M. Morrison re F. Abulfazl. Emails and telephone calls with G. Benchaya re various matters. Emails from/to M. Di. Virgillio of Gemmar re support services for planned new store openings. Email from D. Chochla re service of motion record returnable August 22, 2014. Email to Faskens, Gowlings, Deloitte and Cassels attaching revised Monitor's First Report. Telephone call with L. Ellis re various matterers, including the Monitor's First Report. Email from A. MacFarlene requesting a call to discuss the SISP, including subsequent emails with Gowlings, Faskens and Cassels re same. Email from M. Morrison re Gemmar. Telephone call with P. van Eyk re update. Review, revise and finalize Monitor's First Report, including email to P. van Eyk attaching same.</p>
Adam Sherman	08/18/2014	9.00	4,725.00	
				<p>Emails and telephone call with M. Di Virgillio of Gemmar re 3rd party support. Email from L. Ellis attaching fee affidavit, including email to L. Ellis in connection with same. Emails and telephone calls with G. Benchaya re various matters. Email from Gowlings re comments on SISP. Email from A. Kauffman providing Faskens' comments on Gowlings' requested changes to the SISP. Emails with P. van Eyk re SISP. Conference call with Cassels, Faskens, Gowlings and Deloitte to discuss the SISP. Emails and telephone calls with I. Bernadski re GST payments and template deposit agreement. Email from Classic Chef Corporation re CCAA proceedings, including subsequent email in response to same. Email to C. O'Donnell re creditor notice of change of address. Emails from/to and telephone call with M. Sassi re landlord query. Email to Cassels and Faskens re addition to service list. Email from B. Seli, General Manager of First Markham Place re CCAA proceedings and status of rental payments, including subsequent email to S. Beli in response to same. Telephone call and emails with J. Waite re status of discussions with vendors to secure post-filing services. Voicemails form/to Saskpower. Email from Cassels' re service of Monitor's First Report. Telephone call with and email from J. Freeman, solicitor for Toronto Star Newspapers Limited, attaching Statements of Claim.</p>
Adam Sherman	08/19/2014	4.50	2,362.50	

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of July 27 to August 22, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Adam Sherman	08/20/2014	5.50	2,887.50	Email from M. Morrison re McLellan Reid Estates Ltd., including subsequent emails with M. Morrison re same. Email to G. Gehlen, solicitor for McLellan Reid Estates Ltd. re CCAA proceedings and timing for rental payments in respect of retail leases. Emails from Gowlings/Faskens re redrafted SISP. Email from Cassels attaching updated service list, including subsequent email to C. O'Donnell attaching same. Review, revise and update notice of stay of proceedings, including subsequent email to C. O'Donnell attaching same. Email from Cassels re redrafted SISP. Emails with Cassels/Gowlings re redrafted SISP. Email to L. Ellis confirming that the Monitor had no comments on the redrafted SISP. Telephone call with Hydro One Brampton re CCAA proceedings. Telephone call with Kirk Stairs Construction re CCAA proceedings and status of amounts owed by teh B+C Entities. Voicemails from/to and telephone call with M. Zeldin of RioCan re various matters in connection with the CCAA proceedings. Email from I. Bernadski re tax assessment. Telephone call with MBN Express re CCAA proceedings. Email from Faskens re service of Book of Authorities and Factum re motion returnable August 22, 2014. Email from Cassels attaching further updated service list, including subsequent email to C. O'Donnell re same. Emails with J. Waite re various creditor/vendor matters. Telephone call with Canadian Plate & Profiles Inc. re CCAA proceedings. Email from G. Benchaya attaching CIBC monitoring report for the period ending August 16, 2014. Email from Cassels attaching statement of account for period ending August 15, 2014. Email from S. Rudner, solicitor for I. Harris (former employee). Email from Faskens re service of revised SISP. Email from L. Ducharme of Hydro Quebec re payment for post-filing services. Emails and telephone calls with G. Benchaya re various matters. Email from S. Marrello re I. Harris.
Adam Sherman	08/21/2014	6.00	3,150.00	Emails from/to S. Marrello re Ian Harris. Telephone call with H. Elliott of Unifreight International re various matters in connection with the CCAA proceedings, including subsequent email to H. Elliot. Telephone call with M. Sousa (employee) re various matters in connection with the CCAA proceedings. Voicemails from/to M. Zeldin of RioCan. Telephone call with Clayton re window cleaning. Telephone call with R. Fawcett at Triovest (property mgr. for Bowring location) re various matters in connection with the CCAA proceedings, including email to R. Fawcett re same. Telephone call with S. Carvajal re vendor/supplier issues and other matters. Voicemail to J. Waite re various matters. Telephone call with Saskpower re treatment of accounts post-filing. Voicemail messages from/to Belle Pak. Telephone calls with and emails to J. Waite re Hydro Quebec. Emails from/to FSD Furniture re its claim against the B+C Entities, CCAA proceedings, etc. Emails from/to P. van Eyk re Court tomorrow. Email from M. Zeldin attaching RioCan's Statement of Claim against the B+C Entities, including subsequent email to M. Zeldin in response to same. Email to C. O'Donnell re RioCan's Statement of Claim and preparation of a notice of stay of proceedings re same. Emails and telephone calls with G. Benchaya re various matters. Email from Cassels attaching furhter updated service list, including email to C. O'Donnell re same. Emails from L. Ellis re certain landlord's requestd changes to the sale guidelines, including email to G. Benchaya re same. Telephone call with and emails from/to L. Ducharme of Hydro Quebec re payment ofr post-filing services. Voicemails from/to and emails with M. Auld of Cambridge Hydro re CCAA proceedings. Telephone call with L. Ellis re various matters. Email from M. Sassi re landlord query. Email from W. Levine attaching updated cash flow incorporating actual results for the period ending August 16, 2014.
Adam Sherman	08/22/2014	5.50	2,887.50	Preparation for and attendance in Court re motion to approve SISP, liquidation agreement and stay extension, including discussions with various counsel in attendance. Correspondence from TD Merchant Services advising that it would be increasing its reserve against chargebacks, including emails/discussions with the B+C Entitties, Faskens and G. Benchaya re ssame. Emails with TD. Merchant services scheduling a conference call later on same date and requesting copies of the agreements between TD and the B+C Entities. Emails from S. Simian of CMA CGM (Canada) re freight delivery and other matters, including email to S. Simian in rspnse to his emails of same date. Email from TD Merchant services attaching the agreements between it and the B+C Entities. Discussion with M. Morrison re Belle Pak. Email from M. Morrison requesting approval to pay Belle Pak invoice for goods delivered on August 5, 2014, including email to M. Morrison approving same. Telephone call with S. Carvajal re various matters. Emails with S. Carvajal and S. Giuliano re Fred Guy Moving & Storage. Conference call with G. Benchaya and TD Merchant Services to advise of the Monitor's position regarding its intention to increase its chargeback reserve. Email to F. Benitah, M. Morrison, Faskens and Cassels providing an update on the Monitor's discussion with TD Merchant Services. Telephone call with Bell Canada re CCAA proceedings. Email from S. Carvajal re Speedy Transport Group Inc. Telepone calls with G. Benchaya re various matters. Email from A. Kauffman providing comments on draft NDA. Email from S. Marrello re employments standards claim filed by S. Hanko. Telephone call with Northumberland County Collections Services re CCAA proceedings. Telephone call with Superior Logistics re CCAA proceedings.
Igor Bernadski	07/28/2014	6.00	2,550.00	Preperation of report for lenders & model update
Igor Bernadski	07/29/2014	8.00	3,400.00	Preperation of report for lenders & model update
Igor Bernadski	07/30/2014	8.00	3,400.00	Preperation of report for lenders
Igor Bernadski	07/31/2014	7.00	2,975.00	Preperation of report for lenders

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of July 27 to August 22, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Igor Bernadski	08/01/2014	3.00	1,275.00	Affidavit review
Igor Bernadski	08/04/2014	3.00	1,275.00	D&O Charges
Igor Bernadski	08/05/2014	2.50	1,062.50	Pre-filing DIP Cashflow review
Igor Bernadski	08/06/2014	3.00	1,275.00	Model and discussion with deloitte
Igor Bernadski	08/06/2014	3.50	1,487.50	BBC update & review with company and deloitte
Igor Bernadski	08/07/2014	2.00	850.00	update of DIP model
Igor Bernadski	08/07/2014	3.00	1,275.00	review of secured loan
Igor Bernadski	08/08/2014	3.00	1,275.00	BBC Review and update
Igor Bernadski	08/08/2014	2.00	850.00	Discussion with Deloitte
Igor Bernadski	08/11/2014	6.00	2,550.00	BBC preparation & review of reserves
Igor Bernadski	08/12/2014	4.00	1,700.00	BBC review and update.
Igor Bernadski	08/12/2014	1.00	425.00	Responding to Deloitte's questions relating to BBC, DIP loan
Igor Bernadski	08/12/2014	4.00	1,700.00	Monitoring report set up and review of CF with client
Igor Bernadski	08/13/2014	5.00	2,125.00	Monitoring report
Igor Bernadski	08/13/2014	4.00	1,700.00	BBC review
Igor Bernadski	08/14/2014	1.00	425.00	discussion with company and respoding to questions
Igor Bernadski	08/15/2014	4.00	1,700.00	Discussions with Deloitte and review comments relating to BBC and Monitoring
Igor Bernadski	08/18/2014	5.00	2,125.00	updating monitoring report for week ending Aug 15
Igor Bernadski	08/19/2014	2.00	850.00	Review of BBC
Igor Bernadski	08/19/2014	4.00	1,700.00	Issuance and review Monitoring report
Igor Bernadski	08/19/2014	1.50	637.50	Discussion with company and responses to questions
Igor Bernadski	08/20/2014	1.50	637.50	monitoring report
Igor Bernadski	08/20/2014	0.50	212.50	Discussion with company and responses to questions
Igor Bernadski	08/21/2014	3.00	1,275.00	updating DIP model
Igor Bernadski	08/22/2014	3.00	1,275.00	Responding to Deloitte questions with regards to DIP model and monitoring
				B&C ND&A, Teaser & Communication plan preparation. Communication plan includes employee/supplier Q&A, letters to store managers, letters to employees, letters to suppliers and other misc communications
Jason Parravano	07/28/2014	8.00	2,600.00	B&C ND&A, Teaser & Communication plan preparation. Communication plan includes employee/supplier Q&A, letters to store managers, letters to employees, letters to suppliers and other misc communications
Jason Parravano	07/29/2014	5.00	1,625.00	B&C ND&A, Teaser & Communication plan preparation. Communication plan includes employee/supplier Q&A, letters to store managers, letters to employees, letters to suppliers and other misc communications
Jason Parravano	07/30/2014	2.00	650.00	B&C ND&A, Teaser & Communication plan preparation. Communication plan includes employee/supplier Q&A, letters to store managers, letters to employees, letters to suppliers and other misc communications
Jason Parravano	07/31/2014	1.00	325.00	B&C ND&A, Teaser & Communication plan preparation
Jason Parravano	08/01/2014	2.00	650.00	Preparation of extended report to present to Isaac Benitah to include addionation information from original report and analysis, such as break downs of professional and other fees included in the original report to the company and bank.
Jason Parravano	08/04/2014	6.00	1,950.00	Preparation of extended report to present to Isaac Benitah to include addionation information from original report and analysis, such as break downs of professional and other fees included in the original report to the company and bank.
Jason Parravano	08/05/2014	2.50	812.50	Translation of communication packages to french (4.5). Communicaiton packages includes communicatio nto employees/suppliers and other misc communications. Discussions with Adam Laiken of Deloitte regarding BBC reserves (1).
Jason Parravano	08/06/2014	5.50	1,787.50	Update to DIP model with new forbearance terms based on latest draft from CIBC (1.5)
Jason Parravano	08/07/2014	5.00	1,625.00	Secured loans review to outstanding and original balances of shareholder loans and matched with proofs and deposit slips. (3.5)
Jason Parravano	08/08/2014	2.00	650.00	Revision of BBC prior to submission to CIBC to ensure the amounts presented in certificate are accurate and tie back to supporting reports
Jason Parravano	08/11/2014	3.00	975.00	Dataroom Setup - 1 SISP - identifying competitor and financial potential purchasers (Competitors/CAD financial insitutions/US Financial institutions.(2)
Jason Parravano	08/12/2014	4.00	1,300.00	Discussion with Fred and Margaret around potential new stores to close and analysis of impact on EBITDA. Analysis of the impact of capped rent in comparison to the current occupancy costs for stores where negotiations of rent concessions is in process.
Jason Parravano	08/13/2014	8.00	2,600.00	SISP - locating potential purchasers and obtaining contact informations. Calls to competitors and research on financial buyers websites to obtain appropriate contact information.
Jason Parravano	08/14/2014	3.00	975.00	SISP - locating potential purchasers and obtaining contact informations. Calls to competitors and research on financial buyers websites to obtain appropriate contact information.
Jason Parravano	08/15/2014	2.00	650.00	SISP - locating potential purchasers and obtaining contact informations. Calls to competitors and research on financial buyers websites to obtain appropriate contact information.
Jason Parravano	08/18/2014	5.00	1,625.00	Updating monitoring report to reflect w/e aug 15 cash flows
Jason Parravano	08/19/2014	2.00	650.00	travel to toronto
Jason Parravano	08/19/2014	7.50	2,437.50	Completion of Aug 15 monitoring (4) Review of Aug 15 submission of BBC (2) Varia
Jason Parravano	08/20/2014	1.00	325.00	questions with staff related to certain post filing obligaitons (1.5)
Jason Parravano	08/20/2014	5.00	1,625.00	Review of updated BBC to reflect changes in the Wire amounts from the bank
				Updated to the CCAA DIP model forecast to reflect reported figures through aug 16

Richter Advisory Group Inc.**Re: Bombay Group****Time charges for the period of July 27 to August 22, 2014**

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Jason Parravano	08/21/2014	0.50	162.50	Discussion with Margaret and Nancy regarding the current status of the OS cheques and the plan to cancel all cheques pre filing and re-issue any if necessary
Jason Parravano	08/21/2014	4.00	1,300.00	Calls to various competitors and financial institutions to obtain the appropriate contact info in order to circulate the teaser.
Jason Parravano	08/22/2014	2.00	650.00	Uploaded all documents to dataroom. Preparation of the SISP packages (NDA, Teaser, potential purchaser list) to be sent to Margaret/Fred for their review.
Carol O'Donnell	08/07/2014	3.60	900.00	Prepare new CCAA. Review order. Miscellaneous administration.
Carol O'Donnell	08/08/2014	5.20	1,300.00	Posting documents to website. Prepare newspaper ad. Arrange for 1-800 # to be opened. Miscellaneous administration for starting of CCAA.
Carol O'Donnell	08/11/2014	1.40	350.00	Communications with Niwri regarding newspaper ad. Misc.
Carol O'Donnell	08/12/2014	3.60	900.00	Finalize documents, newspaper ad. Communications with Niwri Media. Preparation for mailing.
Carol O'Donnell	08/13/2014	6.40	1,600.00	Prepare labels, mailing. File form 2, Notice to Creditors, Creditors List with OSB. Put documents on website.
Carol O'Donnell	08/14/2014	3.20	800.00	Post documents to website, update folder structure, prepare postage forms. Verify for fee affidavit. Discussions with A Sherman, misc. administration
Carol O'Donnell	08/18/2014	4.50	1,125.00	Prepare fee agreement, prepare exhibits. Review invoices and time charges, reconcile time charges. Discussions with A Sherman. Telephone conversation with Creditors.
Carol O'Donnell	08/20/2014	0.50	125.00	Telephone conversations with Creditors.
Carol O'Donnell	08/21/2014	0.50	125.00	Verify stay of proceedings. Review and scan newspaper ad in Globe and Mail.
Ann Stremski	07/31/2014	5.50	1,017.50	Benix, Bowring. Bombay creditor lists
Ann Stremski	08/01/2014	5.00	925.00	Prepare and edit creditor lists for import
Ann Stremski	08/05/2014	3.00	555.00	Prepare combination creditor list for 3 files in B and C Group
Ann Stremski	08/06/2014	3.00	555.00	Finalize combined creditor list
Ann Stremski	08/11/2014	0.80	148.00	Edit and import creditor list
		546.25	259,725.50	
Fees			259,725.50	
Courtesy Discount			20,000.00	
Total			239,725.50	

Date: 09/16/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

To: For professional services rendered for the period ended September 6, 2014.

- Numerous meetings with senior management and personnel in Toronto, ON. to review business operations, cash flow, F2014/15 financial forecast;
- Discussions and calls with lawyers, Company management and lenders to discuss on-going progress, approach and strategy;
- Liquidation, bankruptcy planning, discussion with lawyers, profitability analysis of profitable stores;
- Numerous discussions with lender and lender's advisor regarding BBC availability, DIP cashflow and other elements of monitoring report;
- Preparation and issuance of monitoring report for the weeks ended August 23 and August 30, 2014 for the lender and its advisor;
- Creation, preparation and management of the virtual data room as part of the SISP process;
- Delivery of teaser to 102 potential interested parties via email and courier;
- Follow up with various potential interested parties and counsel regarding execution of a NDA in order to gain access to virtual data room;
- Communications with the management and potential interested parties regarding additional information requests and selected company information to be posted to virtual data room;
- Other acts of consultation.



Date: 09/16/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

Professional services rendered (per summary attached)	\$ 89,642.00
HST #89593 7217 RT0001	<u>11,653.46</u>
Sub-total	101,295.46
Disbursements	3,329.71
Balance to pay:	<u>\$104,625.17</u>

Payment Options

We accept Direct Telephone Banking and Internet Banking. If you choose to pay your account using one of these payment options, please contact Collection Department at 514.934.3580 or e-mail collection@richter.ca



Date: 09/16/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Time Charges
August 24, 2014 to September 6, 2014**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya , Partner	34.9	\$625	\$ 21,812.50
Paul van Eyk , Partner	3.0	\$650	1,950.00
Warren Levine , Principal	39.0	\$550	21,450.00
Adam Sherman , Vice-President	26.3	\$525	13,807.50
Elliott Kobulnik , Associate	24.0	\$425	10,200.00
Igor Bernadski , Associate	5.0	\$425	2,125.00
Jason Parravano , Analyst	47.0	\$325	15,275.00
Carol O'Donnell , File Administrator Supervisor	1.6	\$250	400.00
Soazig Bourguine , File Administrator	5.3	\$185	980.50
Ann Stremski , File Administrator	4.9	\$185	906.50
Nattalea Francis-Campell , Executive Administrative Assistant	<u>7.0</u>	\$105	<u>735.00</u>
Total	<u>198.0</u>		\$ <u>89,642.00</u>



Date: 09/16/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Disbursements
August 24, 2014 to September 6, 2014**

Airfare ⁽¹⁾	\$ 1,614.24
Hotels ⁽²⁾	646.14
Meals	203.63
Ground Transportation & Other	<u>865.70</u>
Total	<u>\$3,329.71</u>

⁽¹⁾ 6 return flights (Average per segment: \$287)

⁽²⁾ 3 nights (Average per night: \$218)

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of August 25 to September 5, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
				Further updates to purchasers list re feedback AS MM, etc. Call counsel and Fasken re TD
08/25/2014 Gilles Benchaya		1.50	937.50	Merch services chargeback request.
08/26/2014 Gilles Benchaya		1.30	812.50	Update call FB. Prep letter accompanying teaser and final review of teaser.
				Review queries from deloitte on monitoring. TD bank chargeback followup and related issues.
08/27/2014 Gilles Benchaya		2.30	1,437.50	Review teaser and final list of parties and prepare cover letter for issuance.
				Monitoring report analysis and discussion on treatment of cash in transit. Review ndas
				received for sale process. Update TD chargeback issue. Update requests from interested
08/28/2014 Gilles Benchaya		3.20	2,000.00	parties re sale process. Review draft offer form.
				Discussion Fred Benitah re participation notice form and content. Followup discussion Jane re
				Participation notice. Review of updated dip cashflow trued up for actuals and revised store
08/29/2014 Gilles Benchaya		3.00	1,875.00	closings. Call Fred Benitah re: status of operational and restructuring initiatives.
09/01/2014 Gilles Benchaya		1.00	625.00	Update call with F Benitah regarding various operational matters
09/01/2014 Gilles Benchaya		0.50	312.50	Follow-up on request by D Cohen regarding cashflow exhibit
09/02/2014 Gilles Benchaya		0.50	312.50	Follow-up queries regarding dataroom/ SISP
09/02/2014 Gilles Benchaya		2.00	1,250.00	Discussion with F Benitah
09/02/2014 Gilles Benchaya		1.50	937.50	Revised 4-wall analysis based on new % rent deals
09/02/2014 Gilles Benchaya		0.50	312.50	Updated reduction in force analysis and comp to plan
09/02/2014 Gilles Benchaya		0.50	312.50	Discussion with J Dietrich regarding shareholders' meetings
09/03/2014 Gilles Benchaya		1.00	625.00	Review of monitoring schedules
09/03/2014 Gilles Benchaya		3.20	2,000.00	Meeting with IB & FB re process, clarifications on credit bids, status of restructure, etc.
09/03/2014 Gilles Benchaya		0.80	500.00	Discussion S Smith GA re SISP and bid deadline
09/03/2014 Gilles Benchaya		0.50	312.50	Discussion M Morrison re: dataroom info required
				Attendance at company and mtgs Fred/Marg re op issues, updated plans and lease
09/03/2014 Gilles Benchaya		2.50	1,562.50	disclaimers
09/04/2014 Gilles Benchaya		1.20	750.00	Analysis of revised liquidation scenario prepared by Hilco
09/04/2014 Gilles Benchaya		1.60	1,000.00	Info requests re: SISP and redacted info
09/04/2014 Gilles Benchaya		0.50	312.50	Call with Margaret re updated models
09/04/2014 Gilles Benchaya		0.80	500.00	Update call with Cassels re previous mtgs
09/04/2014 Gilles Benchaya		0.80	500.00	Review comp sales trending and disclosure
09/05/2014 Gilles Benchaya		0.80	500.00	Call Fred re updated forecast and dip cashflow and other matters
09/05/2014 Gilles Benchaya		0.80	500.00	Redacted appraisal for SISIP
09/05/2014 Gilles Benchaya		1.00	625.00	Review updated working capital rollforwards
09/05/2014 Gilles Benchaya		0.50	312.50	Extension of offer deadline
09/05/2014 Gilles Benchaya		0.50	312.50	Review of info requests for SISP and responses
09/05/2014 Gilles Benchaya		0.60	375.00	Discussion and review of followup queries IB with counsel
				Attendance in court last Friday (missed time entry), review of second report, edits to Second
08/25/2014 Paul van Eyk		3.00	1,950.00	Report, call with Cassels
				Review updated DIP CF Correspondence with Margaret Review monitoring report Updates
08/25/2014 Warren Levine		2.00	1,100.00	to data room
				Review of preliminary monitoring report. Correspondence with Igor regarding request from
08/26/2014 Warren Levine		1.50	825.00	Deloitte and other issues.
				Review of Monitoring report, and discussions with Jason re various changes. Issuance of
				monitoring report to CIBC Preliminary review of revised DIP budget, with commentary sent to
08/27/2014 Warren Levine		2.50	1,375.00	Jason. Data room support
				Discussions with prospective buyers / lawyers on NDA changes Correspondence with CIBC
				(Jomo) re cash transfer to revolver Review of weekly monitoring report Prepare updated DIP
08/28/2014 Warren Levine		5.00	2,750.00	CF budget
				Correspondence with Cassels Brock re changes to NDA Updates to DIP CF model
				Discussion with Hilco (Nancy) regarding updated protections for liq stores Review with
08/29/2014 Warren Levine		4.50	2,475.00	Company regarding info to be uploaded to data room.
				Call with Warren Leung (Deloitte) to review questions on DIP CF, monitoring Update of P&L
				model to incorporate rent concessions. Call with Nancy of Hilco to review store closure list,
09/02/2014 Warren Levine		5.00	2,750.00	request updated budget
				Finalize weekly monitoring report Update DIP cash flow model Various correspondence with
				Cassels Brock regarding NDA changes Review of new info for data room Review of updated
09/03/2014 Warren Levine		5.50	3,025.00	Hilco projections
				Correspondence with potentail bidders/cassels brock on NDA changes, questions on info
				Updates to weekly DIP cash flow model Call with Adam Laiken (Deloitte) to discuss
				questions on Monitoring, DIP cash flow, etc. Follow -up correspondence by e-mail with
09/04/2014 Warren Levine		6.00	3,300.00	Deloitte Updates to data room
				Prepare Working Capital analysis as of Dec Work on/Review Corp org structure chart
				Discussions with Margaret Update DIP CF model NDA follow up with Cassels Brock, various
09/05/2014 Warren Levine		7.00	3,850.00	parties

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of August 25 to September 5, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
				Telephone call with and email to T. Oppedisano of Metrus Properties re various matters in connection with the CCAA proceedings. Email from and telephone call with S. Carvajal re various supplier matters. Voicemail to B. Shields of Fred Guy Moving & Storage. Telephone call with J. Dunbar of Century Services re SISP. Several emails from/to Mr. T. Liu re ongoing litigation between Morguard Corporation/Bramalea City Centre Equities Inc. and Benix as well as other matters in connection with same. Telephone call with F. Benitah re various matters. Voicemails from/to and telephone call with D. Pissarouk re Carmichael Engineering Ltd. and other matters. Telephone call with C. O'Donnell re changes to notice of stay of proceedings re employee claims. Emails with Cassels and Faskens re scheduling of conference call to discuss TD Merchant Services. Emails and telephone call with S. Carvajal re Carmichael Engineering Ltd and other matters. Conference call with L. Ellis, S. Brotman and G. Benchaya re TD Merchant Services. Emails to S. Brotman and L. Ellis re TD Merchant Services. Telephone call with Belle Pak re various matters. Review and sign notices of stay of proceedings re various claims. Email from M. De Luca of Enersource re CCAA proceedings, including subsequent voicemail to M. De Luca in response to same. Email from B. Shields of Fred Guy Moving & Storage re goods held in transit, including email to S. Carvajal re same. Emails from/to Speede Delivery Services re various matters in connection with the CCAA proceedings. Emails from/to Manitoba Hydro re CCAA proceedings. Emails from/to F. Daniel of CSS Alliance re CCAA proceedings. Emails from/to H. Daley of Ashford Properties Inc. (property manager for a Bombay location in Moncton) re status of CCAA proceedings and rental payments. Emails from/to J. Routliffe of EnWin Utilities Ltd. Emails from/to K. Juarez of Wheels MSM re CCAA proceeding. Emails from/to K. Risley of Cintas re CCAA proceedings. Telephone calls with I. Ali of Onni Group re various matters in connection with the CCAA proceedings, including email to I. Ali in connection with same. Emails from/to M. Veilleux of AS Hanging Display Systems re CCAA proceedings. Emails from/to C. Tsihlis of INSIGHT Canada Inc. re CCAA proceedings. Email to G. Benchaya re SISP. Emails with Faskens and Cassels re additions to the service list. Discussion with and email to P. Patel re status of CCAA proceedings.
08/25/2014 Adam Sherman		7.00	3,675.00	
				Emails from/to J. Routliffe of EnWin Utilitis re post-filing service. Emails from/to C. Tsihlis of INSIGHT re CCAA proceedings. Emails with C. Chong of TD Merchant Services re scheduling of conference call. Emails with M. Morrison and G. Benchaya re TD Merchant Services. Email from Manitoba Hydro re post-filing service. Email from J. Dietrich. Email from Bell Canada re CCAA proceedings. Email from and voicemail to B. Rose of Cintas.
08/26/2014 Adam Sherman		0.80	420.00	
				Emails with M. Morrison and C. Chong re conference call later on same date. Emails from/to S. Brotman re TD Merchant Services. Emails from/to S. Carvajal re Carmichael. Email from S. Brotman attaching draft form of offer, including emails with J. Dietrich re same. Emails from/to J. Paravano re EnWin Utilities. Voicemails to J. Routliffe of EnWin Utilities re service disconnect. Conference call with TD Merchant Services and M. Morrison re chargeback reserve. Review and provide comments on draft form of offer. Emails from/to M. Morrison attaching notice of mediation re Super Save Disposal (Alberta) Ltd. claim against Bowring. Telephone call with B. Rose of Cintas re various matters in connection with the CCAA proceedings, including provision of post-filing services. Emails from/to S. Carvajal re Cintas. Email from J. Paravano confirming teasers sent to potential interested parties. Email from W. Levine to CIBC and Deloitte attaching monitoring report for the week ending August 23, 2014.
08/27/2014 Adam Sherman		3.00	1,575.00	
				Emails and telephone call with J. Dietrich re comments on draft form of order. Emails with S. Yoon of Versa Capital. Emails with J. Paravano re EnWin Utilities. Emails with J. Paravano re email of NDA to Royal Canadian Securities Limited. Email to S. Brotman re update on discussion with TD Merchant Services, including subsequent emails with S. Brotman re same. Emails from/to J. Dietrich re draft form of offer. Email from M. Morrison re landlord issues, including subsequent email with M. Morrison in response to same. Email to C. O'Donnell re notice of stay of proceedings re Super SEave Disposal (Alberta) Ltd. Telephone call with I. Ali of Onni Group re liquidation sale. Telephone call with M. Hudson of Tricor Pacific Capital, including subsequent email to J. Paravano re request to send teaser to M. Hudson. Emails to S. Carvajal re Xerox and National Leasing. Attendance at the B+C Group Distribution Centre, including meeting with S. Carvajal and Messrs. L. Chatalet, D. Peters and B. Barco of CMA CGM (Canada) re various matters in connection with the CCAA proceedings, including post-filing services. Meeting with S. Carvajal re various matters. Emails from/to S. Yoon and M. Stevens of Versa Capital. Email from M. Morrison attaching letter from the solicitor for TD Financial Services re private label credit card program.
08/28/2014 Adam Sherman		6.00	3,150.00	Telephone call with R. Donnelly of Carmichael re CCAA proceedings and post-filing services.

Richter Advisory Group Inc.**Re: Bombay Group****Time charges for the period of August 25 to September 5, 2014**

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
				Email to and telephone call with S. Yoon of Versa Capital re various matters in connection with the SISP. Emails with S. Carvajal re Carmichael. Email from/to CMA CGM (Canada) re various matters in connection with the CCAA proceedings, including treatment of claims against the B+C Group. Voicemail from and email to I. Ali of Onni Group. Email to S. Brotman re store closure list. Email from A. Kauffman attaching store closure list, including subsequent email to A. Kauffman re same. Email from/to J. Dietrich re participation notice. Email from/to J. Dietrich re offer template. Emails and telephone call with W. Levine re various matters, including posting of offer template to the data room. Email to W. Levine attaching offer template. Email from C. Achterholt of SDM Realty Advisors re notice of utility disconnect, including subsequent email to C. Achterholt re same. Emails to C. Farquharson and V. Chow of BC Hydro re CCAA proceedings. Emails from/to M. Garff of Sun Capital re SISP. Email from Cassels attaching invoice for the week ending August 22, 2014.
08/29/2014 Adam Sherman		2.50	1,312.50	Telephone call with J. Paravano re insurance. Email from F. Benitah providing notice of participation in SISP.
				Telephone call with Evergreen Castle Inc. re CCAA proceedings and payment for post-filing services. Emails from/to I. Ma of Alberta Investment Management Corp re SISP. Several emails with J. Paravano re SISP. Email from R. Bracken attaching executed NDA, including subsequent email to R. Bracken in connection with same. Email from V. Chow of BC Hydro re staying of termination notice and other matters in connection with the CCAA proceedings, including subsequent email to V. Chow in response to same. Telephone call and emails with T. MacIntyre of Bell Canada re post-filing services. Telephone call with the solicitor for Wilton Industries Canada, a creditor, re various matters in connection with the CCAA proceedings. Email to J. Waite re Bell Canada. Emails from/to Windsor Disposal Services re its claim against Bombay and other matters in connection with the CCAA proceedings. Emails from/to T. Oppedisano of Metrus Properties. Telephone call with M. Kapahi of Wicker Emporium re SISP. Telephone call with C. Chong of TD Merchant Services. Telephone call with Amsteam, a creditor, re CCAA proceedings and Amsteam's claim against Bombay. Emails with G. Benchaya re TD Merchant Services. Telephone call with Crysar Clear Maintenance re CCAA proceedings and payment for post-filing services. Email to M. Morrison re claim of Super Save Disposal (Alberta) Ltd. Emails from/to and telephone call with E. Kobulnik re insurance. Telephone call with and email to I. Ali of Onni Group re liquidation sale and proposed store closure list. Emails from/to M. MacDougall, legal counsel for North American Development Group, re liquidation sale and store closure list. Voicemail from and email to M. Morgan of Lawson Lundell, solicitor for a landlord, re liquidation sale and store closure list. Email from W. Levine re monitoring report for the week ending August 30, 2014. Emails from/to and telephone call with M. Hudson of Tricor Pacific re SISP.
09/03/2014 Adam Sherman		4.50	2,362.50	
				Email from Sun Capital re request for NDA, including email to J. Paravano re same. Emails from/to C. Bennett of The Prime Source re CCAA proceedings and status of outstanding accounts. Email from E. Kobulnik re Burlington Hydro disconnection notice. Email to Burlington Hydro re various matters in connection with the CCAA proceedings, including the requirement to continue providing services to the B+C Entities. Emails from/to D. Birenbaum of Prokuron Sourcing Solutions Inc. re its claim against Benix. Emails from/to and telephone call with L. Hammond of Waste Management re various matters in connection with the CCAA proceedings and Waste Management's claim against the B+C Entities. Review and sign notices of stay of proceedings re Morguard Corporation and Super Save Disposal (Alberta) Ltd. Emails with G. Benchaya and Cassels re scheduling of conference call. Conference call with G. Benchaya, W. Levine, J. Dietrich and S. Kukulowicz re update on status of restructuring efforts, SISP and other matters in connection with the CCAA proceedings.
09/04/2014 Adam Sherman		2.50	1,312.50	Reviewed monitoring info received from company. Reconciled opening balance discrepancy in monitoring report. Prepared components of monitoring report.
09/02/2014 Elliott Kobulnik		8.00	3,400.00	Reviewed monitoring report. Discussed monitoring with Warren and Jason. Discussion with company and Adam regarding whether or not to make certain payments.
09/03/2014 Elliott Kobulnik		8.00	3,400.00	Reviewed DIP budget. Meeting with Margaret and Gilles regarding sales process and data room.
09/04/2014 Elliott Kobulnik		8.00	3,400.00	preparation of weekly monitoring report and update to DIP model
08/26/2014 Igor Bernadski		5.00	2,125.00	Creation of new dataroom at the request of Margaret - uploaded files and added access to users
08/25/2014 Jason Parravano		0.50	162.50	
				Review of the previous weeks OS cheque listing to determine the amounts cleared from prior periods and the newly issued cheques for the monitoring of the week ended August 23
08/25/2014 Jason Parravano		2.00	650.00	Update of the disbursement and collections monitoring report based on the cashflow flow provided.
08/25/2014 Jason Parravano		3.00	975.00	

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of August 25 to September 5, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
08/26/2014 Jason Parravano		4.50	1,462.50	Completed the monitoring report and updated for the sales and the liquidation sales which began on saturday august 23. Updated the the DIP CCAA CF to reflect timing differences which occurred in the week ended aug 23.
08/26/2014 Jason Parravano		1.50	487.50	Executed changes to the teaser and potential purchase list based on the comments brought forward by margaret and fred. Discussed changes to the teaser with margaret and fred for certain matters.
08/26/2014 Jason Parravano		2.00	650.00	Revision of the BBC for the week ended aug 23 and the supporting files to be associated.
08/26/2014 Jason Parravano		1.00	325.00	Discussed with margaret the incorporation of the CIBC blocked accounts which would now flow through to the loan
08/27/2014 Jason Parravano		1.00	325.00	travel to toronto
08/27/2014 Jason Parravano		1.00	325.00	various discussion with staff pertaining to certain pre filing invoices (marketing invoices that were due, insurance invoices, utility bill for a store that power was shut)
08/27/2014 Jason Parravano		1.00	325.00	Update of Monitoring report to reflect new cash flow provided by margaret for the week ended aug 23
08/27/2014 Jason Parravano		3.00	975.00	Coordination of the mailing of the teasers to 24 parties. Emails of the teasers to remaing 74 parties.
08/28/2014 Jason Parravano		2.50	812.50	preparation of nda for; century services, kitchen stuff plus, reich, royal canadian securities, salus capital, sb capital, showcase, stokes, tiger group, urban barn and versa capital
08/28/2014 Jason Parravano		5.00	1,625.00	Analysis of the new store closure list and the new rent concessions. from the 26 model to the new list of 26 closing stores. updated the store model to reflect these changes and factored in the fact that the all in occupancy cost for stores that would obtain a rent concession to be capped at a percentage of sales. determined which stores even with the rent concession would have negative effects on ebitda in F2016 since certain concession only ran until the end of jan 15. prepared analysis to present to margaret.
08/28/2014 Jason Parravano		1.00	325.00	travel back to montreal
09/02/2014 Jason Parravano		0.50	162.50	Follow up with Nancy Oliquino and Sil Marrello for returned mail to richter that was sent to various vendors and employees. Follow up to provide updated addresses to Ann Stremski of Richter.
09/02/2014 Jason Parravano		2.50	812.50	SISP work; granted access to mark halpern of kitchen stuff plus, century services, follow up for NDA with stuart shiveck of stokes, access to Samir of Showcase, sent NDA to Kevin of SBCG,
09/02/2014 Jason Parravano		5.00	1,625.00	Updates to the week ended aug 30th monitoring report. Update to reflect the cash disbursements for the week, sales, cash receipts and OS cheque analysis to determine the amounts cleared in the week.
09/03/2014 Jason Parravano		1.00	325.00	Review of the Aug 30 WE borrowing base certificate and updates to the monitoring report to reflect balances presented in the BBC. Agreed all items in the BBC to supporting backup provided by Margaret and Jeremy Waite.
09/03/2014 Jason Parravano		3.00	975.00	Update to the CCAA DIP CF Budget for reported figures and re-allocation of forecasted amounts based on knowledge/timing differences discussed with management.
09/03/2014 Jason Parravano		1.50	487.50	SISP Work: sent NDA to alberta investment management corp, sent teaser to madan of wicker emporium, sent NDA to steven smith of great american group, follow ups with Salus capital for proposed changes to NDA.
09/03/2014 Jason Parravano		0.50	162.50	Follow ups with Ann stremski of richter for returned mails for vendors and employees.
09/04/2014 Jason Parravano		2.50	812.50	Preparation of corporate org chart to be uploaded to the data room. Other discussions with Warren and Gilles regarding data room documents to be uploaded at the request of thos who have executed a NDA.
09/04/2014 Jason Parravano		1.50	487.50	Review of Hilco invoice for the week ended Sept 6. Allocation between types of services on the invoice to be split into the DIP CF and monitoring report. Review of the latest Hilco Model for liquidation stores in order to prepare an updated DIP CF budget for the coming weeks
09/04/2014 Jason Parravano		0.50	162.50	based on the revised list of closing and liquidating stores.
09/04/2014 Jason Parravano		0.50	162.50	SISP work; Prepared and sent NDA to sun capital partners,
09/04/2014 Jason Parravano		0.50	162.50	Follow up with Sil for returned mail to ann stemski. Additional returned mail requests sent to Sil and Nancy.
08/25/2014 Carol O'Donnell		0.20	50.00	Update telephone log and return calls to Creditors.
08/25/2014 Carol O'Donnell		1.10	275.00	Review order, misc. administration.
08/26/2014 Carol O'Donnell		0.20	50.00	Review stay of proceedings.
09/04/2014 Carol O'Donnell		0.10	25.00	Emails regarding stay of proceedings.
08/25/2014 Soazig Bourguine		1.70	314.50	Order 1st extension emailed to CCAA and posted on website, follow up on file, email to Dossiers Clients, email to Nattalea for Registered mail form, email to Adam Sherman (stay of proceeding Rio & Toronto Star), changes to Stay of Proceedings, email to Nattalea
08/26/2014 Soazig Bourguine		1.40	259.00	Service List Address and Service List posted on website, Stay of Proceedings
08/28/2014 Soazig Bourguine		0.20	37.00	Morguard/Bramalea
09/04/2014 Soazig Bourguine		1.50	277.50	Email to Adam Sherman re. Stay of Proceedings Super Save Disposal (Alberta) Ltd Super Save Disposal (Alberta) Ltd Stay of Proceedings, communications with Nattalea, printing of registered mail proofs

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of August 25 to September 5, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
				Emails exchange with Adam Sherman re. Moore Whittman Philips letters, web posting of the
09/05/2014	Soazig Bourgine	0.50	92.50	updated service list and service list addresses
08/25/2014	Ann Stremski	0.40	74.00	Communications with Jason Parravano; update addresses and resend returned notices
08/26/2014	Ann Stremski	1.50	277.50	Communications with Jason Parravano; update addresses; resend returned notices
08/29/2014	Ann Stremski	0.30	55.50	Communications with Jason Parravano regarding returned mail and updated addresses
09/02/2014	Ann Stremski	2.00	370.00	Communications with Jason Parravano; update addresses and resend returned notices
09/03/2014	Ann Stremski	0.30	55.50	Communication iwth Jason Parravano; change addresses; resend notices
09/04/2014	Ann Stremski	0.40	74.00	Communications with Jason Parravano; update address schedule; return notices
08/25/2014	Nattalea Francis-C	3.50	367.50	Admin: print, assemble and send Stay of Proceedings letters (43) by registered mail
08/26/2014	Nattalea Francis-C	3.50	367.50	admin: print, assemble and send Stay of Proceedings letters (43) by registered mail
Total		<u>198.00</u>	<u>89,642.00</u>	

Date: 09/29/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

To: For professional services rendered for the period ended September 20, 2014.

- Numerous meetings with senior management and personnel in Toronto, ON. to review business operations, cash flow, and revised F2015/16 financial forecast;
- Discussions and calls with lawyers, Company management and lenders to discuss on-going progress, approach and strategy;
- Numerous discussions with lender and their advisor regarding BBC availability, DIP cash flow and other elements of monitoring report;
- Preparation and issuance of a monitoring report for the weeks ended September 6 and September 13, 2014;
- Follow up with various potential interested parties and counsel regarding proposed charges to the NDA agreement in order to gain access to virtual data room;
- Communications with management and potential interested parties regarding additional information requests, and reviewing information and posting it to the virtual data room;
- Review of lease disclaimer notices issued to various landlords on September 15, 2014;
- Update to CIBC and its advisors regarding changes to the original restructuring plan, progress of various restructuring initiatives as well as SISF process;
- Discussions with management regarding an updated Store Profitability Model and DIP Cash Flow Model, reflecting reported results up to Sept 13, 2014;
- Issuance of an updated Restructuring Report to the CIBC ABL group;
- Follow up discussions with CIBC regarding assumptions and figures presented in the report as well as clarifications regarding the Go-Forward business;
- Other acts of consultation.



Date: 09/29/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

Professional services rendered (per summary attached)	\$ 99,320.00
HST #89593 7217 RT0001	<u>12,911.60</u>
Sub-total	112,231.60
Disbursements	<u>4,545.06</u>
Balance to pay:	<u>\$116,776.66</u>

Payment Options

We accept Direct Telephone Banking and Internet Banking. If you choose to pay your account using one of these payment options, please contact Collection Department at 514.934.3580 or e-mail collection@richter.ca



Date: 09/29/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Time Charges
September 7 to September 20, 2014**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	38.3	\$625	\$ 23,937.50
Paul van Eyk, Partner	4.7	\$650	3,055.00
Warren Levine, Principal	53.5	\$550	29,425.00
Adam Sherman, Vice-President	10.6	\$525	5,565.00
Elliott Kobulnik, Associate	35.7	\$425	15,172.50
Jason Parravano, Analyst	<u>68.2</u>	\$325	<u>22,165.00</u>
Total	<u>211.0</u>		<u>\$99,320.00</u>



Date: 09/29/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Disbursements
Period ended September 20, 2014**

Airfare ⁽¹⁾	\$ 1,076.16
Hotels ⁽²⁾	1,882.68
Meals	773.30
Ground Transportation & Other	<u>812.92</u>
Total	<u>\$ 4,545.06</u>

⁽¹⁾ 4 return flights (Average per segment: \$269)

⁽²⁾ 8 nights (Average per night: \$235)

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of September 8 to September 19, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
09/08/2014	Gilles Benchaya	0.50	312.50	discussion Foldiak cdn properties re: claim with JD
09/09/2014	Gilles Benchaya	1.00	625.00	Analysis of lease disclaimers against original plan
09/09/2014	Gilles Benchaya	0.50	312.50	review info requests
09/09/2014	Gilles Benchaya	0.50	312.50	discussion Jdietrich re; secured lender requests
09/09/2014	Gilles Benchaya	0.50	312.50	discussion and review of extension deadline with JD
09/09/2014	Gilles Benchaya	1.00	625.00	call Jomo CIBC to discuss status of restructure, timing of plan and SISP
09/10/2014	Gilles Benchaya	1.00	625.00	Hilco updated store closing analysis
09/10/2014	Gilles Benchaya	0.50	312.50	analysis of BBC
09/10/2014	Gilles Benchaya	0.50	312.50	sales tax and vacation pay analysis
09/10/2014	Gilles Benchaya	1.00	625.00	review of lease disclaimers
09/10/2014	Gilles Benchaya	1.00	625.00	review of monitoring package
09/11/2014	Gilles Benchaya	2.00	1,250.00	lease disclaimer notices
09/11/2014	Gilles Benchaya	1.00	625.00	call R Ozry and JD and Paul re D&O, SISP, offer deadline
09/11/2014	Gilles Benchaya	1.00	625.00	discussion Margaret re: info requests and redacted names
09/12/2014	Gilles Benchaya	0.50	312.50	notre dame lease disclaimer
09/12/2014	Gilles Benchaya	1.00	625.00	call J Dietrich re disclaimers, disclosure issues
09/12/2014	Gilles Benchaya	0.80	500.00	d&o analysis for IB
09/12/2014	Gilles Benchaya	0.40	250.00	followup with Margaret on Mica decarie lease
09/12/2014	Gilles Benchaya	2.00	1,250.00	review of updated disclaimer notices and tie in to restructuring plan
09/15/2014	Gilles Benchaya	0.20	125.00	Template offer for R Ozry
09/15/2014	Gilles Benchaya	4.00	2,500.00	preparation of bank update presentation on status of restructure including updated headcount reductions, store closures, lease renegotiations and impact on proforma ebitda, sisp
09/15/2014	Gilles Benchaya	0.50	312.50	sisp timeline update
09/15/2014	Gilles Benchaya	0.50	312.50	call paul casey re meeting at Bank
09/16/2014	Gilles Benchaya	1.00	625.00	review landlord concessions and lease amendments
09/16/2014	Gilles Benchaya	2.00	1,250.00	meeting with PVK to review Detailed updated restructuring plan for Bank meeting
09/16/2014	Gilles Benchaya	1.50	937.50	Meeting at CIBC to review report and status of restructure. revisions to report per meeting
09/16/2014	Gilles Benchaya	0.50	312.50	call R Ozry re: IB requests and sisp followup
09/17/2014	Gilles Benchaya	2.00	1,250.00	work on updated restructuring plan and revised DIP cashflow
09/17/2014	Gilles Benchaya	0.80	500.00	call Fred Benitah re; various operational/restructuring considerations
09/17/2014	Gilles Benchaya	1.00	625.00	review weekly monitoring and BBC
09/18/2014	Gilles Benchaya	1.60	1,000.00	review of changes to the detailed restructuring plan for Bank
09/18/2014	Gilles Benchaya	0.80	500.00	discussion J Dietrich PVK re: ib requests
09/18/2014	Gilles Benchaya	0.40	250.00	nda for D&P per IB request
09/18/2014	Gilles Benchaya	1.00	625.00	analysis of contribution by region for SISP process
09/19/2014	Gilles Benchaya	0.80	500.00	Discussion j Dietrich re SISP timeline, extension, lease amendments, etc.
09/19/2014	Gilles Benchaya	1.20	750.00	review landlord lease amendments and comparison to plan further updated from counsel on redacted name issue and draft responses to interested parties
09/19/2014	Gilles Benchaya	0.30	187.50	parties
09/19/2014	Gilles Benchaya	0.50	312.50	discussion sisp proposed extension with counsel
09/19/2014	Gilles Benchaya	1.00	625.00	review final updated restructuring plan
09/10/2014	Paul van Eyk	0.20	130.00	Email exchange with Bennett Jones on setting up a meeting in relation to Isaac's questions
09/11/2014	Paul van Eyk	1.00	650.00	Call with Bennett Jones on Isaac's questions. Discussion with Gilles on file matters. Review and sign extension. Emails with counsel.
09/12/2014	Paul van Eyk	1.00	650.00	Review of emails on disclaimers, review of emails, signing disclaimers
09/15/2014	Paul van Eyk	1.00	650.00	Discussion with Faskens and client on sales process (conference call), conference call with Cassels on the sales process, discussion with Gilles, review of emails on interested parties, review of email from Cassels
09/17/2014	Paul van Eyk	1.50	975.00	Conference calls with Bennett Jones, conference call on sales process and access to information
09/08/2014	Warren Levine	4.50	2,475.00	Review NDA changes from potential bidders Review final store closures list and reconciliation Update DIP cash flow model Analysis of prior week cash flow / sales / liquidation sales
09/09/2014	Warren Levine	5.00	2,750.00	NDA follow up with purchasers, J. Dietrich Review monitoring, weekly cash flow Updates to DIP model
09/10/2014	Warren Levine	3.00	1,650.00	Review and d issue monitoring Work on revised DIP CF Questions from interested parties Prepare and issue new teaser. Follow up on NDAs Correspondence with Margaret
09/11/2014	Warren Levine	3.50	1,925.00	Review and finalize weekly monitoring Update DIP cash flow Follow up on NDA with potential purchasers Address requests for additional info from potential purchasers
09/12/2014	Warren Levine	4.00	2,200.00	Work on updated business plan NDA follow ups
09/14/2014	Warren Levine	4.50	2,475.00	Work with Jason, Elliott to prepare materials for Bank meeting Update business plan based on revised store closures / liquidation. True up July results Revisions to DIP cash flow model with reported results, LCs, sales trending, etc.

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of September 8 to September 19, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
09/15/2014 Warren Levine		6.00	3,300.00	Work at Company. Updating business plan (LC rollforward, update prior weeks, review sales trending, incorporate Aug P&L) Review prior week BBC, cash flow
09/16/2014 Warren Levine		7.00	3,850.00	Work at Company. Revisions to Restructuring Plan. Discussions with Margaret / Fred. Review and incorporate OTB in DIP cash flow Review inventory levels and adjust purchasing accordingly. Update forecasted BBC to incorp. suppressed availability.
09/17/2014 Warren Levine		5.00	2,750.00	Update DIP model, restructuring plan Review and issue weekly monitoring report Call with prospective buyer Call with buyer, counsel re NDA changes Send revised models to Margaret
09/18/2014 Warren Levine		7.00	3,850.00	Finalize revisions to revised business plan and DIP cash flow model Review with Jason, Gilles and Margaret Update and finalize report to CIBC incorporating updated projections
09/19/2014 Warren Levine		4.00	2,200.00	Send presentation to CIBC ; upload excel files to FTP site Follow up on NDA agreements refinements to Restructuring update Call with CIBC to review model/assumptions
09/08/2014 Adam Sherman		0.20	105.00	Email from J. Dietrich re TD Merchant Services, including subsequent emails with J. Dietrich and S. Brotman re scheduling of conference call to discuss same
09/09/2014 Adam Sherman		0.70	367.50	Conference call with J. Dietrich and S. Brotman re TD Merchant Services. Email from G. Benchaya re landlord claim. Email from G. Benchaya re proposed response to interested parties requests for additional information in connection with store names/locations.
09/10/2014 Adam Sherman		1.50	787.50	Telephone call and email from J. Schwartz re SISP, including subsequent email to J. Paravano re same. Emails with J. Dietrich, G. Benchaya and P. van Eyk re call to R. Orzy, solicitor for I. Benitah. Telephone call with L. Rizutti, a creditor, re update on status of CCAA proceedings and his claim against the B&C Group. Telephone call with E. Stark of Sofilia Logistics Group, a creditor, re update on status of CCAA proceedings. Telephone call with I. Wasserman re update on status of CCAA proceedings. Email from J. Dietrich attaching draft notice of offer deadline extension. Email from Cassels attaching statement of account for the week ended September 5, 2014. Email from W. Levine attaching monitoring report for the week ending September 6, 2014.
09/15/2014 Adam Sherman		3.50	1,837.50	Telephone call with Horizon Utilities re status of CCAA proceedings and other matters in connection with same. Telephone call with L. Bianchi of CRA re scheduling of trust exam for the B&C Group. Telephone call with G. Guider of JAG Building Group re various matters in connection with the CCAA proceedings, including JAG's claim against the B&C Group. Telephone call with Frontline Carriers re update on status of CCAA proceedings. Emails with G. Benchaya re SISP. Email from S. Brotman re SISP, including subsequent emails with J. Dietrich re scheduling of a conference call to discuss same. Telephone call with G. McGuire of Fairfax Financial re SISP. Email from G. McGuire requesting a copy of the teaser and NDA, including subsequent email to J. Paravano re same. Telephone call with SDM Realty Advisors re update on status of CCAA proceedings, including subsequent email to SDM Realty Advisors in connection with same. Email from D. Cohen attaching executed amendment to the FARFA. Email to G. St. Germain, solicitor for a landlord, in response to his email and letter dated September 11, 2014. Conference call with Cassels, Faskens and the Company re SISP. Telephone call with S. Baumgartner of Winward Canada re update on status of CCAA proceedings and other matters in connection with same. Voicemails from/to Sun Capital re SISP.
09/16/2014 Adam Sherman		1.20	630.00	Voicemail to K. Lentz of Sun Capital. Telephone call with J. Ball of Carbon Leo re update on status of CCAA proceedings. Email to J. Dietrich re TD Merchant Services, including discussion with J. Dietrich re same. Telephone call with A. Glube re its claim against the B&C Group, update on status of the CCAA proceedings and other matters. Telephone call with Cool-Aid Mechanical re update on status of the CCAA proceedings.
09/17/2014 Adam Sherman		2.10	1,102.50	Telephone call with J. Ball of Carbon Leo, a landlord, re status of CCAA proceedings and other matters in connection with same. Emails from/to NS Power re post-filing service. Email from G. McGuire of Fairfax Financial re data room access. Telephone call with MPN Express Transport re update on status of CCAA proceedings. Telephone call with A. Campbell, solicitor for Carmichael Engineering, re various matters in connection with the CCAA proceedings and the B&C Group's preventative maintenance service agreement with Carmichael Engineering, including subsequent emails to/from A. Campbell in connection with same. Discussion with G. Benchaya re various matters, including updated cash flow projection. Telephone call with D. Hertzman of Progress Luv2Pak re update on CCAA proceedings.
09/18/2014 Adam Sherman		0.80	420.00	Email from Cassels attaching invoice for the period ending September 12, 2014. Emails between Cassels, Faskens and Richter re additions to the data room. Email from J. Dietrich re SISP extension. Telephone calls with creditors re update on status of CCAA proceedings.

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of September 8 to September 19, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
				Email from and voicemails to/from N. Didyk of Xerox. Telephone call with A. Green, solicitor for several former employees, re thieir claim against the B&C Group, update on status of CCAA proceedings, etc. Emails from J. Dietrich, P. van Eyk and G. Benchaya re SISP.
09/19/2014 Adam Sherman		0.60	315.00	Email from the B&C Group to Xerox re leased equipment.
09/09/2014 Elliott Kobulnik		1.00	425.00	Reviewing monitoring info received by company
09/09/2014 Elliott Kobulnik		1.00	425.00	Preparation for and discussion with Nancy regarding monitorin/info received.
09/10/2014 Elliott Kobulnik		5.50	2,337.50	Preparation and setup of Comp sales analysis
09/11/2014 Elliott Kobulnik		1.00	425.00	Look into sales comp question from Margaret and discussed with Warren.
09/12/2014 Elliott Kobulnik		0.25	106.25	Responding to lease details requests
09/14/2014 Elliott Kobulnik		0.50	212.50	Discussion with Warren and Jason re: bank update
09/14/2014 Elliott Kobulnik		3.75	1,593.75	Preparation of OTB vendor payment schedules.
09/15/2014 Elliott Kobulnik		1.75	743.75	Update to OTB File
09/15/2014 Elliott Kobulnik		1.75	743.75	Updated cash on monitoring report
09/15/2014 Elliott Kobulnik		1.25	531.25	Updating cash flow.
09/15/2014 Elliott Kobulnik		0.75	318.75	Comp sales update
09/15/2014 Elliott Kobulnik		1.20	510.00	Addressing whether or not to pay certain vendors.
09/15/2014 Elliott Kobulnik		1.00	425.00	Discussion with Margaret re: cash flow and bank update.
09/16/2014 Elliott Kobulnik		1.50	637.50	Discussion with management regarding monitoring.
09/16/2014 Elliott Kobulnik		4.50	1,912.50	Update monitoring report.
09/17/2014 Elliott Kobulnik		2.00	850.00	Comp analyasis
09/17/2014 Elliott Kobulnik		1.00	425.00	Monitoring discussions with company
09/17/2014 Elliott Kobulnik		3.00	1,275.00	Tax analysis
09/17/2014 Elliott Kobulnik		2.00	850.00	Updates and review of updated DIP cash flow report
09/18/2014 Elliott Kobulnik		1.00	425.00	Assisting with preparation of cash flow.
				Preparation of email correspondance to Samir of Showcase for data room information regarding store locaitons, audited FS, detailed inventory reports by sku and corporate org chart. Removal of access to AIM due to them passing on the opportunity.
09/08/2014 Jason Parravano		1.00	325.00	Received redlined version of NDA from Versa. Received signed NDA from Stoke with appropriate changes regarding the expiry date of the NDA. Granted access to Stokes to the data room.
09/08/2014 Jason Parravano		0.50	162.50	Email correspondance with Elizabeth and Margaret of B&C regarding the cashflow and bank statements for the prior week. Question for margaret regarding 2 cheques for a numbered company which should be classified to advertising expense.
09/08/2014 Jason Parravano		1.00	325.00	
09/08/2014 Jason Parravano		0.50	162.50	Received signed NDA from Salus. Granted access to members of Salus to the data room.
				Updated weekly monitoring report. Review of OS cheques issued and outstanding for the week. Follow questions with margaret regarding certain expenses that were or were not paid in the week. Included amounts per company's cash flow i nthe monitoring report, updated report to reflect appropriate disbursements and receipts. Review and split of weekly sales for week ended sept 6 to split between regular and liquidation sales. Discussed remaining outstanding questions with Elliot regarding whether or not vacation pay, capex, credit card fees and cirticial payments to see if any of this weeks payments related to these items.
09/08/2014 Jason Parravano		4.50	1,462.50	Follow up with Sil and Nancy of B&C regarding 8th batch of returned mail due to innaccurate addresses on mail out of aug 6 notice.
09/08/2014 Jason Parravano		0.50	162.50	Review of the borrowing base to submit and incorporated the amounts into the weekly monitoring report for the we sept 6. Updated to the monitoring report with figures from the BBC report for layaways, reserves, float and other recceipts.
09/09/2014 Jason Parravano		3.00	975.00	email correspondance with warren discussing the review and additional items to be incorporated into the sept 6 w/e monitoring report.
09/09/2014 Jason Parravano		1.00	325.00	Requested Layaway and in transit reports from Jeremy Waite of B&C.
09/09/2014 Jason Parravano		0.20	65.00	Prepared and discussed email correspondance to Warren regarding questions on store locations in the data room from Mohammad Rahaman of stokes
09/09/2014 Jason Parravano		0.30	97.50	Email correspondance and discussion on the phone with Elizabeth of B&C regarding the we sept 6 borrowing base. Question regarding the sales tax balance to be used on this weeks BBC, to ensure that the august balance only was being presented. Discussion regarding the loan balance as per the companies reconciliation and the loan balance as per the CIBC report. Discussion regarding Sept 8 collections which were included in the BBC calculation and the reason why the amount of the loan balance was not tying into the company's reconciliation.
09/09/2014 Jason Parravano		1.50	487.50	
09/10/2014 Jason Parravano		0.50	162.50	Updated to the disclaimed store listing with information from fasken.
09/10/2014 Jason Parravano		1.00	325.00	Final review of monitoring report with Warren to incorporate certain changes in this weeks report including additional metrics with respect to comp store sales.
09/10/2014 Jason Parravano		1.00	325.00	Discussion and question answered pertaining to B&C and data room for Barry of DSL who is representing reich brothers in their potential bid as part of the SISP.
09/10/2014 Jason Parravano		0.20	65.00	received signed NDa from Jordan of Imergence and granted data room access.

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of September 8 to September 19, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
09/10/2014 Jason Parravano		1.50	487.50	update to P&L model to reflect July actuals in order to true up the store restructuring plan. Follow up with Nancy of B&C to discuss when the aug figures would be closed and the actuals could be updated to the P&L model.
09/10/2014 Jason Parravano		2.00	650.00	Review of disclaimer list received from Fasken and incorporated info into analysis. Review of the stores to be disclaimed and comparisson against the original restructuring plan. Review of the diclaimer list against the final hilco consulting agreement that was presented to the court in order to determine any changes from the agreement and the current plan.
09/10/2014 Jason Parravano		3.00	975.00	update to DIP CF to reflect latest reported results as well as future weeks forecasts based on previous discussions and info derived from this weeks monitoring report preparation.
09/10/2014 Jason Parravano		0.50	162.50	Prepared teaser, nda and email to Jordan Shwartz of Imergence for access to the data room. Prepared D&O estimate charge in order for Gilles to present to Isaac Benitah based on
09/11/2014 Jason Parravano		0.50	162.50	current week accrual levels.
09/11/2014 Jason Parravano		4.00	1,300.00	Calculation of directors and officers liability in preparation for Gilles call with Isaac Sent over NDA with markups to Jane (Cassels) from Versa Capital Sent all parties who had or have to sign an NDA the deadline extension to submit an offer for the SISP Prepared NDA for Hilco and sent to Ben Nortnman Data room access to great america
09/12/2014 Jason Parravano		6.00	1,950.00	Review of disclaimer notices put together by fasken to ensure that all leases were present. Follow ups with Gilles and Paul for all revised disclaimers. Preparation of signature page to change for disclaimers. Mailing of disclaimer for west edmonton mall. Follow up on returned mail. Updates to DIP and review with Warren before submitted toi bank.
09/14/2014 Jason Parravano		6.00	1,950.00	Update to store P&L model to reflect new closures. Email correspondance with margaret regarding the liquidation plan and the stores open as per our model. Preparation of report to issue to CIBC on Sept 16.
09/15/2014 Jason Parravano		0.50	162.50	Preparation and sent NDA to execute to Fairfax (HWIC)
09/15/2014 Jason Parravano		0.50	162.50	discussion with Gilles about parties and disclosures of store names in the data room
09/15/2014 Jason Parravano		1.00	325.00	call with CFO and counsel of Urban Barn, in order to discuss questions they had regarding information in the data room
09/15/2014 Jason Parravano		0.80	260.00	Update to the model to reflect August actual figures provided by Nancy of B&C
09/15/2014 Jason Parravano		6.00	1,950.00	Update to report to be presented to the Bank of Sept 16; update listing of all rent concessions obtained, calculated additional margins are a result, preparation of sisp timeline, summary of potential interested parties contacted, comparison of the terminations as per the RIF listing to the actual terminations that took place.
09/15/2014 Jason Parravano		2.00	650.00	reconciliation of O/S cheques to the cash per the books of B&C for monitoring. Calculation of total cheques that cleared during the week ended sept 13
09/16/2014 Jason Parravano		0.50	162.50	review of comments on NDA from fairfax and discussion with warren and Jane (cassels)
09/16/2014 Jason Parravano		1.50	487.50	review of W/E sept 13 borrowing base and suporting files. comaprisson versus the prior week and inquiry with management as to the difference in the opening balances
09/16/2014 Jason Parravano		0.50	162.50	Preparation of revised closure list for data room and posted
09/16/2014 Jason Parravano		1.00	325.00	review of revised BBC provided by Margaret
09/16/2014 Jason Parravano		4.00	1,300.00	Preparation of updated restructuring plan to provide to Jomo (CIBC) to reflect updates to the P&L model and updates to the rest of the restructuring plan.
09/17/2014 Jason Parravano		2.50	812.50	Update to the DIP CF for reported figures through Sept 13 to provide to CIBC and insert into updated restructuring report.
09/17/2014 Jason Parravano		0.50	162.50	Discussion with nancy of B&C regarding preparing P&L repotrs for stores by region (province) and uploaded to the data room
09/17/2014 Jason Parravano		0.50	162.50	preparation and sent NDA to Callisto Capital
09/17/2014 Jason Parravano		0.20	65.00	Gave data room access to Gerry Mcguire and ron mitchell of fairfax upon recepit of nda.
09/17/2014 Jason Parravano		0.50	162.50	follow up for returned mail sent out at time of filing.
09/17/2014 Jason Parravano		0.50	162.50	email correspondance with Fairfax counsel regarding changes made to NDA
09/17/2014 Jason Parravano		1.00	325.00	Discussion with Elizabeth and Nancy of B&C regarding discrepancies in the company's reconciliation to the loan account as a result in using different FX rates
09/18/2014 Jason Parravano		0.50	162.50	prepared email correspondance for follow up questions that Urban barn had regarding additional info that they would like to see in the data room. Discussed with warren and sent to margaret.
09/18/2014 Jason Parravano		0.50	162.50	review of quebec property leans to see if any of the landlord were for leases that were disclaimed
09/18/2014 Jason Parravano		1.00	325.00	Final changes to updated restructuring plan to send over to CIBC and preparation of FTP site to upload the store P&L model as well as the updated DIP CF Model
09/19/2014 Jason Parravano		1.50	487.50	Email to Jomo of CIBC regarding come clarrification in the report issued regarding store closures. Call with CIBC discussing the model and how they would be able to sensitize certain figures within
09/19/2014 Jason Parravano		0.50	162.50	Call with Kristen of Versa capital regarding wording used in NDA and final draft issued to execute

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of September 8 to September 19, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
Total		211.00	99,320.00	

Date: 10/08/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

To: For professional services rendered for the period ended October 4, 2014.

- Numerous meetings with senior management and personnel in Toronto, ON. to review business operations, cash flow, and revised F2015/16 financial forecast;
- Discussions and calls with lawyers, Company management and lenders to discuss on-going progress, approach and strategy;
- Discussions with lender and their advisor regarding BBC availability, DIP cash flow and other elements of monitoring report;
- Discussions with creditors and Company management regarding claims and other matters in connections with the CCAA proceedings;
- Preparation and issuance of a monitoring report for the weeks ended September 20 and September 27, 2014;
- Discussions and calls with lawyers, Company management, regarding proposed changes to SISP;
- Follow up with various potential interested parties and counsel regarding proposed charges to the NDA agreement in order to gain access to virtual data room;
- Communications with management and potential interested parties regarding additional information requests, and reviewing information and posting it to the virtual data room;
- Receipt and summary of bids received related to the SISP along with discussions amongst lawyers, shareholders and lenders;
- Discussions with Company shareholders, management and lawyers regarding offer structure as well tax considerations related to the same;
- Other acts of consultation.



Date: 10/08/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

Professional services rendered (per summary attached)	\$ 74,357.50
HST #89593 7217 RT0001	<u>9,666.48</u>
Sub-total	84,023.98
Notice in the Globe and Mail as per initial court order	<u>6,209.80</u>
Balance to pay:	\$ <u>90,233.78</u>

Payment Options

We accept Direct Telephone Banking and Internet Banking. If you choose to pay your account using one of these payment options, please contact Collection Department at 514.934.3580 or e-mail collection@richter.ca



Date: 10/08/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Time Charges
September 21 to October 4, 2014**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	27.2	\$625	\$ 17,000.00
Paul van Eyk, Partner	8.5	\$650	5,525.00
Lorne Richter, Partner (Tax)	7.5	\$600	4,500.00
Warren Levine, Principal	15.0	\$550	8,250.00
Adam Sherman, Principal	21.6	\$525	11,340.00
Tanya Greenidge, Senior Manager (Tax)	9.0	\$375	3,375.00
Elliott Kobulnik, Associate	29.5	\$425	12,537.50
Jason Parravano, Analyst	<u>36.4</u>	\$325	<u>11,830.00</u>
Total	<u>154.7</u>		<u>\$74,357.50</u>

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of September 22 to October 3, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
09/22/2014	Gilles Benchaya	1.50	937.50	Tax loss analysis
09/23/2014	Gilles Benchaya	0.50	312.50	update Jane re amended SISP
09/23/2014	Gilles Benchaya	0.90	562.50	call lawyers IB FB and JD re: Tax considerations
09/23/2014	Gilles Benchaya	1.00	625.00	review opening balance sheet newco
09/23/2014	Gilles Benchaya	1.00	625.00	analysis of debt to be assumed vs cash at closing
09/23/2014	Gilles Benchaya	0.80	500.00	call JD MM SB re ivanhoe amendments
09/23/2014	Gilles Benchaya	1.50	937.50	Discussion L richter and T Lagios re offer structure and tax considerations
09/23/2014	Gilles Benchaya	1.20	750.00	followup call IB counsel re tax considerations
09/23/2014	Gilles Benchaya	0.70	437.50	followup call R Ozry re shareholder bid
09/24/2014	Gilles Benchaya	1.00	625.00	followup info for tax consideration on credit bid
09/24/2014	Gilles Benchaya	0.50	312.50	Qc. Landlord issue
09/24/2014	Gilles Benchaya	1.00	625.00	review monitoring report for lenders
09/24/2014	Gilles Benchaya	0.50	312.50	updated balance sheet at closing
09/29/2014	Gilles Benchaya	6.00	3,750.00	review of offers
09/29/2014	Gilles Benchaya	0.50	312.50	review rent disclaimers
09/30/2014	Gilles Benchaya	1.00	625.00	call with Fred re update on restructuring, clarification on offer, etc.
10/01/2014	Gilles Benchaya	1.00	625.00	review weekly detailed monitoring and followup with JP
10/01/2014	Gilles Benchaya	3.40	2,125.00	Summary of key terms from offers received document (bid summary)
10/01/2014	Gilles Benchaya	1.00	625.00	call with JD re offers and clarifications required
10/02/2014	Gilles Benchaya	1.00	625.00	call with AS re bid summary and followup clarifications to offers
10/02/2014	Gilles Benchaya	1.20	750.00	call with IB re clarifications to offer and tax considerations
09/24/2014	Paul van Eyk	4.00	2,600.00	Attendance at Thane for meetings, discussions with BMO, call with management team
09/24/2014	Paul van Eyk	0.30	195.00	Discussion with Gilles on email exchange on sales process
09/25/2014	Paul van Eyk	0.50	325.00	Review of email from Rick Orzy / letter drafted to Cassels
09/26/2014	Paul van Eyk	0.50	325.00	Conference call with Richter / Cassels on sales process, review of emails
09/29/2014	Paul van Eyk	0.25	162.50	Lease disclaimer, email to lawyers
09/29/2014	Paul van Eyk	1.20	780.00	Time spent reviewing offers, discussion with Adam Sherman
09/30/2014	Paul van Eyk	1.75	1,137.50	Time spent printing and reviewing and signing lease disclaimers, email to Cassels
09/24/2014	Lorne Richter	0.50	300.00	loan structuring
09/24/2014	Lorne Richter	1.50	900.00	loan structuring
09/25/2014	Lorne Richter	5.00	3,000.00	calls, memo drafting, ideas
09/26/2014	Lorne Richter	0.50	300.00	conference call
09/21/2014	Warren Levine	0.50	275.00	Update calll with G. Benchaya, J. Dietrich on sales process, timing of bids. Discuss process with G. Benchaya.
09/22/2014	Warren Levine	3.00	1,650.00	Update to restructuring plan projections. Review with G Benchaya, Margaret, J. Parravano Send report to CIBC / Deloitte Prepare analysis for CIBC ABL group Questions from potential bidders Review B/S, I/S with E Kobulnik
09/23/2014	Warren Levine	2.50	1,375.00	Work on weekly moinitoring Proforma balance sheet analysis Info requests from potential buyers NDA issues
09/24/2014	Warren Levine	2.50	1,375.00	Finalize and issue weekly monitoring Questions from Deloitte on Revised Business plan Proforma balance sheet Questions from potential buyers
09/25/2014	Warren Levine	1.00	550.00	Review inventory rollforward, Questions from potential buyers/liquidators, NDA issue (Versa)
09/26/2014	Warren Levine	0.50	275.00	Review data room requests, questions from liquidators NDA follow up with Cassels Brock
09/27/2014	Warren Levine	0.50	275.00	review data room postings, IP schedule review. post to data room Address questions from potential bidder
09/29/2014	Warren Levine	0.50	275.00	Review daily cash, Analysis of incoming bids
09/30/2014	Warren Levine	0.50	275.00	Review weekly monitoring, bid summary
10/01/2014	Warren Levine	2.50	1,375.00	Call with J. Dietrich - review of offers Review and distribute weekly monitoring Review Borrowing bAse. Discuss changes with Margaret
10/02/2014	Warren Levine	0.50	275.00	Review updated DIP CF Review legal bill from Gowlings Review Hilco invoices Merchant chargebacks
10/03/2014	Warren Levine	0.50	275.00	Review bid summary. Updates to weekly cash flow
09/22/2014	Adam Sherman	0.80	420.00	Emails to/from S. Kour of McCarthy Tetrault re re SISP. Email from J. Dietrich re settlement with TD Merchant Services, including subsequent email to J. Dietrich and S. Brotman in connection with same. Email from J. Dietrich re proposed amendments to SISP.

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of September 22 to October 3, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
09/23/2014 Adam Sherman		2.50	1,312.50	Telephone call with J. Dietrich re proposed amendments to the SISP, settlement with TD Merchant Services and other matters. Emails with G. Benchaya re proposed amendments to SISP. Email to J. Dietrich confirming agreement with proposed amendments to the SISP and other matters in connection with same, including subsequent email from J. Dietrich in response to same. Email from and telephone call with Belle Pak re payment of outstanding invoices, including subsequent email to M. Morrison re same. Review and approve cheque requisition payment for advertisement of CCAA proceedings. Email from D. Wilson of G4S Secure Solutions re various matters in connection with its claim against the B&C Group and the CCAA proceedings, including subsequent email to D. Wilson in response to same. Emails to C. O'Donnell re additions to creditor list. Email from D. Thibeault of Rogers Communications re CCAA proceedings, including subsequent email to D. Thibeault in response to same. Email from D. Cohen confirming CIBC's agreement with the proposed SISP amendments, including subsequent emails with G. Benchaya re same. Email from and telephone call with Magen Security Systems re its claim against the B&C Group, update on status of CCAA proceedings and other matters. Emails from/to M. Veilleux of AS Hanging Display Systems re update on status of CCAA proceedings and other matters in connection with same. Emails from/to and voicemail to E. de Wolff of Clean Shine. Telephone call with A. Rose of Enbridge re various matters in connection with the CCAA proceedings and the B&C Group's service accounts with Enbridge, including subsequent email to A. Rose in connection with same. Telephone call with E. De Wolff of Clean Shine re various matters in connection with the CCAA proceedings. Email from M. Hang of CDW Canada re various matters in connection with the CCAA proceedings and its claim against the B&C Group, including subsequent email to M. Hang in response to same. Telephone call with the City of Kitchener re various matters in connection with the CCAA proceedings, including final billings and an update on the status of the CCAA proceedings.
09/24/2014 Adam Sherman		1.40	735.00	Email from J. Dietrich re projected balance sheet and SISP. Email from J. Dietrich to D. Cohen re SISP. Email from W. Levine attaching monitoring report for the period ending September 20, 2014. Email from P. van Eyk forwarding email from Deloitte attaching invoices in its capacity as financial advisor to CIBC. Email from J. Dietrich attaching draft letter from R. Orzy, solicitor for I. Benitah, re SISP. Telephone calls with creditors re various matters in connection with the CCAA proceedings.
09/25/2014 Adam Sherman		0.40	210.00	Email from J. Dietrich forwarding email and letter from R. Orzy re I. Benitah. Email from A. Rose of Enbridge. Emails from G. Benchaya re SISP. Email from J. Kofira of Hubschercorp
09/26/2014 Adam Sherman		0.60	315.00	Emails with G. Benchaya, J. Dietrich and P. van Eyk re scheduling of a conference call to discuss the SISP. Email from Cassels attaching invoice for the period ending September 19, 2014. Conference call with J. Dietrich, G. Benchaya and P. van Eyk re SISP.
09/29/2014 Adam Sherman		2.50	1,312.50	Voicemails from/to and telephone call with R. March of Ippolito re various matters in connection with the CCAA proceedings, including post-filing service. Voicemails from/to Hydro Ottawa. Voicemails from/to and telephone call with Oshawa PUC Networks re various matters in connection with the CCAA proceedings. Voicemail messages from/to Onni Group re lease disclaimer. Voicemail from and telephone call with T. Stojanov re his claim against the B&C Group and other matters in connection with the CCAA proceedings. Email to C. O'Donnell re addition to creditor list. Email from B. Seli of Avison Young re rental payments for leased premises (First Markham Place), including subsequent emails with M. Morrison in connection with same. Email to B. Seli re rental payments for First Markham Place lease. Email from E. Forster of Blaney McMurtry, solicitor for J. Logarakis (a former employee) re termination of J. Logarakis' employment, including subsequent email to M. Morrison and S. Brotman re same. Telephone call with F. Benitah re J. Logarakis. Review offers for the B&C Groups' assets.
09/30/2014 Adam Sherman		4.50	2,362.50	Email to/from M. Morrison re CRA trust exam. Telephone call with L. Bianchi of CRA re trust exam. Email from B. Seli. Voicemails from/to A. Raymond. Telephone call with J. Anapal, a former employee, re her claim against the B&C Group, update on status of CCAA proceedings and other matters. Telephone call with SDM Realty Advisors re update on status of CCAA proceedings. Lengthy telephone call with a representative of Toronto Hydro re invoicing for post-filing services. Telephone call with J. Raymond of Raymond Express Courier Delivery re its claim against the B&C Group and other matters in connection with the CCAA proceedings. Emails from/to W. Levine re schedule summarizing offers. Draft email to E. Forster re J. Logarakis, including subsequent email to and telephone call with J. Dietrich re same, offers and other matters. Emails with J. Dietrich and S. Brotman. Email to the B&C Group and Faskens attaching draft email to E. Forster. Email from J. Paravano attaching summary of offers. Begin drafting Monitor's 2nd report.

Richter Advisory Group Inc.
Re: Bombay Group
Time charges for the period of September 22 to October 3, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
10/01/2014 Adam Sherman		2.40	1,260.00	Emails from M. Morrison and S. Brotman re draft email to E. Forster. Finalize email to E. Forster re J. Logarakis. Voicemails from/to and telephone call with Group Solutions Collect re Chubb Edwards claim against the B&C Group and other matters in connection with the CCAA proceedings. Emails from/to and telephone call with A. Lloy of Handyman Connection re his claim against the B&C Group and other matters in connection with the CCAA proceedings. Email to C. O'Donnell re additions to list of creditors. Conference call with J. Dietrich, G. Benchaya and W. Levine re review of offers. Conference call with J. Dietrich and S. Brotman re TD Merchant Services. Review Toronto Hydro invoices, including subsequent email to M. Morrison / J. Waite attaching Toronto Hydro invoices sent to the Monitor in error. Email from W. Levine attaching monitoring report for the week ending September 27, 2014.
10/02/2014 Adam Sherman		1.50	787.50	Email from and telephone call with C. Bennett of The Prime Source re its claim against the B&C Group, update of status of CCAA proceedings and other matters in connection thereto. Email to C. O'Donnell re amendment to creditor list. Emails from/to R. Doris re CRA trust exam. Telephone call with K. Jackson of Yesco Sign re payment for post-filing services. Email from K. Jackson of Yesco Sign attaching invoices for post-filing services, including subsequent email to M. Morrison and J. Waite re same. Review Toronto Hydro invoices, including subsequent email to M. Morrison and J. Waite attaching the invoices sent to the Monitor in error. Emails from/to J. Dietrich. Email from B. Crombie re SISP, including subsequent email to B. Crombie in response to same. Email to G. Benchaya.
10/03/2014 Adam Sherman		5.00	2,625.00	Emails with G. Benchaya and J. Dietrich re SISP. Conference call with G. Benchaya and J. Dietrich re SISP, including review and discussion of offers received and next steps. Review, revise and finalize schedule summarizing the offers received, including subsequent email to J. Dietrich and G. Benchaya re same. Email from J. Dietrich re offer summary. Email to CIBC, Gowlings, Deloitte and Cassels attached offer summary and offers. Emails from G. Benchaya attaching schedules summarizing the product returns and chargebacks re discussions with TD Merchant Services. Draft Monitor's 2nd report.
09/24/2014 Tanya Greenidge		2.50	937.50	meeting with L. Richter and G. Benchaya; restructuring analysis
09/25/2014 Tanya Greenidge		6.50	2,437.50	restructuring analysis
09/21/2014 Elliott Kobulnik		1.00	425.00	Preparation of proforma balance sheet through 2016
09/22/2014 Elliott Kobulnik		1.00	425.00	Comp sales analysis
09/22/2014 Elliott Kobulnik		3.00	1,275.00	Preparation of monitoring report.
09/22/2014 Elliott Kobulnik		1.50	637.50	Preparation of pro forma monthly balance sheet and P&L through 2016
09/23/2014 Elliott Kobulnik		1.75	743.75	Discussion with Gilles and preparation of tax loss carryforward schedule.
09/23/2014 Elliott Kobulnik		1.00	425.00	Balance sheet and P&L adjustments for CIBC
09/23/2014 Elliott Kobulnik		5.25	2,231.25	Reveiwing monitoring report and discussion with Nancy/Margaret to reconcile loan differences
09/24/2014 Elliott Kobulnik		1.50	637.50	Review of monitoring report.
09/24/2014 Elliott Kobulnik		1.00	425.00	Preparation of August BS and Nov 8 BS.
09/24/2014 Elliott Kobulnik		0.75	318.75	Phone call with Gilles re: tax loss schedule
09/29/2014 Elliott Kobulnik		0.50	212.50	Comp sales update
09/29/2014 Elliott Kobulnik		5.00	2,125.00	Preparation of monitoring and review of info sent by company.
09/30/2014 Elliott Kobulnik		1.50	637.50	Review of monitoring report.
09/30/2014 Elliott Kobulnik		4.75	2,018.75	Review of monitoring report.
09/22/2014 Jason Parravano		2.50	812.50	Preparation of additional 4wall analysis for ebitda stratification and ebitda by region and store closing charts for CIBC (Jomo) at the request of Henry Louis.
09/22/2014 Jason Parravano		0.50	162.50	Follow up with Margaret regarding questions on data room documents for Urban Barn
09/22/2014 Jason Parravano		4.00	1,300.00	Review of OS cheques, daily cash flow and bank statements to prepare the Sept 20 WE monitoring report. Discussion with Nancy if any critical vendor payments, deposits, capex, etc payments were made during this period to properly reflect classification within the monitoring report.
09/22/2014 Jason Parravano		0.20	65.00	Emailed Teaser and investment details to Sharon Kour of McCarthy as one of her clients might be potentially interested in the investment opportunity.
09/23/2014 Jason Parravano		0.50	162.50	finalized monitoring report for w/e sept 20 and review with Warren Levine.
09/23/2014 Jason Parravano		1.00	325.00	Review of loan report to ensure that the collections made through the report have been properly captured in the daily cash flow. follow up with margaret as some of the days of collections were not complete. Discussion with elliot to properly correct this issue in the monitoring report.
09/23/2014 Jason Parravano		1.50	487.50	Follow up responses to Tom Mithcell of SBCG regarding information in the data room
09/23/2014 Jason Parravano		0.50	162.50	Discussion with Louis Henry regarding companies forecasted opening balance sheet as well as the vendor listing of pre filing accounts payable.
09/23/2014 Jason Parravano		0.20	65.00	returned mail follow up with Sil/Nancy of B&C
09/23/2014 Jason Parravano		1.00	325.00	Email correspondance to Margaret regarding all the OS items remaining with respect to additional data room requests from potential investors.

Richter Advisory Group Inc.**Re: Bombay Group****Time charges for the period of September 22 to October 3, 2014**

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
09/23/2014	Jason Parravano	1.00	325.00	email and discussion with Matt Cronin of the Tiger Group regarding the status of various bombay / bowring store locations and provided him with information regarding the bid process.
09/23/2014	Jason Parravano	1.00	325.00	Responded to additional data room requests and questions regarding the information posted to James Lew of the Great american group.
09/24/2014	Jason Parravano	2.00	650.00	Update to the DIP CF to reflect trued up numbers for the WE Sept 20 and adjustments to the forecasted weeks base don updated information and timing differences noted.
09/24/2014	Jason Parravano	1.00	325.00	Follow up with margaret on responses to her additional data room questions as well as presented her with items that will be posted (promotional calendars, lease details, inventory RF, etc)
09/24/2014	Jason Parravano	0.50	162.50	Review of security position of the quebec landlords and any open payable owing to those parties from pre filing payables.
09/24/2014	Jason Parravano	0.50	162.50	Posted to FTP site store model for review by Deloitte (Adam Laiken)
09/25/2014	Jason Parravano	0.50	162.50	Prepared schedule for Dataroom based on discussion with Margaret regarding the allocation of the store District managers for both Bowring and Bombay.
09/26/2014	Jason Parravano	2.00	650.00	Follow up questions from Tiger and Great american regarding data room documents. Discussion with margaret regarding certain files. Discussion with warren on questions asked from liquidation companies.
09/29/2014	Jason Parravano	2.00	650.00	review of offers received in connection with SISP. Summary of offer from Hilco, Fluid brands, Great american and Salus. Discussion with Warren regarding offers and terms attached therein.
09/29/2014	Jason Parravano	4.00	1,300.00	Review of OS cheques, cash flows and sales for the week ended sept 27. Preparation of the montoring report to reflect actual results for th w/e sept 27.
09/30/2014	Jason Parravano	5.00	1,625.00	Review of the w/e sept 27 BBC. Update to the W/e Sept 27 monitoring report to reflect actuals presented in the BBC. Review of layaway and in trasit reports to verify in line with values presented on borrowing base.
10/01/2014	Jason Parravano	2.00	650.00	Discussion with Margarets regarding the NOLV rates used for both Bowring and Bombay. Discussion with Warren and Gilles regarding supressed availability and reported amounts compared to budget.
10/02/2014	Jason Parravano	2.00	650.00	Update to the DIP CF to reflect actualresults reported. Updated future payments to reflect discussions with company and past reported results.
10/03/2014	Jason Parravano	1.00	325.00	Discussion with Warren regarding updated DIP CF. Review of Hilco invoices to be paid during the following week. Follow up with Warren regarding communication to other parties regarding the results of the SISP.
Total		<u>154.70</u>	<u>74,357.50</u>	

Date: 10/23/2014

**Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9**

Attention: Ms. Morrison

**Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")**

To: For professional services rendered for the period ended October 18, 2014.

- Numerous meetings with senior management and personnel to review business operations, cash flow, and revised F2015/16 financial forecast;
- Discussions and calls with lawyers, Company management and lenders to discuss on-going progress, approach and strategy;
- Discussions with lender and their advisor regarding BBC availability, DIP cash flow and other elements of monitoring report;
- Discussions with creditors and Company management regarding claims and other matters in connections with the CCAA proceedings;
- Preparation and issuance of a monitoring report for the weeks ended October 4 and October 11, 2014 ;
- Analysis and discussions with Company, lenders and their advisor regarding offer submitted by Fluid Brands as well as proposed changes and amendments related to the same;
- Discussions with Company shareholders, management and lawyers regarding treatment of purchase transaction, discussions and analysis surrounding transfer of assets and liabilities, with respect to professional accounting standards;
- Preparation of updated business plan and other financial information requested by lenders regarding Exit Facility/ABL Loan at the time of the transaction close;
- Other acts of consultation.



Date: 10/23/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

Professional services rendered (per summary attached)	\$ 71,920.00
HST #89593 7217 RT0001	<u>9,349.60</u>
Sub-total	81,269.60
Disbursements	<u>415.78</u>
Balance to pay:	<u>\$81,685.38</u>

Payment Options

We accept Direct Telephone Banking and Internet Banking. If you choose to pay your account using one of these payment options, please contact Collection Department at 514.934.3580 or e-mail collection@richter.ca



Date: 10/23/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Time Charges
October 5 to October 18, 2014**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	20.9	\$625	\$ 13,062.50
Paul van Eyk, Partner	2.0	\$650	1,300.00
Warren Levine, Principal	12.5	\$550	6,875.00
Adam Sherman, Principal	40.8	\$525	21,420.00
Elliott Kobulnik, Associate	34.0	\$425	14,450.00
Jason Parravano, Analyst	44.5	\$325	14,462.50
Carol O'Donnell	<u>1.4</u>	<u>\$250</u>	<u>350.00</u>
Total	<u>156.1</u>		<u>\$ 71,920.00</u>



Date: 10/23/2014

RICHTER ADVISORY GROUP INC.
Re: Bombay Group

Disbursements
Period ended October 18, 2014

Meals	\$ 190.86
Ground Transportation & Other	<u>224.92</u>
Total	\$ <u>415.78</u>

Richter Advisory Group Inc.**Re: Bombay Group****Time charges for the period of October 6 to October 17, 2014**

Staff	Date	Hours	Fees	Description
10/06/2014 Adam Sherman		4.00	2,100.00	Emails from/to J. Dietrich re conference call with CIBC. Email from J. Dietrich re her discussions with R. Orzy and F. Sulley. Review Toronto Hydro invoices, including subsequent email to M. Morrison and J. Waite attaching Toronto Hydro invoices sent to the Monitor in error. Email to J. Parravano requesting certain SISP details, including email from J. Parravano in response to same. Emails with P. Montgomery and J. Dietrich re conference call. Emails with G. Benchaya. Conference call with CIBC, Gowlings, Deloitte and Cassels re SISP, offers received and next steps. Emails from J. Dietrich re list of employees not being retained and list of stores to be assumed as part of the contemplated transaction. Draft Monitor's 2nd report. Telephone call with S. Thrasher, a former employee, re status of her claim against the B+C Group and the CCAA proceedings.
10/07/2014 Adam Sherman		4.50	2,362.50	Email from Cassels attaching its invoices for the period ending September 26, 2014. Email from J. Rao of the Onni Group re lease disclaimer, including subsequent email to J. Rao in response to same. Email from J. Dietrich attaching revised Fluid offer. Telephone call with J. Jordison of Super Save Group of Companies re various matters in connection with its claim against the B+C Group. Conference call with J. Dietrich and G. Benchaya re revised Fluid offer, SISP timeline and other matters. Email from J. Jordison attaching statement of claim, including subsequent email to J. Jordison in response to same. Emails with C. O'Donnel re preparation of a notice of stay of proceedings re Super Save claim. Email from G. Benchaya re conditions to Fluid's exit financing. Email from J. Dietrich to D. Cohen re amendment to SISP timeline. Email from C. O'Donnel attaching notice of stay of proceedings re Super Save claim, including review, revision and execution of same and subsequent email to C. O'Donnel attaching a signed copy of same. Email from S. Brotman attaching historical / current value of customer chargebacks re TD Merchant Services, including subsequent email to S. Brotman in response to same. Email from J. Dietrich re her discussion with S. Brotman re status of SISP. Email from W. Levine attaching monitoring report for the week ending October 4, 2014. Email from D. Cohen confirming CIBC's agreement with the SISP amendment. Draft Monitor's 2nd report.
10/08/2014 Adam Sherman		3.00	1,575.00	Email from J. Dietrich confirming amendment to SISP timeline. Email from J. Dietrich forwarding a revised Fluid offer. Emails with J. Dietrich, G. Benchaya and P. van Eyk re Stone Road Mall lease disclaimer. Email from D. Cohen providing comments on revised Fluid offer. Draft Monitor's 2nd report.
10/09/2014 Adam Sherman		3.00	1,575.00	Email from J. Dietrich re D. Cohen's comments on the revised Fluid offer. Email from H. Chataway providing comments on the revised Fluid offer, including email from J. Dietrich in response to same. Email to J. Dietrich re request to be added to e-service list. Emails and telephone calls with J. Parravano re cash flow variance analysis. Email from J. Dietrich to F. Sulley providing comments on the revised Fluid offer. Email from Bell Pak re disputed debit note / short payment of invoice. Review, revise and update Monitor's 2nd report.
10/10/2014 Adam Sherman		0.80	420.00	Email from M. Morrison attaching statement of claim serviced on the B+C Group, including subsequent emails with M. Morrison in connection with same. Emails with C. O'Donnell and S. Bourguine re preparation of notice of stay of proceedings for statement of claim. Review Toronto Hydro invoices issued to the Monitor in error including emails to M. Morrison / J. Waite attaching same. Emails with J. Parravano re cash flow variance analysis.
10/10/2014 Adam Sherman		3.00	1,575.00	Email from Cassels attached updated e-service list, including subsequent email to C. O'Donnell re same. Emails from/to and telephone call with J. Dietrich re various matters, including the status of the draft sale agreement and Monitor's 2nd report. Review, revise and update Monitor's 2nd report. Emails and conference call with S. Zweig and J. Dietrich in connection with the proposed transaction, including the treatment of the IBSA debt therein.
10/13/2014 Adam Sherman		2.50	1,312.50	Review, revise and updated Monitor's 2nd report. Email to J. Dietrich and G. Benchaya attaching draft Monitor's 2nd report.
10/14/2014 Adam Sherman		5.50	2,887.50	Emails from/to J. Dietrich re need for further amendment to SISP timeline. Email from J. Dietrich to D. Cohen re amendment to SISP timeline, including email from D. Cohen confirming agreement with same. Email from Cassels attaching its invoice for the period ending October 3, 2014. Email from J. Dietrich providing comments on draft Monitor's 2nd report. Email to S. Bourguine re statement of claim/stay notice. Review, revise and update Monitor's report, including subsequent email to J. Dietrich and G. Benchaya attaching same. Email from B. Miller attaching schedule summarizing the B+C Group's store disclaimers, including subsequent email to B. Miller re same. Telephone call with J. Dietrich re various matters. Email from S. Marrello re harassment claim, including subsequent email to S. Marrello in connection with same. Email from J. Dietrich attaching further revised offer from Fluid, including subsequent email to J. Dietrich re same. Emails with J. Dietrich re request to share the Monitor's 2nd report with Faskens. Email from J. Dietrich to S. Brotman attaching Monitor's 2nd report. Email from J. Dietrich attaching draft notice of motion and approval and vesting order, including review and comments on same. Email from S. Zweig providing comments on revised Fluid offer. Email from F. Sulley re revised Fluid offer. Emails with G. Benchaya. Email from M. Sassis attaching draft articles of reorganization for each of Bombay, Bowring and Benix. Telephone call with J. Dietrich providing comments on notice of motion and approval and vesting order.

Richter Advisory Group Inc.**Re: Bombay Group****Time charges for the period of October 6 to October 17, 2014**

Staff	Date	Hours	Fees	Description
10/15/2014 Adam Sherman		7.00	3,675.00	Email from J. Dietrich attaching further revised Fluid offer, including subsequent confernece call with J. Dietrich and G. Benchaya re same and other matters. Email from A. MacFarlane re Court materials. Emails from G. Benchaya re professional fee estimate. Email from J. Dietrich attaching security opinion re CIBC, IBSA and FBI, including subsequent telephone call with J. Dietrich re same. Emails with J. Dietrich, F. Sulley and J. Simpson, including subsequent conference call with J. Dietrich, F. Sulley and J. Simpson re Fluid offer, status of schedules to be appended thereto and other matters. Emails between J. Dietrich and H. Chataway re Fluid offer. Email from J. Dietrich attaching revised notice of motion and approval and vesting order. Email to Gowlings, Deloitte, Faskens, Bennett Jones, Cassels and Torkin Manes attaching Monitor's 2nd report. Emails from J. Dietrich forwarding emails from F. Sulley attaching list of stores being assumed and employees not to be offered employmnet as part of the Fluid offer. Email from H. Chataway providing comments on approval and vesting order. Email from and telephone call with C. Coleman, solicitor for Aromatique, re various matters in connection with the CCAA proceedings and the B+C Group's request to purchase goods from Aromatique. Emails from/to C. O'Donnell. Telephone call with J. Dietrich re requirement for further amendment to SISP timeline. Emails between J. Dietrich and D. Cohen re agreement to expend SISP timeline. Email from J. Dietrich attaching updated security opinion. Email from and telephone calls with I. Ali, solicitor for Onni Group, re concerns regarding the condition of the Meadowtown Centre store following the B+C Group's exit of the premises, including subsequent email to I. Ali in response to same. Email from R. Doris re disclaimer of Meadowtown Centre store, including subsequent email to R. Doris in response to same. Further revisions/updates to Monitor's 2nd report, including subsequent email to J. Dietrich attaching same. Telephone call with S. Brotman re Meadowtown Centre. Emails with S. Botman and M. Morrison re Meadowtown Centre. Email from J. Dietrich providing comments on updated Monitor's 2nd report. Email from J. Dietrich forwarding an email from F. Sulley re allocation of purchase price for Fluid offer. Telephone call with A. Laiken re Monitor's 2nd report. Email to A. Laiken / P. Casey attaching Fluid offer, including subsequent emails with P. Casey in connection with same. Email from A. MacFarlane re Monitor's 2nd report. Emails and telephone calls with J. Parravano re cash flow variance analysis. Review and update cash flow variance analysis, including revisions to the Monitor's 2nd report for same. Email from J. Dietrich re voicemail from R. Orzy. Email from J. Dietrich forwarding an email from F. Sulley attaching commitment letter. Email from J. Dietrich providing further updated Fluid offer. Emails from S. Brotman attaching photos of the condition of the Meadowtown Centre store upon the B+C Group vacating same. Email from W. Levine attaching monitoring report for the period ending October 11, 2014. Email from S. Brotman to M. Morrison re protocol for vacating disclaimed store locations.
10/16/2014 Adam Sherman		4.50	2,362.50	Telephone call with J. Dietrich re CIBC ABL term sheet and other matters in connection with the preferred transaction. Emails and conference calls with J. Dietrich and S. Zweig re various matters in connection with finalizing the preferred transaction, including IBSA's position regarding same. Telephone call with National Leasing re leased equipment. Email from Enersource confirming closure of account re 1250 South Service Road. Email from J. Simpson re amendments to proposed sale agreement. Emails from D. Cohen and H. Chataway re comments on proposed sale agreement. Email from F. Sulley confirming FBI supports the proposed transaction. Email from A. MacFarlane confirming CIBC's sign off on the Monitor's 2nd report. Emails with J. Dietrich and S. Zweig re rescheduling of Court time re sale approval motion. Email from J. Dietrich to D. Cohen re proposed amendments to SISP timeline re scheduling of sale approval motion, including subsequent email from D. Cohen confirming CIBC's agreement to the revised timeline. Telephone call with J. Dietrich re amendment to SISP timeline and other matters in connection thereto, including subsequent email from J. Dietrich in connection with same. Email to M. Morrison / J. Waite re National Leasing. Email from L. Rodmell, legal administrator for Hudson's Bay, re pre-filing rental arrears, including subsequent email to L. Rodmell in response to same. Email from A. Tiwary of First Gulf Property Management re pre-filing rental arrears, including subsequent email to A. Tiwary in response to same. Email from J. MacDonald of Davis Webb LLP re default judgement obtain against the B&C Group Inc. and other matters in connection with same, including subsequent voicemail to and telephone call with J. MacDonald in connection with same. Email from M. Morrison confirming the B&C Group's intention to disclaim the equipment lease with National Leasing, including subsequent voicemail to National Leasing re same. Email from MTS re update on status of CCAA proceedings and payment for post-filing services, including subsequent email to MTS in response to same. Email from A. McDonough of CMA CGM (Canada) Inc. requesting an update on the CCAA proceedings, including subsequent email to A. McDonough in response to same. Several emails with G. Benchaya and J. Dietrich re amendment to lease disclaimers for the RioCan Centre, Kirkland, QC.
10/17/2014 Adam Sherman		3.00	1,575.00	Telephone call with J. Dietrich re rescheduled dated for Court approval of proposed transaction, extension of lease disclaimer for the Kirkland, QC stores and other matters. Email between J. Dietrich and S. Brotman re extension of lease disclaimer for Kirkland, QC stores. Email to C. O'Donnell re preparation of fee affidavit. Telephone call with National Leasing re leased equipment. Telephone call with A&B Jenstan Plumbing re its claim against the B+C Group and various matters in connection with the CCAA proceedings. Telephone call with J. Dietrich re her discussion with R. Orzy, lease disclaimers and other matters. Telephone call with A. Butler, solicitor for the landlord of the Bramalea City Centre, re various matters in connection with the lease disclaimer, including the potential extension of the disclaimer's effective date. Emails with G. Benchaya and W. Levine re invoicing and fee approval. Email to C. O'Donnell re addition to creditor list. Emails and telephone calls with J. Dietrich re amendment to SISP timeline and rescheduling of Court date to November 3, 2014. Email from A. Butler confirming discussion earlier on same date. Email from G. Benchaya re Omnitrans Inc., including subsequent email to G. Benchaya in response to same. Email from J. Dietrich attaching revised lease extension agreement re Kickland, QC stores.

Richter Advisory Group Inc.**Re: Bombay Group****Time charges for the period of October 6 to October 17, 2014**

Staff	Date	Hours	Fees	Description
	10/06/2014 Elliott Kobulnik	0.50	212.50	Sales comps for monitoring report.
	10/06/2014 Elliott Kobulnik	0.50	212.50	Review of monitoring info. provided by company.
	10/07/2014 Elliott Kobulnik	1.50	637.50	Review of monitoring report.
	10/07/2014 Elliott Kobulnik	1.25	531.25	Rolling Balance Sheet
	10/09/2014 Elliott Kobulnik	1.50	637.50	Balance Sheet for Nov6th (Bombay and Bowring)
	10/14/2014 Elliott Kobulnik	8.25	3,506.25	Revisions to monthly balance sheet and discussions with Warren and Jason relating to it.
	10/14/2014 Elliott Kobulnik	0.50	212.50	Review of monitoring information provided by company.
	10/15/2014 Elliott Kobulnik	1.00	425.00	Review of monitoring report.
	10/15/2014 Elliott Kobulnik	0.50	212.50	Preparation of comp sales for monitoring report.
	10/16/2014 Elliott Kobulnik	1.25	531.25	November 5th balance sheet.
	10/16/2014 Elliott Kobulnik	6.75	2,868.75	Update balance sheet and responding to CIBC's questions regarding the model.
	10/17/2014 Elliott Kobulnik	9.00	3,825.00	Update to 2015 weekly and 2016 monthly forecast model.
	10/18/2014 Elliott Kobulnik	1.50	637.50	Incorporating Gilles comments into presentation for CIBC.
	10/06/2014 Gilles Benchaya	2.00	1,250.00	Analysis and review of updated cashflow and business plan for bank
	10/06/2014 Gilles Benchaya	1.00	625.00	review schedules supporting Offer to Purchase
	10/07/2014 Gilles Benchaya	0.60	375.00	call JD & AS re comments on offer to purchase
	10/07/2014 Gilles Benchaya	1.00	625.00	review of updated offer to purchase
	10/07/2014 Gilles Benchaya	1.20	750.00	Call with Jomo CIBC to review abl conditions precedent and info required
	10/08/2014 Gilles Benchaya	0.50	312.50	discussion JD re amendment to SISP
	10/08/2014 Gilles Benchaya	1.50	937.50	Review revised draft of bbb sale agreement
	10/08/2014 Gilles Benchaya	0.50	312.50	stone road disclaimer
	10/09/2014 Gilles Benchaya	1.00	625.00	Followup and revied of JD comments on Offer to purchase
	10/09/2014 Gilles Benchaya	1.80	1,125.00	Updated business plan for CIBC ABL
	10/09/2014 Gilles Benchaya	1.00	625.00	Analysis of allocation of purchase price between Bombay and Bowring
	10/14/2014 Gilles Benchaya	0.60	375.00	review draft notice of motion and order
	10/14/2014 Gilles Benchaya	0.40	250.00	discussion JD re deadline file motion and schedule requirements
	10/14/2014 Gilles Benchaya	0.80	500.00	call with JD and AS re offer to purchase comments
	10/14/2014 Gilles Benchaya	1.10	687.50	review Draft monitors report and comments from counsel
	10/15/2014 Gilles Benchaya	0.50	312.50	discussion JD re IB consent status
	10/15/2014 Gilles Benchaya	0.50	312.50	call with counsel on revised bbb offer
	10/15/2014 Gilles Benchaya	1.00	625.00	review updated financial model for CIBC
	10/15/2014 Gilles Benchaya	0.70	437.50	review clean/blackline of bbb revised offer
	10/16/2014 Gilles Benchaya	1.00	625.00	updated Nov 5th balance sheet for cibc and bridge of revised plan to previous
	10/16/2014 Gilles Benchaya	0.90	562.50	analysis of CIBC commitment letter and conditions precedent
	10/16/2014 Gilles Benchaya	0.80	500.00	allocation of purchase price analysis
	10/16/2014 Gilles Benchaya	0.50	312.50	review of extension notice for Riocan property
	10/06/2014 Jason Parravano	1.00	325.00	Inquiry with Nancy of B&C related to certain cheques issued during the week. Discussed effect on future forecasts related to certain expenses that may or may not be reduced in the coming period and F2016.
	10/06/2014 Jason Parravano	0.50	162.50	Provided Adam Sherman with listing of all parties contacted and further pursued related to the SISP.
	10/06/2014 Jason Parravano	6.00	1,950.00	Review of sales summary for weekend ended oct 4. Review of OS cheques issued and cleared for monitoring report. Preparation of monitoring report for w/e oct 4.
	10/07/2014 Jason Parravano	1.50	487.50	Correspondance with Margaret regarding lease disclaimer for stone road mall as well as requested an update on the store closures and conversions.
	10/07/2014 Jason Parravano	2.50	812.50	Review of the BBC for the w/e Oct 4. Gave comments regarding the NOLV rate as well as the the availability block which were not accurate. Review of the rest of the BBC and compared against budget. Reviewed loan reports to ensure collections through CIBC accounts as well as other items were accurate.
	10/07/2014 Jason Parravano	1.50	487.50	review of monitoring report with Warren and Gilles prior to issuance to CIBC and lenders advisors.
	10/08/2014 Jason Parravano	4.00	1,300.00	Update to the DIP CF to reflect actual results reported in the BBC and the cashflows of the company for the week ended Oct 4. Disucssion with company regarding various timing issues as well as other items that would affect receipts and disbursements in future periods.
	10/09/2014 Jason Parravano	1.50	487.50	Discussion with Adam sherman regarding updated results and formatted report to be inserted into the 2nd monitors report to be submitted pursuant to the CCAA
	10/13/2014 Jason Parravano	6.00	1,950.00	Updated to B&C Store P&L Model. Update to DIP Cashflow. Preparation of Rolling blaance sheet and report to be provided to CIBC regarding group exit facility prior to the nov 6th close.
	10/14/2014 Jason Parravano	1.00	325.00	Review of the prior week sales reports and comparison to budget. Discusison with Nancy and Margaret regarding the reports received as the liquidation sales were no longer included in the summary.
	10/14/2014 Jason Parravano	1.50	487.50	Update to the store P&L model based on discussion with Margaret on updated store closures as well as discussion surrounding the conversion of the 2 borwing stores and the rent estimates for F2015 and F2016
	10/14/2014 Jason Parravano	4.00	1,300.00	Preparation of the monitoring report for the week ended Oct 11. Disussion regarding certain variances tothe budget.
	10/15/2014 Jason Parravano	0.50	162.50	Correspondance with Nancy to see if any payments from the W/E Oct 11 were related to Capex or utility deposits and reflected amounts in WE Oct 11 monitoring report.
	10/15/2014 Jason Parravano	1.00	325.00	Discussion with Adam sherman regarding the 2nd report of the monitor surrounding the classification around certain payments and a true up of the reported results through oct 4
	10/15/2014 Jason Parravano	3.00	975.00	review of the W/E oct 11 borrowing base and update to the monitoring report to reflect actual balances.

Richter Advisory Group Inc.**Re: Bombay Group****Time charges for the period of October 6 to October 17, 2014**

Staff	Date	Hours	Fees	Description
10/15/2014	Jason Parravano	2.00	650.00	update to the report and model to be provided to Jomo at CIBC regarding the rolling b/s and p/l for the remainder of F2015 and F2016.
10/16/2014	Jason Parravano	4.00	1,300.00	Corrections to model and discussion with Warren and Elliott with respect to certain balances and response to questions from Jomo. Re-issue of model and report to Jomo to reflect certain discrepancies in the model to the original forecast issued in September.
10/17/2014	Jason Parravano	3.00	975.00	Update to the DIP Cash flow to reflect actual results through the WE Oct 11. Adjustment of certain timing differences for future periods as well as adjustments based on discussion with Margaret.
10/08/2014	Paul van Eyk	0.50	325.00	Dealing with lease disclaimers
10/17/2014	Paul van Eyk	1.50	975.00	Discussions on the court report dealing with sales process. Review of material. Discussion with counsel. Review of emails
10/06/2014	Warren Levine	1.00	550.00	Review B/S, updates to DIP CF, prelim review of monitoring, review other prof fees invoices
10/07/2014	Warren Levine	2.50	1,375.00	Worrk on Opening / Rolling B/S. Discuss accting treatment of purchase transaction with Professional Standards. Call with Margaret to discuss Capital assets to be assumed in new entity. Review and circulate weekly monitoring report
10/08/2014	Warren Levine	1.00	550.00	Review and issue weekly monitoring. Discuss balance sheet presentation with G Benchaya, E Kobulnik.
10/10/2014	Warren Levine	0.50	275.00	Discuss updates to plan with J Parravano, review Balance sheet
10/14/2014	Warren Levine	1.50	825.00	Review preliminary monitoring report. Prepare opening balance sheet (split by Bombay/Bowring). Send to Margaret
10/15/2014	Warren Levine	1.50	825.00	Review and issue weekly monitoring. Review and finalize CF and P&L model. send to Margaret to review and then to Jomo (CIBC)
10/16/2014	Warren Levine	1.50	825.00	Review and update model for CIBC.
10/17/2014	Warren Levine	2.00	1,100.00	Review updated Cash Flow model. Email correspondence with Jomo at CIBC.
10/18/2014	Warren Levine	1.00	550.00	Review presentation for CIBC with Gilles / Elliott
10/07/2014	Carol O'Donnell	0.50	125.00	Discussions with Adam regarding stay of proceedings for Supersave Discposal BC. Email and fax stays.
10/10/2014	Carol O'Donnell	0.30	75.00	Posted E-Service list and E-address list to website.
10/15/2014	Carol O'Donnell	0.30	75.00	Take telephone messages, register in telephone log and return calls.
10/16/2014	Carol O'Donnell	0.10	25.00	Telephone conversation with Creditor.
10/17/2014	Carol O'Donnell	0.20	50.00	Review stay of proceedings for Beauward, email to A Sherman.
Total		<u>156.10</u>	<u>71,920.00</u>	

Date: 11/06/2014

**Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9**

Attention: Ms. Morrison

**Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")**

To: For professional services rendered for the period ended October 31, 2014.

- Numerous meetings with senior management and personnel to review business operations, cash flow, and revised F2015/16 financial forecast;
- Discussions and calls with lawyers, Company management and lenders to discuss on-going progress, approach and strategy;
- Discussions with lender and their advisor regarding BBC availability, DIP cash flow and other elements of monitoring report;
- Discussions with creditors and Company management regarding claims and other matters in connections with the CCAA proceedings;
- Preparation and issuance of a monitoring report for the weeks ended October 18 and October 25, 2014 ;
- Analysis and discussions with Company, lenders and their advisor regarding offer submitted by Fluid Brands, and its impact on the forecasted business plan;
- Preparation of an updated business plan and supplemental financial information as requested by CIBC regarding the proposed Exit Facility/ABL Loan;
- Other acts of consultation.



Date: 11/06/2014

Bombay & Co Inc.
98 Orfus Road
Toronto (Ontario) M6A 1L9

Attention: Ms. Morrison

Re: Bombay & Co Inc., Benix & Co Inc. and Bowring & Co Inc.
("Bombay Group" or the "Companies")

Professional services rendered (per summary attached)	\$ 56,101.25
HST #89593 7217 RT0001	<u>7,293.16</u>
Balance to pay:	\$ <u>63,394.41</u>

Payment Options

We accept Direct Telephone Banking and Internet Banking. If you choose to pay your account using one of these payment options, please contact Collection Department at 514.934.3580 or e-mail collection@richter.ca



Date: 11/06/2014

**RICHTER ADVISORY GROUP INC.
Re: Bombay Group**

**Time Charges
October 19 to October 31, 2014**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	14.50	\$625	9,062.50
Paul van Eyk, Partner	1.25	\$650	812.50
Warren Levine, Principal	9.25	\$550	5,087.50
Adam Sherman, Principal	29.80	\$525	15,645.00
Elliott Kobulnik, Senior Associate	34.75	\$425	14,768.75
Jason Parravano, Analyst	<u>33.00</u>	\$325	<u>10,725.00</u>
Total	<u>122.55</u>		\$ <u>56,101.25</u>

Richter Advisory Group Inc.**Re: Bombay Group****Time charges for the period of October 20 to October 31, 2014**

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
10/20/2014 Adam Sherman		1.50	787.50	Emails from/to J. Dietrich re Bennett Jones. Email to M. Morrison/J. Waite re Toronto Hydro invoices sent to the Monitor in error. Telephone calls and emails with J. Dietrich re various matters, including her discussion with Bennett Jones. Email from Cassels attaching invoice for the period ending October 10, 2014. Email with G. Benchaya and J. Dietrich re Fluid transaction. Emails from J. Dietrich re voicemail from and subsequent discussion with R. Orzy.
10/21/2014 Adam Sherman		1.50	787.50	Emails with J. Dietrich and G. Benchaya re Fluid transaction. Email from G. St. Germain re post-filing rent for the stores located at 7225/7335 Decarie Blvd, Montreal, including email to G. Benchaya re same. Emails with J. Dietrich re Bennett Jones. Lengthy telephone call with C. Coleman, solicitor for Aromatique, re various matters in connection with the CCAA proceedings, payment for post-filing sales, etc. Email from C. Coleman. Emails with Cassels, Gowlings, Torkin Manes and Bennett Jones re scheduling of a call to discuss the Fluid transaction. Email from J. Dietrich attaching revised court materials.
10/22/2014 Adam Sherman		4.50	2,362.50	Email to M. Morrison and J. Waite attaching Toronto Hydro invoice sent to the Monitor in error. Lengthy telephone calls with several representatives of Toronto Hydro re incorrect mailing address on invoices. Email from J. Waite re Quintex notice discontinuing service for non-payment of pre-filing invoices. Voicemail and email to D. Labonte on Quintex. Voicemails from/to S. Baumgartner of Winward Canada. Telephone call with Sign FX re payment of outstanding pre-filing invoices and other matters in connection with the CCAA proceedings. Email to C. O'Donnell re addition to creditor list (Sign FX). Email from/to M. MacDougall, legal counsel for the landlord of the Dartmouth Crossing stores, re removal of signage. Email to M. Morrison re removal of signage at Dartmouth Crossing stores that were disclaimed effective October 31, 2014, including subsequent email from M. Morrison in response to same. Emails with J. Dietrich re Dartmouth Crossing stores. Voicemail and email to S. Brotman re Dartmouth Crossing stores. Email to G. St. Germain, solicitor for the landlord of the Decarie Blvd. stores re outstanding rental payments. Email to M. Morrison re rental arrears for the Decarie Blvd. stores. Telephone call with C. O'Donnell. Email from D. Gonczy of Omnitrans Inc. re its claim against the B+C Group, including email to J. Waite in connection with same. Conference call with Cassels, Gowlings, Bennett Jones and Torkin Manes re various matters in connection with the Fluid transaction. Telephone call with S. Marrello re various re former employee harassment claim. Telephone call with and email from S. Brotman re various matters. Emails with G. Benchaya. Email from G. Benchaya attaching revised business plan sent to CIBC ABL. Email from W. Levine attaching monitoring report for the week ending October 18, 2014.
10/23/2014 Adam Sherman		3.50	1,837.50	Telephone call with S. Baumgartner of Winward Canada re update on status of CCAA proceedings. Telephone call with S. Polsun of Currey China Limited re update. Telephone call with J. Waite re delivery company in Nova Scotia refusing to release goods. Telephone call with P. Ursuliak re update. Email from Cassels attaching invoice for the period ending October 17, 2014. Email from M. Sassi attaching updated motion materials. Emails to/from J. Parravano re update to cash flow variance analysis. Email from J. Parravano attaching cash flow variance analysis for the period ending October 18, 2014, including reconciliation of same. Review, revise and update Monitor's 2nd report. Email to J. Dietrich attaching updated Monitor's 2nd report. Telephone call with J. Dietrich re her discussion with Bennett Jones and status of documents in support of the Fluid transaction. Emails with J. Waite re Omnitrans. Email to M. Morrison re list of store disclaimers.
10/24/2014 Adam Sherman		3.00	1,575.00	Conference call with Cassels, Gowlings, Bennett Jones and Torkin Manes re update various matters in connection with the Fluid transaction. Telephone call with J. Dietrich re various matters, including amendment to SISP timeline. Email to Toronto Hydro re billing address change. Telephone calls with S. Zweig re various matters in connection with the Fluid transaction, including the treatment of IBSA therein. Telephone calls with E. Kobulnik re amendments to financial projections. Emails between Cassels and Gowlings re amendment to SISP timeline. Email from K. Basdeo of Protectron re payment of post-filing invoices, including telephone call with K. Basdeo re same. Telephone call with Adam Express re update. Telephone call with G. Benchaya re update. Email from S. Waugh attaching updated e-service list, including subsequent email to C. O'Donnell re same. Telephone call with A Big Mobile Sign Company re update. Email from S. Laverdiere, solicitor for the landlord of the Beauward Shopping Center, re claim against Benix, including subsequent email to S. Laverdiere in response to same.

Richter Advisory Group Inc.**Re: Bombay Group****Time charges for the period of October 20 to October 31, 2014**

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
10/27/2014 Adam Sherman		1.80	945.00	Emails from/to S. Zweig re revised financial projections. Email to G. Benchaya re revised projections. Email from G. Benchaya attaching revised projections, including email to G. Benchaya in response to same. Email to M. Morrison / J. Waite attaching Toronto Hydro invoice sent to the Monitor in error. Lengthy telephone call with Toronto Hydro. Emails with J. Dietrich re outstanding rent at the Bramalea City Center store.
10/28/2014 Adam Sherman		2.20	1,155.00	Emails from/to J. Dietrich re SISP. Email from D. Cohen re SISP and Fluid transaction. Email from J. Napala, a former employee, re update on status of CCAA proceedings, including subsequent email to J. Napala in response to same. Email to M. Morrison / J. Waite re outstanding rent for the Bombay / Bowring stores located at the Bramalea City Centre, including subsequent email from M. Morrison in response to same. Email to Faskens and Cassels re unpaid rent for the Bombay / Bowring stores located at the Bramalea City Centre. Telephone call with J. Dietrich / M. Sassi in anticipation of upcoming conference call to discuss the status of the Fluid transaction. Conference call with Cassels, Gowlings, Bennett Jones and Torkin Manes re status of Fluid transaction, including subsequent follow up discussion with J. Dietrich. Review and sign notices of stay of proceedings re Centres d'achat Beauward Ltee.
10/29/2014 Adam Sherman		0.80	420.00	Email from G. Benchaya re his discussion with F. Benitah. Emails from J. Dietrich and G. Benchaya re Fluid transaction. Email from J. Napala re her claim against Bowring. Emails from / to J. Dietrich. Email from J. Dietrich re Court availability. Email from W. Levine attaching monitoring report for the period ending October 25, 2014, including email to J. Dietrich re same.
10/30/2014 Adam Sherman		7.00	3,675.00	Telephone call with A. Amin re termination of Rogers' internet service. Telephone call with J. Waite re Toronto Hydro invoicing issues, termination of internet services, moving company's refusal to release goods and other matters. Email to J. Waite re Protectron. Emails from/to A. Amin re Rogers. Lengthy telephone call with several representatives of Rogers re termination of internet services, CCAA proceedings and other matters. Emails between J. Dietrich and H. Chataway re status of documents re Fluid transaction. Emails from/to W. Levine re scheduling of Court date re Fluid transaction, etc. Email from J. Waite attaching Toronto Hydro details re invoicing issues, including subsequent email to J. Waite in response to same. Email from J. Dietrich re Court availability. Emails from/to J. Dietrich re Fluid transaction and scheduling a Court date for approval of same. Emails from/to G. Benchaya re various matters in connection with the Fluid transaction. Telephone call with R. March of Ippolito re payment for post-filing services. Emails with M. Morrison re Docucomm. Email from and telephone call with S. Morris of Davpart, property manager for Gerrard Square re disclaimer of lease, including email to S. Morris attaching a copy of the lease disclaimer re Benix store DD12. Telephone call with J. Dietrich re various matters. Telephone calls with SDM Realty Advisors re leased premises. Voicemails from/to S. Broome. Telephone call with Catherine Lillywhite re its claim against the B&C Group, update on CCAA proceedings and other matters. Telephone call with P. del Rosario of Docucomm re its claim against Benix and other matters in connection its leased equipment and the CCAA proceedings. Voicemail to J. Pernarella of Toronto Hydro. Telephone call and email to Maureen of Rogers re various matters in connection with the CCAA proceedings and Rogers' termination of services to the B&C Group. Email to A. Amin re Rogers. Voicemail from and telephone call with J. Dietrich re her discussions with Gowlings and Torkin Manes. Conference call with J. Dietrich and S. Brotman re various matters, including payment for post-filing goods/services provided to the B&C Group, including follow up discussion with J. Dietrich. Telephone call with Rogers confirming reactivation of service, including subsequent discussion with A. Amin to confirm same. Email from/to J. Parravano re Powerstream. Email from J. Dietrich attaching letter/waiver sent to landlords re Fluid transaction, including subsequent email to J. Dietrich in connection with same.
10/31/2014 Adam Sherman		4.00	2,100.00	Email from J. Dietrich attaching lease amending documents re Smart Centre locations. Emails from/to C. O'Donnell. Email from/to J. Dietrich re her discussion with D. Cohen. Telephone call with J. Dietrich re her discussion with D. Cohen, landlord letter/waiver and other matters. Emails with J. Dietrich and S. Brotman re landlord letter/waiver. Conference call with J. Dietrich and F. Sulley re landlord letter/waiver and other matters in connection with the Fluid transaction, including follow up call with J. Dietrich. Telephone call with M. Morrison re various matters including landlord letter/waiver and payment for post-filing goods/services. Several telephone calls with Toronto Hydro re misallocation of post-filing payments. Email to J. Waite re discussions with Toronto Hydro. Telephone call with S. Broome, property manager at Westshore Town Center, re its claim against the B&C Group, status of CCAA proceedings, etc. Conference call with J. Dietrich and S. Brotman re landlord letter/waiver, payment for post-filing goods/services, etc. Email to G. Benchaya. Email from G. Service of Atripco re post-filing payment terms, including in to G. Service/M. Morrison in response to same.
10/18/2014 Elliott Kobulnik		1.50	637.50	Incorporating Gilles comments into presentation for CIBC.

Richter Advisory Group Inc.

Re: Bombay Group

Time charges for the period of October 20 to October 31, 2014

<u>Staff</u>	<u>Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Description</u>
10/19/2014 Elliott Kobulnik		5.00	2,125.00	Update to 2015/2016 model/report.
10/20/2014 Elliott Kobulnik		3.50	1,487.50	Updates to 2015/2016 plan based on call with Margaret
10/20/2014 Elliott Kobulnik		1.00	425.00	Conference call with Margaret and Gilles regarding financial plan update
10/21/2014 Elliott Kobulnik		10.75	4,568.75	Updating report for CIBC
10/22/2014 Elliott Kobulnik		0.50	212.50	Review of monitoring report.
10/22/2014 Elliott Kobulnik		2.25	956.25	Responding to CIBC's questions concerning report issued to them.
10/23/2014 Elliott Kobulnik		2.00	850.00	Application of Issac payments to the model
10/24/2014 Elliott Kobulnik		0.75	318.75	Discussions with Gilles and Adam regarding Issac Payments and applying it to model.
10/24/2014 Elliott Kobulnik		0.50	212.50	Application of Issac Payments to model.
10/28/2014 Elliott Kobulnik		1.00	425.00	Review of monitoring report.
10/29/2014 Elliott Kobulnik		6.00	2,550.00	Preparation for and phone call with CIBC regarding updated model.
10/20/2014 Gilles Benchaya		1.00	625.00	Update discussion with JD and AS re; status of motion for approval and requests from Sec lenders
10/20/2014 Gilles Benchaya		6.50	4,062.50	review of latest update to business plan for CIBC ABL
10/29/2014 Gilles Benchaya		1.50	937.50	meeting with Fred
10/29/2014 Gilles Benchaya		1.50	937.50	review of monitoring report
10/29/2014 Gilles Benchaya		1.00	625.00	Call with Jane re status of Sale process
10/30/2014 Gilles Benchaya		3.00	1,875.00	Update re cIBC ABL requirements and second lien payback scenario
10/20/2014 Jason Parravano		5.00	1,625.00	Review of weekly sales for week ended Oct 18. review of hilco invoices regarding liquidation. review of cheques issued for the week as well as OS cheque review for comparison to prior week. Preparation of the monitoring report for the week ended Oct 18. Discussion with Nancy regarding deposits, capex spend, and loan balances.
10/21/2014 Jason Parravano		4.00	1,300.00	review of the BBC for the week ended Oct 18. Comparison of loan and LC balances to loan reports from the bank. Update to the monitoring report regarding actual figures until Oct 18.
10/21/2014 Jason Parravano		3.00	975.00	discussions with Elliott regarding update to the restructuring plan to be issued to CIBC regarding exit facility and closing of sale transaction on Nov 6.
10/22/2014 Jason Parravano		1.50	487.50	Discussion with Warren regarding monitoring report for week ended Oct 18. Finalized report for issuance.
10/23/2014 Jason Parravano		2.00	650.00	Discussion with Adam Sherman regarding court date for B&C on November 3rd. Update certain of the information included in the report, including the cash flow variance until Oct 18th.
10/24/2014 Jason Parravano		0.50	162.50	discussion with Ann Stremski regarding returned mail and follow up with Nancy and Sil of B&C to get updated addresses.
10/24/2014 Jason Parravano		4.00	1,300.00	update to DIP cashflow with actual numbers through Oct 18. adjustment to certain timing issues and followup regarding the timing of payments with company.
10/27/2014 Jason Parravano		3.00	975.00	Update monitoring report to reflect the CF's for the week ended October 25th.
10/28/2014 Jason Parravano		6.00	1,950.00	review, of the OS cheques listing as well as cheques and wires issued. Comparison versus prior week listing to assess which cheques cleared during the w/e Oct 25. updated the monitoring report to reflect sales for the week ended Oct 25. review of the BBC and discussions with company regarding changes to the borrowing base regarding the NOLV rates used.
10/29/2014 Jason Parravano		4.00	1,300.00	Final updates to monitoring report and comparison against budget. discussion with Warren regarding reported results for the week. Issuance of the monitoring report for w/e Oct 25. Update to the DIP CF to reflect true up numbers until Oct 25.
10/24/2014 Paul van Eyk		0.50	325.00	Update with Adam Sherman on BBB CCAA matters, report
10/28/2014 Paul van Eyk		0.75	487.50	Update with Adam Sherman on report and outstanding issues
10/18/2014 Warren Levine		1.00	550.00	Review presentation for CIBC with Gilles / Elliott
10/19/2014 Warren Levine		1.00	550.00	Calls with Elliott. Review revised plan. Discuss with G Benchaya
10/21/2014 Warren Levine		0.75	412.50	Call with Elliott, G Benchaya to review changes to model incorporating revised term sheet. Review weekly monitoring.
10/22/2014 Warren Levine		2.00	1,100.00	Review final CF/P&L model and forward to CIBC. Final review of weekly monitoring and updated weekly CF, and send to CIBC. Various email correspondence with Margaret, and CIBC ABL group.
10/23/2014 Warren Levine		1.50	825.00	Review revisions to CF model
10/24/2014 Warren Levine		0.50	275.00	Review updated model reflecting shareholder payments
10/27/2014 Warren Levine		0.50	275.00	Review and then send Excel model to CIBC.
10/28/2014 Warren Levine		0.50	275.00	Review weekly cash flow/monitoring.
10/29/2014 Warren Levine		1.00	550.00	Finalize and issue weekly monitoring report to CIBC. review of BBC calc / discussion regarding NOLV rate to be used.
10/30/2014 Warren Levine		0.50	275.00	Email correspondence with P. Montgomery, J. Dietrich, A. Sherman. Provide updates with respect to Court date, on-going liquidation.
Total		<u>122.55</u>	<u>56,101.25</u>	

Exhibit "C"

Court File No.: CV14-10659-OOCL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
BOMBAY & CO. INC., BOWRING & CO. INC. AND BENIX CO. INC.**

Time Summary

ONTARIO SUPERIOR COURT OF JUSTICE
IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT ("CCAA")
Re: Bombay & Co Inc., Bowring & Co Inc. and Benix & Co Inc.

Time Summary
June 27, 2014 to October 31, 2014

Time Summary and applicable rates

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Gilles Benchaya, Partner	332.60	\$625	207,876.50
Paul van Eyk, Partner	49.50	\$650	32,175.00
Lorne Richter, Partner	7.50	\$600	4,500.00
Warren Levine, Principal	428.75	\$550	235,812.50
Adam Sherman, Vice-President	247.10	\$525	129,727.50
Tanya Greenidge, Senior Manager (Tax)	9.00	\$375	3,375.00
Elliott Kobulnik, Associate	157.95	\$425	67,128.75
Michael Prinsky, Associate	82.50	\$425	35,062.50
Igor Bernadski, Associate	154.50	\$425	65,662.50
Jason Parravano, Analyst	476.60	\$325	154,895.00
Carol O'Donnell, File Administrator Supervisor	31.90	\$250	7,975.00
Soazig Bourguine, File Administrator	5.30	\$185	980.50
Ann Stremski, File Supervisor	22.20	\$185	4,107.00
Nattalea Francis-Campbell, Executive Administrative Assistant	7.00	\$105	735.00
	2,012.40		950,012.75
Courtesy Discount (pre-filing only)			(29,895.00)
Discount			(20,000.00)
Total			900,117.75

Average Hourly Amount

447.29

This is Exhibit "C" referred to in the
Affidavit of Gilles Benchaya sworn before
Me this 21st day of November 2014

Christiane Girard
A Commissioner, etc.



APPENDIX “J”

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 AND
ARRANGEMENT INVOLVING BOMBAY & CO. INC. , BOWRING &
CO. INC. AND BENIX & CO. INC.

AFFIDAVIT OF LARRY ELLIS
(sworn November 20, 2014)

I, LARRY ELLIS, of the City of Ajax, in the Province of Ontario, MAKE OATH AND SAY:

1. I am an associate with Cassels Brock & Blackwell LLP ("**Cassels**"), counsel for Richter Advisory Group Inc., in its capacity as Monitor (the "**Monitor**") of Bombay & Co. Inc., Bowring & Co. Inc. and Benix & Co. Inc. (the "**Debtors**"). As such, I have knowledge of the matters to which I depose except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. Cassels was retained by the Monitor to provide legal advice in connection with its role as Monitor of the Debtors as they proceed into and through their restructuring process and to provide legal advice in any proceedings ancillary to the Restructuring Process.
3. Between July 4, 2014 and November 14, 2014 Cassels incurred fees and disbursements of \$284,682.22 plus applicable Ontario Harmonized Sales Tax. Particulars of the work performed are contained in Cassels' invoices (the "**Invoices**"), copies of which are attached as Exhibit "**A**" to my Affidavit.

4. Attached hereto and marked as Exhibit "B" is a summary of the lawyers whose services are reflected on the Invoices, including, year of call, hourly rate, and a summary of the total fees and hours billed.

5. Attached hereto and marked as Exhibit "C" is a summary of each invoice together with a calculation of the average hourly billing rates for the lawyers whose services are reflected thereon. The average hourly billed rate for this period of the engagement is \$562.17.

6. To the best of my knowledge, the rates charged by Cassels are comparable to the rates charged for the provision of similar services by other legal firms in the Toronto market.

7. This affidavit is made in support of a motion to, among other things, seek approval of the foregoing fees and disbursements as fair and reasonable.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario,
on November 20 , 2014.



Commissioner for Taking Affidavits

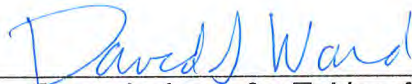


LARRY ELLIS

EXHIBIT "A"

True copies of Invoices

This is Exhibit "A" referred to in the Affidavit of
LARRY ELLIS sworn before me in the City of Toronto,
in the Province of Ontario this 20th day of November,
2014



Commissioner for Taking Affidavits (or as may be)



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 07/29/14
Our File #: 047265-00001
Invoice #: 1940685
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 07/25/14

Date		Description	Hours
07/04/14	JDI	Discussion with Suhuyini Abuddulai regarding instructions on security review;	0.30
07/04/14	LCE	Meeting with Charles Newman and Jane Dietrich to discuss background of file and first steps to be completed; review prior searches to consider proposed path forward;	1.00
07/07/14	LCE	Work with client to obtain additional information; work with John Birch to establish protocol for sharing information;	1.00
07/11/14	CN	Calls & emails with L. Ellis & S. Abudulai re security review & searches.	0.20
07/11/14	SHA	Attended to search matters;	0.80
07/11/14	JDI	Discussion with Leslie Rose; Voicemail to Stuart Brotman;	0.20
07/11/14	LCE	Call with Stuart Brotman to discuss file and to discuss security review; obtain security package and confirm outstanding documents; call with Suhuyini Abudulai and review of emails regarding security review;	2.00

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
07/14/14	SHA	Attended to search matters; Engaged in review of security documents;	3.40
07/14/14	JDI	Exchange of voicemail with Stuart Brotman; Brief review of security documentation and discussion with Stuart Brotman; Email regarding status;	0.80
07/14/14	BFI	Preparing PPSA and corporate search summaries for Bombay & Co. Inc. and Bowring & Co. Inc. for S. Abudulai;	4.60
07/14/14	LCE	Review searches (corporate and PPSA to consider possible issues for client moving forward; discussion with client and team regarding whether searches should be ordered for additional company; review and respond to correspondence from client regarding case;	1.00
07/15/14	SHA	Engaged in review of searches and security documents; Prepared security review letter;	4.60
07/15/14	SHA	Engaged in review of searches and preparation of security review letter;	4.40
07/15/14	BFI	Preparing and review search summaries for Bombay & Co. Inc. and Bowring & Co. Inc.;	8.20
07/15/14	PSUL	Various correspondences and instructions re: Nova Scotia opinion issues;	0.50
07/16/14	SHA	Engaged in preparation of security review letter including as to Ontario opinions, Nova Scotia opinions and British Columbia law opinions;	7.10
07/16/14	JDI	Review of emails regarding security review issues; discussion with S.A. regarding additional information requests;	0.70
07/16/14	BFI	Making changes to the review summaries that S. Abudulai requested;	1.40
07/16/14	RSK	Review of emails regarding status of security review;	0.20
07/16/14	LCE	Review emails from Suhuyini Abudulai regarding security document missing that are required to complete review; consider whether 5th and 6th points of email should be expanded upon to include additional information; review copy of GSA and First Supplemental Agreement;	2.00

Date		Description	Hours
07/18/14	BT	Reviewing General Security Agreement between Bowring & Co. and Isaac Bennet Sales Agencies Inc.; and Quebec RPMRR Searches and summarizing same; and drafting Assumptions and Qualification for Quebec Security Legal Opinion;	7.00
07/18/14	LCE	Review email from Suhuyini Abudulai to Leslie and Stuart and consider whether additional information is required; review further emails and exchange emails with Suhuyini Abudulai;	0.50
07/21/14	LCE	Review response to outstanding questions and consider additional questions to be asked and additional information to be obtained;	0.30
07/21/14	SHA	Engaged in correspondence with FMD re: document deliveries for security review;	0.40
07/21/14	JDI	Review of emails regarding additional security review documents and voicemail to S.A. Armstrong;	0.10
07/21/14	BT	Completing review and e-mail to S. Abudulai regarding same.	1.00
07/22/14	SHA	Engaged in review and advising on loan and security documents;	2.70
07/22/14	SHA	Attended to security review matters re: searches;	0.70
07/22/14	AS	Checking schedules of trade-marks owned by Bowring & Co. Inc., Bombay & Co. Inc. and A. Benix & Co.; summarizing security interest records in relation to Bowring and Bombay marks and reporting to Steven Kennedy;	2.40
07/22/14	SKE	Discussing search scope with S. Abudulai and instructing A. Scott regarding same;	0.40
07/22/14	JDI	Review of emails regarding security reviews and reply to same;	0.20
07/22/14	RSK	Review of emails regarding security review;	0.30
07/22/14	LCE	Review emails from Jane Dietrich and Suhuyini Abudulai and respond accordingly with advice and direction;	0.30

Date		Description	Hours
07/24/14	RSK	Conference call with Richters, Faskens and company regarding status and next steps; discussions with Paul Van Eyk regarding issues; telephone attendance with Stuart Brotman regarding DIP financing and proceedings; review of draft Hilco agency agreement; telephone attendance with Gilles Benchaya regarding non-reliance letter with Deloitte and related emails;	2.60
07/24/14	LCE	Review Hilco Consulting Agreement and consider next steps; review Bombay model summaries and consider strategy; review emails regarding need to complete expedited filing as prepared by Gilles Benchaya; and	1.10
07/25/14	RSK	Email to Cassels team regarding security review; telephone attendance and exchanged emails with Gilles Benshaya regarding non-reliance letter and status; review of Richters report presented to CIBC.	0.80

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Alexandra Scott	2.40	370.00	888.00
Bogdan Teofilovici	8.00	795.00	6,360.00
Brittany Finn	14.20	125.00	1,775.00
Charles Newman	0.20	700.00	140.00
Jane Dietrich	2.30	595.00	1,368.50
Larry Ellis	9.20	595.00	5,474.00
Peter Sullivan	0.50	585.00	292.50
Shayne Kukulowicz	3.90	795.00	3,100.50
Steven Kennedy	0.40	450.00	180.00
Suhuyini Abudulai	24.10	450.00	10,845.00
Our Fee			30,423.50
HST on Fees			<u>3,955.06</u>
Total Fees and Tax			34,378.56
<u>Taxable Disbursements</u>			
Copies		369.00	
Agency Fees and Disbursements		<u>2,039.00</u>	
Total Taxable Disbursements			2,408.00
HST on Disbursements		<u>313.04</u>	
Total Tax on Disbursements			<u>313.04</u>
Total Taxable Disbursements and Tax			2,721.04



-6-

Non-Taxable Disbursements

Minister of Finance	216.00	
Agency Fees and Disbursements	111.00	
Sub-total		327.00
Total Disbursements and Tax		<u>3,048.04</u>
Total Fees, Disbursements & Tax		<u>\$ 37,426.60</u>

This is our account herein
Cassels Brock & Blackwell LLP

Larry Ellis
E&OE

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 08/07/14
Our File #: 047265-00001
Invoice #: 1940971
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 08/01/14

Date		Description	Hours
07/28/14	SHA	Attended to search matters and preparation of security review opinion letter;	1.10
07/28/14	AS	Providing information on Canadian trade-mark registrations in the name of Benix & Co. Inc. in respect of which a security agreement has been registered;	0.40
07/28/14	JDI	Attend conference call regarding strategy session; follow up conversation regarding initial hearing; email regarding outstanding security review items; discussion with David Cohen;	1.30
07/28/14	RSK	Review of emails from Stuart Brotman and Paul van Eyk regarding Hilco agency agreement; conference call with parties regarding status and issues; conference call with Richters regarding Hilco agreement and other issues; review of precedent "sale guidelines";	2.40

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Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
07/28/14	BT	Continue reviewing and preparing summaries of and comments on search results at the Quebec Register of Personal and Movable Real Rights and drafting, reviewing and circulating Assumptions, Opinions and Qualifications for such opinion.	7.00
07/29/14	SHA	Attended to search matters; Engaged in preparation of security review letter;	1.20
07/29/14	SHA	Attended to search matters & preparing security review letter;	1.50
07/29/14	DB	Attending to review, comment and revisions to proposed B.C. opinions	3.50
07/29/14	JDI	Review of HILCO agreement; discussion with Shayne Kukulowicz and Larry Ellis; attend daily status conference call; follow up discussion with Shayne Kukulowicz and Larry Ellis; review of draft DIP agreement; discussion regarding terms of DIP agreement;	2.30
07/29/14	BT	Complete reviewing and preparing summaries of and comments on search results at the Quebec Register of Personal and Movable Real Rights, reviewing draft security review legal opinion received from S. Abudulai, and drafting, reviewing and circulating Assumptions, Opinions and Qualifications for such opinion;	7.00
07/29/14	LCE	Review forbearance agreement and provide comments; attend on all hands call with team to discuss and consider outstanding issues; follow up internal meeting to discuss to do's; call with Stuart Brotman to provide comment on the forbearance agreement;	2.50
07/29/14	PSUL	Several correspondences re: security review;	0.40
07/29/14	BFI	Preparing search summaries for Benix & Co. Inc.;	4.60

Date		Description	Hours
07/29/14	RSK	Telephone attendance with Stuart Brotman regarding Hilco agency and DIP terms; conference call with company, Richters and counsel regarding status of filing preparations and issues; review of draft Forbearance Agreement (DIP); exchanged emails and telephone attendance with Richters regarding DIP terms;	2.40
07/30/14	SHA	Attended to Quebec security review matters and preparation of security review letter;	1.20
07/30/14	JDI	Discussion regarding Quebec security issues; attend status call;	1.10
07/30/14	DB	Continued review and comment re: B.C. opinions	0.70
07/30/14	PSUL	Correspondences re: security; review of security review;	0.50
07/30/14	BT	Correspondence with S. Abudulai. O/C with J. Dietrich re. Quebec Hypothecs and legal opinion. Meeting with B. Finn re. Quebec searches.	3.00
07/30/14	LCE	Attend on all hands call to discuss outstanding issues; call with Paul Van Eyk to understand client concerns on forbearance agreement;	0.80
07/30/14	BFI	Reviewing and updating Quebec PPSA summaries; meeting with Bogdan about the summaries;	2.60
07/30/14	RSK	Participated in daily update call; discussed DIP issues with Richters;	1.60
07/31/14	BT	Reviewing correspondence and advising on various matters related to Quebec hypothecs and registrations at the Quebec RPMRR. Reviewing additional Quebec RPMRR searches and updating summary and circulating. Reviewing and amending Quebec assumptions, opinions and qualifications and circulating.	5.00
07/31/14	SHA	Engaged in preparation of security review opinion letter as to Quebec, Ontario, Nova Scotia and British Columbia opinions, assumptions and qualifications;	5.90

Date		Description	Hours
07/31/14	DB	Receive revised security review regarding B.C. opinions;	0.40
07/31/14	BFI	Reviewing Quebec search summaries before the name change from numbered companies to Bombay and Bowring;	1.10
07/31/14	JDI	Review of revised DIP agreement; participate in status call; review of comments on DIP Agreement with Richter; review of comments on DIP Agreement with Stuart Brotman;	3.10
07/31/14	RSK	Review of revised Forbearance Agreement and discussed same with Cassels team; participated in daily update call; conference call with Richters regarding comments on draft Forbearance Agreement; telephone attendance with David Cohen regarding review of CIBC security and DIP terms;	2.70
07/31/14	LCE	Review and consider revised forbearance agreement; attend on daily update call to discuss outstanding issues; attend on call with Richter team to discuss concerns with respect to DIP loan; meetings throughout day to discuss outstanding issues; call with Adam Sherman to discuss timing for court report and possible issues in court report;	3.50
08/01/14	SHA	Engaged in security review of CIBC documents; Engaged in preparation of security review letter;	5.60
08/01/14	BT	Reviewing CIBC hypothecs. Reviewing draft Security Opinion and amending same.	4.00
08/01/14	SHA	Engaged in security review of CIBC documents;	2.70
08/01/14	RSK	Review of mark-up of Forbearance Agreement sent by Stuart Brotman to David Cohen and related emails; review of revised Forbearance Agreement from counsel for CIBC;	1.20
08/01/14	JDI	Review of Stuart Brotman's comments on DIP agreement; review of Gowlings DIP revisions; discussion with Adam Sherman; attend conference call regarding credit agreement comments; email exchange with Paul van Eyk; review of Deloitte engagement letter;	2.60

Date		Description	Hours
08/01/14	LCE	Review email correspondence from company counsel and attached revised restated forbearance agreement; review comments from team regarding same; review update regarding incoming security documents from CIBC; review blackline comments from CIBC on the forbearance agreements.	3.10

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Alexandra Scott	0.40	370.00	148.00
Bogdan Teofilovici	26.00	795.00	20,670.00
Brittany Finn	8.30	125.00	1,037.50
David Budd	4.60	750.00	3,450.00
Jane Dietrich	10.40	595.00	6,188.00
Larry Ellis	9.90	595.00	5,890.50
Peter Sullivan	0.90	585.00	526.50
Shayne Kukulowicz	10.30	795.00	8,188.50
Suhuyini Abudulai	19.20	450.00	8,640.00
Our Fee			54,739.00
HST on Fees			<u>7,116.07</u>
Total Fees and Tax			61,855.07



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Taxable Disbursements

Copies	156.75	
Telephone	0.63	
Total Taxable Disbursements		157.38
HST on Disbursements	20.46	
Total Tax on Disbursements		20.46
Total Disbursements and Tax		<u>177.84</u>
Total Fees, Disbursements & Tax		<u>\$ 62,032.91</u>

This is our account herein
Cassels Brock & Blackwell LLP

Larry Ellis
E&OE

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RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 08/12/14
Our File #: 047265-00001
Invoice #: 1941216
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 08/08/14

Date		Description	Hours
08/02/14	SHA	Engaged in review of CIBC security documents; Preparation of security review letter;	3.70
08/02/14	SHA	Engaged in review of CIBC security documents;	6.70
08/02/14	BT	Reviewing draft security opinion and preparing, reviewing and submitting additional assumptions and qualifications for Quebec and correspondence regarding same.	3.00
08/02/14	JDI	Exchange of emails regarding DIP terms and corresponding initial order provisions;	0.40
08/02/14	LCE	Review most recent turn of documents and provide comment; review emails from client and from Jane Dietrich regarding timing, next steps and outstanding issues;	1.20
08/03/14	JDI	Review of draft order and email regarding comments on same;	0.40
08/03/14	RSK	Review of draft initial order and exchanged messages with Jane Dietrich regarding same; review of emails regarding DIP terms; review of draft SISP;	1.10

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Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
08/03/14	LCE	Review draft order and note comments; circulate comments to team and suggest team call to discuss and consider form and substance; review comments on order from Jane Dietrich and consider; review draft SISP and review first draft of Monitor's pre-filing report; note comments and attend on call with client to discuss;	2.50
08/04/14	JDI	Review of Draft SISP and provide comments; review of draft report and provide comments; participate in call with Richter regarding outstanding comments and status; provide additional comments on revised draft report; exchange of email;	2.70
08/04/14	RSK	Review of draft Monitor's pre-filing report and related emails; review of email comments on SISP; exchanged emails with Cassels team regarding status of DIP and timing for court hearing; review of revised pre-filing report, order and SISP;	1.40
08/04/14	LCE	Review documents in preparation for team call at 11:00 am; attend on call to discuss the draft order, report and SISP; edit draft SISP and attend on call with Stuart Brotman to discuss; review revised pre filing report and consider additional revisions; review draft order and provide additional comments to Stuart;	2.50
08/05/14	SHA	Engaged in review re: CIBC documents;	5.80
08/05/14	BT	Engaged in preparation of security review letter;	
08/05/14	BT	Reviewing and amending Security Letter and Quebec RPMRR Summary	5.00
08/05/14	CN	Phone calls with S. Abudulai responding to specific questions relating to security review.	0.30
08/05/14	SHA	Engaged in review re: landlord waivers and assignments of leases; Engaged in preparation of security review letter;	1.10
08/05/14	DB	Review of revised B.C. opinions and related qualifications.	0.80
08/05/14	PSUL	Review of and correspondences re: comments on security review opinion;	1.50

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Date		Description	Hours
08/05/14	BFI	Summarizing PPSA searches against Freddy Benitah, Isaac Benitah, and 1057305 Ontario Inc.;	1.60
08/05/14	JDI	Review of revised DIP agreement; consider case law; various discussions to finalize DIP agreement; review draft affidavit and provide comments; review of comments on proposed Monitor's report; review of comments on draft Order; various discussions with Stuart Brotman, Larry Ellis and Adam Sherman regarding status of documents;	8.00
08/05/14	LCE	Review and respond to emails from Alex MacFarlane regarding outstanding issues on pre-filing report, order and affidavit; set up call with all counsel and discuss outstanding issues; review recent turn of SISP and provide comments; meetings with client and Jane Dietrich throughout day to consider timing for filing and first day issues; update call to discuss timing for court material and timing for hearing; review revised forbearance agreement and consider comments; review service list and consider additions; review draft affidavit and consider comments, including consistency with Monitor's report; review and consider existing cash management systems in place through CIBC; review demands and NITES; consult with Jane to formalize comments on draft court material; calls and emails throughout evening to advance all court material, including report, affidavit and order;	4.50
08/06/14	SHA	Engaged in review of CIBC documents; Engaged in preparation of security review letter;	4.00
08/06/14	JDI	Review of various emails and telephone conferences to finalize preparation of court documentation; meeting with Suhuyini Abudulai. to discuss status of security review; attend at Court regarding initial order;	6.30
08/06/14	BT	Further reviewing and amending legal opinion.	1.50

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Date		Description	Hours
08/06/14	LCE	Assist with finalization of all material and attend on calls to prepare for court hearing; attend court hearing to obtain protection under the CCAA; post court calls and emails to establish all necessary first day protocols; meetings and calls regarding security review; review documentation regarding advances and consider impact to position;	4.50
08/06/14	BT	Reviewing Security legal opinion and amending.	1.50
08/07/14	SHA	Attended to security review matters re: notices to secured parties;	1.60
08/07/14	JDI	Discussion with Gilles Benchaya regarding advances; discussion with Stuart Brotman and Larry Ellis; email regarding eservice issues; draft cover letter to send to PPSA registrants and provide instructions with respect to same;	2.00
08/07/14	BFI	Reviewing PPSA search results for Bombay, Bowring and Benix to update secured party addresses in the security letter;	1.70
08/07/14	BT	E-mails and review of search summary to reply to various questions regarding same.	1.00
08/07/14	LCE	Calls throughout day to discuss timing for SISF and Hilco motion; review correspondence from client regarding outstanding issues; review amendment documentation;	1.40
08/08/14	SHA	Attended to security review matters re: searches;	0.70
08/08/14	LCE	Review attached notice to secured creditors and consider final comments; review comments from Alex MacFarlane with respect to the letter to PPSA registrants; review Eservice communication and consider revisions	1.10
08/08/14	BFI	Reviewing uncertified PPSA search results to see if any new registrations have been filed; and	1.40
08/08/14	JDI	Finalize letter to send to PPSA secured parties.	0.60

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Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Bogdan Teofilovici	12.00	795.00	9,540.00
Brittany Finn	4.70	125.00	587.50
Charles Newman	0.30	700.00	210.00
David Budd	0.80	750.00	600.00
Jane Dietrich	20.40	595.00	12,138.00
Larry Ellis	17.70	595.00	10,531.50
Peter Sullivan	1.50	585.00	877.50
Shayne Kukulowicz	2.50	795.00	1,987.50
Suhuyini Abudulai	23.60	450.00	10,620.00
Our Fee			47,092.00
HST on Fees			<u>6,121.96</u>
Total Fees and Tax			53,213.96
<u>Taxable Disbursements</u>			
Copies		282.75	
Binding, Tabs, Disks, etc		<u>20.36</u>	
Total Taxable Disbursements			303.11
HST on Disbursements		<u>39.40</u>	
Total Tax on Disbursements			39.40
Total Disbursements and Tax			<u>342.51</u>
Total Fees, Disbursements & Tax			<u>\$ 53,556.47</u>

This is our account herein
Cassels Brock & Blackwell LLP



 Larry Ellis
 E&OE

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Outstanding Invoice Summary

<u>Invoice No.</u>	<u>Date</u>	<u>Amount</u>
1940971	Aug. 7, 2014	62,032.91
Total Outstanding Invoices		62,032.91

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Legal*12011362.1



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 08/20/14
Our File #: 047265-00001
Invoice #: 1942321
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 08/15/14

Date		Description	Hours
08/11/14	JDI	Discussion with Aubrey Kaufman, Stuart Brotman and Larry Ellis; return call from Michael Zeldman at Riocan regarding PPSA notice; discussion with Adam Sherman; discussion with Gilles Benchaya; review of comments on SISP; email regarding court time;	1.30
08/11/14	LCE	Attend on call with Faskens and Jane to discuss next steps for the SISP and the Hilco agreement; review draft materials and provide comment; calls and meetings throughout day to receive updates and to discuss going concern issues; call with client to run through SISP; revise SISP to incorporate changes proposed by company counsel;	3.50
08/12/14	MS	Call re: Hilco Agreement and SISP; revisions to SISP agreement	2.70

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2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
08/12/14	JDI	Review of revisions to SISP and email regarding same; Participate in call regarding comments on SISP and liquidation agreement; Follow up discussion regarding sales issues; Review of draft SISP and provide comments; Review of comments on liquidation agreement; Discussion with Gilles Benchaya regarding leases.	4.90
08/12/14	DB	Reviewing final CBB opinion;	0.80
08/12/14	LCE	Work with company counsel to arrange for call, establish agenda and discuss issues; finalize first draft of SISP and circulate internally for comment; incorporate Jane's comments into SISP and meet to discuss comments on Hilco agreement and landlord issues; attend on call with client to discuss outstanding issues, comments on Hilco Agreement and comments on SISP and other outstanding issues; revise SISP and timeline document and circulate to company counsel for review and comment; attend on call with company counsel, client and CBB to review, consider and discuss outstanding documentation and landlord issues; review updates from Gilles Benchaya regarding discussions with company and landlord issues; review revised draft of SISP and consider additional comments;	4.70
08/13/14	BT	Final review of and amendment to Security Opinion.	1.50
08/13/14	SHA	Attended to security review letter matters re: finalizing security review opinion for issuance;	0.80
08/13/14	JDI	Review of NDA template and provide comments; review of comments on SISP; revisions to draft template NDA; discussion with Larry Ellis;	1.20

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Date		Description	Hours
08/13/14	LCE	Review draft confidentiality agreement and provide non solicitation language; calls, emails and meetings throughout day to advance SISP and other documentation; review recent turn of consulting agreement and consider comments; review comments from Faskens on SISP and other documentation, including consulting agreement; review communications from Conor O'Neill regarding the consulting agreement; review various notices of appearance and consider impact to file; calls with various landlords and stakeholders throughout the day to discuss status of file and next steps;	3.20
08/14/14	MS	Call to discuss SISP with client; revisions to SISP	1.80
08/14/14	SHA	Attended to security review letter matters re: finalizing letter and advising Richter re: priorities;	0.70
08/14/14	LCE	Attend on calls with client and company to receive comments on SISP and consulting agreement; turn SISP to incorporate comments throughout the day; email draft SISP to CIBC's counsel and attend on call and review numerous emails from CIBC's counsel regarding same; review court material and provide comment to company's counsel; attend on call with client to understand security review questions; calls with Suhuyini to discuss security review and other outstanding issues; review email to client regarding priority of certain PPSA registrants and consider next steps; calls with certain landlord counsel to provide file update and to discuss next steps; work with team to update service list; review revised sale guidelines and consider next steps; and	4.40
08/15/14	LCE	Review amended court material and provide comment; exchange emails throughout day with client regarding landlord issues; call with landlord of two properties to discuss their concerns on properties located in Quebec; calls with Adam Sherman to discuss content of report; review updated draft court material from the company.	2.50

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Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Bogdan Teofilovici	1.50	795.00	1,192.50
David Budd	0.80	750.00	600.00
Jane Dietrich	7.40	595.00	4,403.00
Larry Ellis	18.30	595.00	10,888.50
Monique Sassi	4.50	390.00	1,755.00
Suhuyini Abudulai	1.50	450.00	675.00
Our Fee			19,514.00
HST on Fees			2,536.82
Total Fees and Tax			22,050.82

Taxable Disbursements

Copies	54.00	
Delivery	75.75	
Telephone	2.20	
Agency Fees and Disbursements	337.00	
Courier Delivery Charges	79.14	
Total Taxable Disbursements		548.09
HST on Disbursements	71.25	
Total Tax on Disbursements		71.25
Total Taxable Disbursements and Tax		619.34

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Non-Taxable Disbursements

Agency Fees and Disbursements	19.00	
Sub-total		19.00
Total Disbursements and Tax		<u>638.34</u>
Total Fees, Disbursements & Tax		<u>\$ 22,689.16</u>

This is our account herein

Cassels Brock & Blackwell LLP

A handwritten signature in dark ink, appearing to read 'LEE', is written over a horizontal line.

Larry Ellis
E&OE

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RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 08/27/14
Our File #: 047265-00001
Invoice #: 1942698
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 08/22/14

Date		Description	Hours
08/05/14	RSK	Review of emails regarding comments on pre-filing report; review of revised Forbearance Agreement and related emails; conference call with counsel for CIBC, company and Monitor regarding filing documents; review of draft CCAA affidavit and related emails;	2.70
08/06/14	RSK	Review of final served CCAA application and report of proposed monitor; review of issued initial order and endorsement; exchanged emails with Jane Dietrich regarding hearing and next steps;	0.80
08/07/14	RSK	Review of draft PPSA registrants notice letter; review of update emails regarding SISP and Hilco agreement;	0.30
08/08/14	RSK	Review of revised PPSA notice letter and related emails;	0.20
08/11/14	RSK	Review of emails regarding comeback hearing;	0.20

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Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
08/12/14	RSK	Telephone attendance with Jane Dietrich regarding SISP and Hilco agreement and other issues; review of revised SISP and draft timeline; review of further comments on SISP; review of emails regarding store closure strategy; review of correspondence from various landlords;	1.40
08/13/14	RSK	Review of emails regarding revised SISP and store closures;	0.40
08/14/14	RSK	Review of finalized security opinion letter; review of revised Hilco agency agreement and related emails; review of emails regarding revisions to SISP;	0.90
08/14/14	JDI	Exchange of emails; finalize security review and arrange for email regarding same;	0.40
08/15/14	RSK	Exchanged emails with Larry Ellis regarding court hearing; review of draft affidavit in support of approval of SISP/Hilco agreement and extension; review of final version of Hilco agreement and related emails;	1.10
08/16/14	LCE	Review emails from company counsel regarding timing for file court material; review execution version of consulting agreement; exchange emails with Adam Sherman regarding timing for draft report;	0.40
08/17/14	LCE	Review drafts of court report, insert my comments, attend on call with counsel to collect further comments and insert those, emails with company counsel to discuss draft report, finalize first draft and send to company counsel for review and comment;	2.50
08/17/14	JDI	Review of draft Monitor's report and provide comments;	0.60
08/18/14	MS	Review of Monitor's report; Call re: SISP	2.60
08/18/14	RSK	Review of draft monitor's report and related comments from various parties;	0.50

Date		Description	Hours
08/18/14	LCE	Attend on various calls throughout day for purpose of advancing the SISP and to discuss other outstanding issues, including landlord comments on sale guidelines and filing the Monitor's first report; review comments on Monitor's first report and make recommendations to client; assistance throughout day with various landlords; review client comments on Monitor's first report and attached blackline reflecting the comments of CIBC and the company; provide advice regarding same;	2.50
08/19/14	MS	Call re: SISP; Correspondence re: Rent Cheque; Call with Montreal Counsel re: rent cheque; Call with client re: Rent check	1.10
08/19/14	SWA	Receive email from Larry Ellis; serve First Report of the Monitor via email; draft and finalize Affidavit of Service;	0.50
08/19/14	RSK	Office conference with Larry Ellis regarding approval motion and other issues; review of SISP mark-ups; review of served Monitor's report; conference call with all parties regarding finalizing the SISP;	1.60
08/19/14	LCE	Call with Paul Van Eyk to discuss signed court report and outstanding issues, particularly in regards to the SISP; call with Anne-Marie at Carbon Leo (landlord representative) to work through various issues; instructions to Monique to resolve certain outstanding landlord issues; review bank mark up of SISP and consider; review company mark up of SISP and consider; review revised draft order and consider next steps; respond to emails from Bank counsel and company counsel throughout the day regarding the SISP and the draft order; calls with client to discuss fees and activities and revisions to court material; work with client to finalize first report and serve upon service list; work throughout day by taking calls with counsel for landlords and representatives for landlords;	3.70

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Date		Description	Hours
08/20/14	SWA	Additional service of First Report; prepare Affidavit of Service; update e-service list and e-service address list; email updated service lists to Adam Sherman to be posted on the website;	0.50
08/20/14	LCE	Review revised SISP and company comments on circulated blackline; update service list and send to company for review and to use for circulation of SISP (revised version); call to receive instruction on the SISP and to consider next steps for circulation; call to Gilles Benchaya to discuss next steps and other outstanding issues regarding court hearing and sales process; review further mark up of SISP and consult with client for instruction; exchange emails with client throughout evening regarding outstanding issues;	2.80
08/20/14	RSK	Review of emails with counsel for CIBC and BBB regarding various issues; office conference with Larry Ellis regarding final form of SISP and approval motion;	0.80
08/21/14	MS	Correspondence re: Leasing matters	0.50
08/21/14	SWA	Receive email from Larry Ellis; send email to Jim Macdonald regarding service list; update service list and send to Adam Sherman;	0.20
08/21/14	RSK	Review of emails from counsel regarding approval motion (landlord issues);	0.60

Date		Description	Hours
08/21/14	LCE	Review and respond to multiple emails with respect to the SISP, landlord issues, sale guidelines and draft order; calls with client throughout day to consider various issues, including landlord issues, lease issues and shareholder issues; call with company counsel to discuss preparation for motion and status of discussions with various interested parties; review and respond to emails from James Macdonald regarding service list status and content; call with Gilles Benchaya to discuss status of lease disclaimers and process to complete lease disclaimers, among other things; review revisions proposed by Gus Camelino and consider; follow up with client to receive instructions;	3.70
08/22/14	MS	Attending Motion re: SISP and Hilco Agreement	1.50
08/22/14	LCE	Prepare for and attend in Court for hearing to approve SISP, Stay Extension and Consulting Agreement; follow up call with client to obtain instructions on the TD Merchant issue; review revised confidentiality agreement and provide comment to client; calls with company counsel regarding the confidentiality agreement and service list; and	2.60
08/22/14	RSK	Attended hearing to approve SISP/Agency agreement and extend stay; review of correspondence and landlord statement of claim and forwarded same to Monitor; review of emails regarding proposed reserve from TD Merchant Services.	2.20

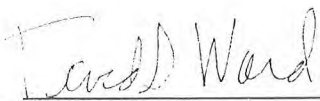
Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	1.00	595.00	595.00
Larry Ellis	18.20	595.00	10,829.00
Monique Sassi	5.70	390.00	2,223.00
Shayne Kukulowicz	13.70	795.00	10,891.50
Stephanie Waugh	1.20	200.00	240.00
			<hr/>
Our Fee			24,778.50
HST on Fees			<hr/> 3,221.21
Total Fees and Tax			27,999.71

Taxable Disbursements

Copies	134.75	
Delivery	12.00	
Binding, Tabs, Disks, etc	35.54	
Delivery	74.40	
Travel	19.69	
Telephone	3.61	
Agency Fees and Disbursements	65.00	
Total Taxable Disbursements		344.99
HST on Disbursements	44.85	
Total Tax on Disbursements		44.85
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Total Disbursements and Tax		389.84
Total Fees, Disbursements & Tax		\$ 28,389.55

This is our account herein
Cassels Brock & Blackwell LLP



FOR **Larry Ellis**

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 09/04/14
Our File #: 047265-00001
Invoice #: 1942905
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 08/29/14

Date		Description	Hours
08/25/14	MS	Responding to creditor call	0.20
08/25/14	SWA	Review of email; update service lists and forward same to Adam Sherman;	0.10
08/25/14	LCE	Review transcript from Court hearing and ensure it is placed on website; review background information in connection with the TD Merchant Services Issue; attend on call to discuss same and follow up by reading case law on point and agreements;	2.30
08/26/14	RSK	Exchanged emails with Larry Ellis regarding status of TD reserve issue; review of TD correspondence;	0.40
08/26/14	LCE	Call with Jane to provide update on outstanding issues; follow up with client regarding TD Merchant and provide information internally;	0.70
08/27/14	MS	Call with creditor leasing company; discussion with J. Dietrich regarding e-service list	0.30
08/27/14	RSK	Review of form of offer to purchase and related emails;	0.70

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
08/27/14	JDI	Review of template offer agreement; Exchange messages with Stuart Brotman;	1.30
08/28/14	MS	Correspondence with creditor re: e-service form	0.10
08/28/14	JDI	Discussion with Adam Sherman regarding draft template offer; discussion with Gilles Bencheya; discussion regarding template offer comments with Stuart Brotman; review of revised template offer and emails regarding same;	2.60
08/28/14	RSK	Review of emails from Richter's et al regarding TD Merchant services reserve issue; and	0.30
08/29/14	JDI	Review of email; discussion with Stuart Brotman; exchange of email regarding store closing list, template offer and participation notice; consider issues regarding NDA comments.	1.00

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	4.90	595.00	2,915.50
Larry Ellis	3.00	595.00	1,785.00
Monique Sassi	0.60	390.00	234.00
Shayne Kukulowicz	1.40	795.00	1,113.00
Stephanie Waugh	0.10	200.00	20.00
Our Fee			6,067.50
HST on Fees			<u>788.78</u>
Total Fees and Tax			6,856.28

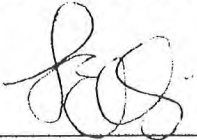
Taxable Disbursements

Copies	0.25	
Telephone	74.63	
Agency Fees and Disbursements	65.00	
Total Taxable Disbursements		139.88
HST on Disbursements	18.18	
Total Tax on Disbursements		18.18

Total Disbursements and Tax	<u>158.06</u>
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Total Fees, Disbursements & Tax	<u>\$ 7,014.34</u>
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This is our account herein
Cassels Brock & Blackwell LLP



Larry Ellis
E&OE



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 09/10/14
Our File #: 047265-00001
Invoice #: 1943396
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 09/05/14

Date		Description	Hours
07/22/14	SKE	Reviewing and verifying search results; emailing S. Abudulai regarding trademark search report;	0.80
08/27/14	LCE	Review and respond to emails from Adam Sherman and Gilles Benchaya regarding the TD Merchant issues;	0.40
08/28/14	LCE	Review correspondence from Margaret and review update with respect to TD Merchant request for cash collateral coverage; call with Adam Sherman to obtain additional information; call with Gilles Benchaya to discuss lease disclaimer process and status of notification from management; review update from client regarding TD Merchant issues;	1.60

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
09/02/14	JDI	Discussion with Gilles Bencheya; review of non-disclosure agreements and discuss comments with Warren Levine; email amended non-disclosure agreement to Warren Levine; additional discussion with Gilles Bencheya; discussion with Larry Ellis; discussion with Stuart Brotman; email exchange with Gilles Bencheya; email exchange with Stuart Brotman;	3.00
09/02/14	RSK	Exchanged emails with Larry Ellis and Jane Dietrich regarding stalking horse process and potential credit bid(s);	0.50
09/02/14	LCE	Review emails from Jane Dietrich regarding notice to secured creditors; call with team to discuss historical position of debtor regarding notice and consider impact to current issues; provide edits on draft language for Jane's review; call with Adam Sherman to receive update;	1.70
09/03/14	JDI	Review of comments on NDA mark-ups and email exchange with Warren Levine; discussion with Shayne Kukulowicz regarding status; discussion with Gilles Bencheya; Further comments on NDA mark ups; discussion with potential purchaser and counsel regarding NDA mark up; discussion with Gilles Bencheya regarding meeting;	2.00
09/03/14	RSK	Office conference with Jane Dietrich regarding discussions with related secured creditors;	0.30
09/04/14	JDI	Discussion with Larry Ellis; discussion with counsel to interested party regarding NDA terms; email to Warren Levine; Discussion with Shayne Kukulowicz; review and comment on additional NDAs; review of draft email from Gilles Benchaya and respond to same; discussion with Gilles Benchaya; status update call with Gilles Benchaya, Adam Sherman, Warren Levine and Shayne Kukulowicz;	2.90

Date		Description	Hours
09/04/14	LCE	Review correspondence regarding proposed SISP amendment and consider same; review emails from David Cohen and Jane Dietrich regarding SISP amendment; update call with Adam Sherman regarding outstanding issues, including TD merchant;	0.50
09/05/14	SWA	Receive email instructions from Jane Dietrich; update e-service lists and forward same to Adam Sherman at Richters;	0.30
09/05/14	JDI	Email regarding extension of sales process offer deadline; review of NDA comments and revisions; review of emails regarding service; draft email to respond to SISP enquiries; and	2.10
09/05/14	LCE	Review letter from John Wolf regarding Bentall Kennedy Landlords being added to the service list; call with client.	0.30

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	10.00	595.00	5,950.00
Larry Ellis	4.50	595.00	2,677.50
Shayne Kukulowicz	0.80	795.00	636.00
Stephanie Waugh	0.30	200.00	60.00
Steven Kennedy	0.80	450.00	360.00
Our Fee			9,683.50
HST on Fees			<u>1,258.86</u>
Total Fees and Tax			10,942.36

Taxable Disbursements

Copies	10.50	
Telephone	4.86	
Total Taxable Disbursements		15.36
HST on Disbursements	2.00	
Total Tax on Disbursements		2.00
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Total Disbursements and Tax		17.36
		<hr/>
Total Fees, Disbursements & Tax		\$ 10,959.72

This is our account herein
Cassels Brock & Blackwell LLP



Larry Ellis
E&OE



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 09/16/14
Our File #: 047265-00001
Invoice #: 1944038
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 09/12/14

Date		Description	Hours
09/04/14	RSK	Conference call with Richters regarding various issues; review of summary prepared by Gilles Benchaya;	1.10
09/05/14	RSK	Review of emails regarding revised SISP deadline; review of draft email to shareholders regarding sale process;	0.30
09/08/14	JDI	Review of email; discussion with Gilles Benchaya; discussion with Heather Meredith (TD counsel);	0.90
09/09/14	JDI	Voicemail to Stuart Brotman; review of appraisal; discussion with Stuart Brotman and Adam Sherman; discussion with Gilles Benchaya; review of draft email and provide comments; review NDA comments and respond to same; voicemail to Heather Meredith;	1.70
09/09/14	RSK	Review of Hilco appraisal and discussed issue of putting it in data room;	0.30

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2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
09/09/14	LCE	Review Hilco appraisal and consider question as to whether the certain documentation should be included in the data room; call with Adam Sherman to receive update;	0.90
09/10/14	JDI	Review of email; draft offer deadline extension notice and email regarding same; discussion with Gilles Benchaya; review of email from Stuart Brotman and draft offer deadline notice; review of lease disclaimers and emails regarding same; discussion with Richard Orzy; discussion with Gilles Benchaya; review and exchange of email;	2.70
09/10/14	RSK	Review of emails regarding access to store names by potential purchasers; review of form of lease disclaimers and related emails;	0.40
09/10/14	LCE	Review notice to extend offer deadline and consider comment; call with Adam Sherman to discuss file and outstanding concerns/issues; review draft disclaimers and comments from CBB and consider additional comment;	0.70
09/11/14	JDI	Discussion with Richard Orzy, Gilles Benchaya and Paul Van Eyk; review of email regarding director liability and respond; email regarding sales notice; review of store lease disclaimer issue; review and exchange of email;	1.70
09/11/14	SWA	Receive instructions from Jane Dietrich; update E-service lists and forward same to Adam Sherman;	0.20
09/11/14	LCE	Review final form of notice; call with Adam Sherman to receive update; review letter from MC - Mica regarding property located at Decarie Blvd and consider email question from Stuart Brotman; follow up with Jane Dietrich regarding outstanding issues, including letter;	0.80
09/12/14	RSK	Review of emails regarding concerns of Bombay, Bowring and Benix about including store names in data room; conference call with Monitor regarding same;	1.10

Date		Description	Hours
09/12/14	JDI	Review of email; discussion with Gilles Benchaya; further review of email; discussion regarding disclosure issues; review of lease disclaimers; email to Stuart Brotman; discussion with Gilles Benchaya; and	3.60
09/12/14	LCE	Review update email from client regarding Benix location and issued cheque; review update on TD issue and proposed solution; call with client to consider same; review correspondence regarding the data room disclosure and possible paths forward.	1.20

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	10.60	595.00	6,307.00
Larry Ellis	3.60	595.00	2,142.00
Shayne Kukulowicz	3.20	795.00	2,544.00
Stephanie Waugh	0.20	200.00	40.00
Our Fee			11,033.00
HST on Fees			1,434.29
Total Fees and Tax			12,467.29

Taxable Disbursements

Telephone	38.92	
Agency Fees and Disbursements	1,925.00	
Total Taxable Disbursements		1,963.92
HST on Disbursements	255.31	
Total Tax on Disbursements		255.31
Total Taxable Disbursements and Tax		2,219.23



-4-

Non-Taxable Disbursements

Travel	125.00	
Meals	111.53	
Minister of Finance	0.60	
Sub-total		237.13

Total Disbursements and Tax

2,456.36

Total Fees, Disbursements & Tax

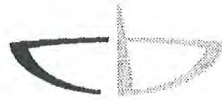
\$ 14,923.65

This is our account herein

Cassels Brock & Blackwell LLP

Larry Ellis
E&OE

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.



CASSELS BROCK
LAWYERS

RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 09/26/14
Our File #: 047265-00001
Invoice #: 1944585
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 09/19/14

Date		Description	Hours
09/14/14	JDI	Discussion with Gilles Benchaya regarding status;	0.40
09/15/14	JDI	Draft response for Gilles Benchaya; voicemail to landlord's counsel; review of forbearance agreement amendment; review of emails regarding sales process and respond; discussion with Larry Ellis; participate in call regarding sales process; participate in follow up call regarding sales process; draft email to Stuart Brotman; email to Stuart Brotman; discussion with Gilles Benchaya;	3.20
09/15/14	SHA	Attended to security search matters;	0.30
09/15/14	RSK	Review of emails regarding store names;	0.40
09/15/14	LCE	Assist throughout day by attending on calls and in meetings to advance amendments to the SISP; review correspondence and provide comment regarding same;	1.10

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Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
09/16/14	JDI	Review of presentation; review of emails; discussion with Shayne Kukulowicz; email exchange regarding liquidation analysis; discussion with Adam Sherman regarding credit card reserve issues; voicemail to Heather Meredith;	1.00
09/16/14	RSK	Review of draft update report for CIBC and got report on meeting from Richters;	0.50
09/16/14	LCE	Review emails from Suhuyini regarding searches and consider impact to opinion, if any;	0.30
09/17/14	JDI	Review of comments on NDA and revisions regarding same; review of updated search results; discussion with Bogdan Teofilovici; discussion with potential purchaser regarding comments on NDA; discussion with Richard Orzy; emails to Monitor; discussion with Gilles Benchaya; voicemail to Fay Sulley; discussion with Stuart Brotman; Exchange of email;	3.30
09/17/14	RSK	Review of emails regarding disclosure of store names and other sale process issues; conference call with Richters regarding same;	0.80
09/17/14	LCE	Review email from Harold Chataway and consider amendment to the FARFA; review emails from team regarding amendment to SISP and provide thoughts to Jane; review correspondence in connection with Duff n Phelps and consider impact;	0.50
09/18/14	SHA	Attended to search matters;	0.20
09/18/14	JDI	Discussion with Stuart Brotman regarding SISP; discussion with Fay Sulley; voicemail to Richard Orzy; discussion with Gills Benchaya; emails regarding status; discussion with Richard Orzy; Exchange of emails;	2.80
09/18/14	RSK	Review of emails regarding sales process;	0.20

Date		Description	Hours
09/18/14	LCE	Email from McCarthy Tetrault lawyer regarding possible buyer interested in the assets; call with counsel to discuss sales process, timing and next steps; review various emails throughout day regarding outstanding issues, including updating the DIP lender; review emails to and from Rick Orzy and consider appropriate response; meeting with Jane to discuss same;	1.10
09/19/14	LCE	Review emails throughout day regarding the SISF and issues in connection therewith; and	0.40
09/19/14	JDI	Email regarding sales process; voicemail for Heather Meredith; discussion with David Cohen; email regarding sales process; review of email regarding leases; exchange of email.	1.10

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	11.80	595.00	7,021.00
Larry Ellis	3.40	595.00	2,023.00
Shayne Kukulowicz	1.90	795.00	1,510.50
Suhuyini Abudulai	0.50	450.00	225.00
Our Fee			10,779.50
HST on Fees			1,401.34
Total Fees and Tax			12,180.84

Taxable Disbursements

Telephone	13.55	
Total Taxable Disbursements		13.55
HST on Disbursements	1.76	
Total Tax on Disbursements		1.76
Total Disbursements and Tax		15.31
Total Fees, Disbursements & Tax		\$ 12,196.15

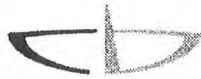


-4-

This is our account herein
Cassels Brock & Blackwell LLP

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

Larry Ellis
E&OE



CASSELS BROCK
LAWYERS

RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 10/06/14
Our File #: 047265-00001
Invoice #: 1944799
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 09/26/14

Date		Description	Hours
09/21/14	JDI	Discussion with Gilles Benchaya and Warren Levine;	0.40
09/22/14	JDI	Email to Stuart Brotman; email regarding status; discussion with Stuart Brotman; email to Gilles Benchaya; draft revisions to SISP and email regarding same; discussion with Heather Meredith and email regarding same; review of email regarding additional NDA and reply regarding same;	2.10
09/22/14	LCE	Review amended SISP and provide comment; review blackline to prior version and consider final comments; review correspondence in connection therewith and consider next steps; discussions with Jane throughout day regarding same;	0.80
09/23/14	JDI	Discussion with Adam Sherman; email exchange regarding possibly amended SISP; exchange of email regarding sales process; return call to Sean Zweig; return call to Fay Sulley; discussion with Gilles Benchaya; exchange of email and brief discussion with Gilles Benchaya regarding outstanding issues;	2.20

Date		Description	Hours
09/24/14	JDI	Review of draft closing balance sheet; email to Gilles Benchaya; voicemail to Sean Zweig; discussion with Sean Zweig; discussion with Gilles Benchaya, Margaret Morrison and Stuart Brotman; discussion regarding tax issues; discussion with Gilles Benchaya; review of email and discussion with Gilles Benchaya; review of draft letter and discussion with Richard Orzy; discussion with Stuart Brotman; Discussion with Fay Sulley;	2.90
09/24/14	LCE	Review current balance sheet data and consider impact to process and overall timeline;	0.30
09/25/14	LCE	Review and consider letter from Rick Orzy regarding reservation of rights and concerns for sales process; meeting with Jane to discuss same; call with Adam Sherman to discuss outstanding issues and update on sales process;	0.60
09/25/14	RSK	Review of spreadsheet on preliminary forecast of balance sheet on closing; review of correspondence from counsel for Isaac Bennet Sales regarding sale process;	0.50
09/25/14	JDI	Review of letter from Rick Orzy and email regarding same; and	0.10
09/26/14	JDI	Review of email regarding NDA and speak to counsel for potential purchaser; review of email and respond; participate in telephone conference with Richter.	0.90

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	8.60	595.00	5,117.00
Larry Ellis	1.70	595.00	1,011.50
Shayne Kukulowicz	0.50	795.00	397.50

Our Fee	6,526.00
HST on Fees	<u>848.38</u>
Total Fees and Tax	7,374.38


Taxable Disbursements

Telephone	21.72	
Agency Fees and Disbursements	<u>478.00</u>	
Total Taxable Disbursements		499.72
HST on Disbursements	<u>64.96</u>	
Total Tax on Disbursements		64.96
Total Taxable Disbursements and Tax		<u>564.68</u>

Non-Taxable Disbursements

Agency Fees and Disbursements	<u>22.00</u>	
Sub-total		22.00
Total Disbursements and Tax		<u>586.68</u>
Total Fees, Disbursements & Tax		<u>\$ 7,961.06</u>

This is our account herein
Cassels Brock & Blackwell LLP



Larry Ellis
E&OE



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 10/14/14
Our File #: 047265-00001
Invoice #: 1945658
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 10/03/14

Date		Description	Hours
09/28/14	JDI	Respond to email from Gilles Benchaya; telephone discussion with Gilles Benchaya; telephone discussion with Gilles Benchaya and Fred Benitah; email to Fay Sulley;	0.50
09/29/14	JDI	Review of offer; discussion with Gilles Benchaya; discussion with Richard Orzy; review of emails regarding lease repudiations; email exchange with potential purchaser;	2.00
09/29/14	RSK	Review of offer from Fluid Brands and discussed same with Jane Dietrich;	0.30
09/29/14	LCE	Review offer to purchase and correspondence from client regarding same; review correspondence from counsel for employee with respect to employee issue and consider appropriate response;	1.40
09/30/14	JDI	Review of emails; discussion with Adam Sherman; further emails to Stuart Brotman;	0.40

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Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
09/30/14	LCE	Review email from Company CFO and consider; review emails from client and Jane Dietrich regarding same; review draft response and consider comment;	0.40
10/01/14	JDI	Discussion with Adam Sherman; Warren Levine and Gilles Benchaya regarding offer and next steps; discussion with Stuart Brotman and Adam Sherman; discussion with Fay Sulley regarding offer clarification;	1.50
10/01/14	LCE	Review email from Adam Sherman and Stuart Brotman and note comment from Margaret regarding communication;	0.40
10/02/14	MS	Drafting Notice of Motion and Approval and Vesting order.	1.70
10/02/14	JDI	Email exchange with Adam Sherman; discussion with David Cohen; instructions to Monique Sassi; discussion with Adam Sherman and emails regarding court time;	0.50
10/03/14	MS	Drafting Notice of Motion and Approval and Vesting Order.	1.90
10/03/14	JDI	Discussion with Adam Sherman and Gilles Benchaya; review of summary; review of emails; and	0.90
10/03/14	LCE	Review email from Adam Sherman and note summary of bids; review offers to purchase assets from bidding parties; review communication from counsel for the DIP lender and consider next steps.	1.20

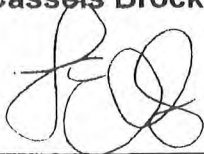
Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	5.80	595.00	3,451.00
Larry Ellis	3.40	595.00	2,023.00
Monique Sassi	3.60	390.00	1,404.00
Shayne Kukulowicz	0.30	795.00	238.50
Our Fee			7,116.50
HST on Fees			925.15
Total Fees and Tax			8,041.65

Taxable Disbursements

Copies	16.00	
Travel	26.55	
Total Taxable Disbursements		42.55
HST on Disbursements	5.53	
Total Tax on Disbursements		5.53
Total Disbursements and Tax		48.08
Total Fees, Disbursements & Tax		\$ 8,089.73

This is our account herein
Cassels Brock & Blackwell LLP



Larry Ellis
E&OE



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 10/16/14
Our File #: 047265-00001
Invoice #: 1945932
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 10/10/14

Date		Description	Hours
10/06/14	MS	Drafting Notice of Motion and Draft Order.	1.30
10/06/14	LCE	Review communication from DIP lender and from client regarding review of bids;	0.40
10/07/14	MS	Drafting Notice of Motion and Draft order; drafting Articles of Reorganization.	4.20
10/07/14	KA	Emails M. Sassi regarding articles of reorganization; review OBCA and form and determine requirements; review articles drafted by E. Lau and provide comments;	0.50
10/07/14	JDI	Discussion with Monique Sassi regarding court material; review of revised sale agreement; discussion with Adam Sherman and Gilles Benchaya;	2.80
10/07/14	LCE	Review revised offer to purchase and have discussion with client regarding same;	0.40

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
10/07/14	EAL	Receiving and reviewing various emails from Kathy Anderson and Monique Sassi, reviewing corporate searches, preparing articles of reorganization of each of Bombay & Co. Inc., Benix & Co. Inc. and Bowring & Co. Inc.; preparing emails to Kathy Anderson and Monique Sassi and other related preparations and communications;	0.80
10/08/14	LCE	Review notice of stay of proceeding issued by client; .	0.20
10/08/14	MS	Drafting Court materials for motion.	1.40
10/08/14	JDI	Revisions to sale agreement; email regarding SISP amendment;	1.70
10/09/14	JDI	Review of emails from David Cohen; review of credit documents and amend offer language; discussion with Gilles Benchaya; emails regarding draft agreement of sale; conversation with Jeff Simpson;	1.30
10/09/14	LCE	Review Notice of Stay of Proceedings and provide to Jane Dietrich for consideration;	0.20
10/10/14	SWA	Receive request for electronic service; update service lists and forward same to Adam Sherman;	0.20
10/10/14	LCE	Review and respond to correspondence from client regarding Notice of Stay of Proceedings; update from Jane Dietrich regarding status of sales agreement; and	0.40
10/10/14	JDI	Discussion with Adam Sherman; discussion with Shayne Kukulowicz; discussion with Sean Zweig and Adam Sherman.	1.00

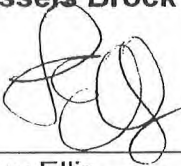
Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Eva Lau	0.80	300.00	240.00
Jane Dietrich	6.80	595.00	4,046.00
Katherine Anderson	0.50	370.00	185.00
Larry Ellis	1.60	595.00	952.00
Monique Sassi	6.90	390.00	2,691.00
Stephanie Waugh	0.20	200.00	40.00
			<hr/>
Our Fee			8,154.00
HST on Fees			<hr/> 1,060.02
Total Fees and Tax			9,214.02

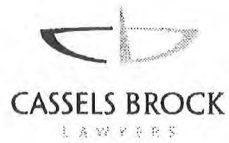
Taxable Disbursements

Copies	3.75	
Total Taxable Disbursements		3.75
HST on Disbursements	.49	
Total Tax on Disbursements		0.49
		<hr/>
Total Disbursements and Tax		4.24
		<hr/>
Total Fees, Disbursements & Tax		\$ 9,218.26

This is our account herein
Cassels Brock & Blackwell LLP



Larry Ellis
E&OE



-4-

Outstanding Invoice Summary

<u>Invoice No.</u>	<u>Date</u>	<u>Amount</u>
1944585	Sep. 26, 2014	12,196.15
1945658	Oct. 14, 2014	8,089.73
Total Outstanding Invoices		20,285.88

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 10/22/14
Our File #: 047265-00001
Invoice #: 1946404
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 10/17/14

Date		Description	Hours
10/14/14	JDI	Email exchange regarding status of agreement of purchase and sale; email regarding SISP deadline; review of draft monitor's report and provide comments on same; discussion with Sean Zweig; discussion with Fay Sulley; discussion with Adam Sherman; Review of revised draft report;	2.90
10/14/14	MS	Revisions to Court Materials.	3.80
10/15/14	SWA	Work on motion record; gather appendices for report; revise motion materials; draft affidavit of service and service materials; update service list; work on electronic version of motion record;	2.30

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
10/15/14	JDI	Incorporate comments received into draft motion material; amend draft agreement of purchase and sale; discussion with Adam Sherman and Gilles Benchaya; discussion with Fay Sulley, Jeff Simpson and Adam Sherman; discussion with CIBC's counsel; review of monitor's report and provide additional comments; discussion regarding lease repudiate and fixture issue; preparation for service of motion record; discussion with Sean Zweig;	6.50
10/15/14	MS	Review of Court Materials	0.20
10/15/14	LCE	Review draft report and consider comments;	1.00
10/16/14	JDI	Review of emails from Fay Sulley; discussion with Adam Sherman; exchange of email regarding status of agreement of sale and motion materials; discussion with Sean Zweig; discussion with Sean Zweig and Adam Sherman; discussion with David Cohen and email to same regarding SISP amendment; discussions with Fay Sulley and Sean Zweig regarding SISP amendment;	2.70
10/16/14	RSK	Office conference with Jane Dietrich regarding status and review of emails regarding extension of SISP timelines;	0.40
10/17/14	JDI	Review of 'extension agreement' and voicemail regarding same to Adam Sherman; email regarding court time; review of email from Stuart Brotman; discussion with Richard Orzy; discussion with Adam Sherman; voicemail to Stuart Brotman;	1.10

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	13.20	595.00	7,854.00
Larry Ellis	1.00	595.00	595.00
Monique Sassi	4.00	390.00	1,560.00
Shayne Kukulowicz	0.40	795.00	318.00
Stephanie Waugh	2.30	200.00	460.00
			<hr/>
Our Fee			10,787.00
HST on Fees			<u>1,402.31</u>
Total Fees and Tax			12,189.31

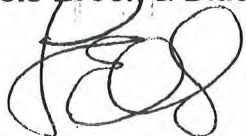
Taxable Disbursements

Copies	14.25	
Travel	265.48	
Telephone	14.52	
Total Taxable Disbursements	<hr/>	294.25
HST on Disbursements	<u>38.25</u>	
Total Tax on Disbursements		38.25
		<hr/>
Total Taxable Disbursements and Tax		332.50

Non-Taxable Disbursements

Travel	85.00	
Sub-total	<hr/>	85.00
Total Disbursements and Tax		<u>417.50</u>
Total Fees, Disbursements & Tax		<u>\$ 12,606.81</u>

This is our account herein
Cassels Brock & Blackwell LLP



 Larry Ellis

Outstanding Invoice Summary

<u>Invoice No.</u>	<u>Date</u>	<u>Amount</u>
1944585	Sep. 26, 2014	12,196.15
1945932	Oct. 17, 2014	9,218.26
Total Outstanding Invoices		21,414.41



CASSELS BROCK
LAWYERS

RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 11/10/14
Our File #: 047265-00001
Invoice #: 1947239
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 10/31/14

Date		Description	Hours
10/16/14	LCE	Review SISP timeline amendment and consider; review email correspondence from Jane and consider;	0.30
10/17/14	LCE	Review email from Jane setting out court material required for upcoming hearing and agree to assist;	0.30
10/20/14	JDI	Discussion with Richard Orzy; discussion with Adam Sherman; further discussion with Richard Orzy; discussion with Fay Sulley; discussion with Gilles Benchaya and Adam Sherman;	2.20
10/21/14	JDI	Discussion with Stuart Brotman; exchange of emails regarding status call; discussion with Adam Sherman; review of notice of motion and draft order and amendments to same; email draft motion material;	1.10
10/22/14	KA	Email M. Sassi, revise articles of reorganization and send to M. Sassi;	0.30

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Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
10/22/14	MS	Call with working group to discuss timelines and closing dates; call with Bennett Jones for their comments on the court materials; revisions to the Court Materials;	1.80
10/22/14	JDI	Participate in status call regarding transaction;	0.70
10/23/14	JDI	Discussion regarding comments on approval and vesting order; discussion regarding status; discussions regarding service list with Fay Sully and Alex MacFarlane; discussion with Rick Orzy and Sean Zweig; Discussion with Adam Sherman;	2.20
10/23/14	MS	Call re: Service list; correspondence and reL	1.50
10/23/14	LCE	Review revised court material and consider outstanding issues and timing for filing; review draft court order and consider outstanding issues; review emails from Harold Chataway and his attached revisions to material; meeting with Jane Dietrich to receive update regarding file and to discuss filing of material on Monday;	1.50
10/24/14	MS	Call with working group to discuss progress and court date; Call with Gowlings to discuss changes to Approval and Vesting Order; revisions to court materials;	1.00
10/24/14	SWA	Received Request for Electronic Service from Heather Meredith; update service list accordingly; email service list to Adam Sherman to be posted on the website;	0.20
10/24/14	JDI	Participate in status update call; deal with SISP amendment; arrange for court time to be vacated;	1.30
10/24/14	LCE	Attend on call to receive update and to determine timing and next steps for completing sale; meeting with Jane and Monique to debrief and determine path forward;	1.10
10/27/14	JDI	Exchange of email;	0.20
10/27/14	LCE	Review email from Dylan regarding Morguard and consider response;	0.20

Date		Description	Hours
10/28/14	JDI	Email to David Cohen; discussion with Adam Sherman; participate in status update call; follow up call with Adam Sherman;	1.30
10/28/14	MS	Call with Working Group to discuss Court date and progress of transaction;	0.80
10/29/14	JDI	Email exchange regarding status;	0.40
10/30/14	JDI	Discussion with Gilles Benchaya; email regarding status and court time; email regarding court time; discussion with Alex MacFarlane; arrange for service list to be updated; discussion with Fay Sulley; discussion with Adam Sherman; discussion with Stuart Brotman and Adam Sherman; review of letter;	2.80
10/31/14	JDI	Review of requested lease amendments; review of correspondence to Landlords; discussion with David Cohen; discussion with Alex MacFarlane; discussion with Adam Sherman; Discussion with Adam Sherman and Fay Sulley; discussion with Larry Ellis; discussion with Stuart Brotman and Adam Sherman;	2.40
10/31/14	MS	Correspondence re: Status update call; and	0.20
10/31/14	LCE	Review letter being sent to landlords and consider possible issues for client and restructuring overall.	0.20

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	14.60	595.00	8,687.00
Katherine Anderson	0.30	370.00	111.00
Larry Ellis	3.60	595.00	2,142.00
Monique Sassi	5.30	390.00	2,067.00
Stephanie Waugh	0.20	200.00	40.00
Our Fee			13,047.00
HST on Fees			1,696.11
Total Fees and Tax			14,743.11

Taxable Disbursements

Copies	27.00	
Telephone	20.24	
Telephone	5.53	
Total Taxable Disbursements		52.77
HST on Disbursements	6.86	
Total Tax on Disbursements		6.86
Total Disbursements and Tax		59.63
Total Fees, Disbursements & Tax		\$ 14,802.74

This is our account herein
Cassels Brock & Blackwell LLP



Larry Ellis
E&OE



RICHTER ADVISORY GROUP INC.
ATTN: PAUL VAN EYK
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 11/19/14
Our File #: 047265-00001
Invoice #: 1948603
HST/GST #: R121379572

Re: Security Review

TO PROFESSIONAL SERVICES RENDERED up to and including 11/14/14

Date		Description	Hours
10/06/14	JDI	Discussion with Fay Sulley; discussion with Richard Orzy; email to Adam Sherman and Gilles Benchaya; review of draft notice of motion and order and provide comments on same; discussion with Monitor and CIBC regarding sales process; discussion with Fay Sulley and David Cohen; discussion with Adam Sherman;	3.20
11/03/14	JDI	Discussion with Adam Sherman; email to Fay Sulley and Stuart Brotman; discussion with Fay Sulley and email to Adam Sherman;	0.50
11/05/14	JDI	Discussion with Adam Sherman; voicemail for Fay Sulley and Harold Chataway; email to Stuart Brotman; discussion with Stuart Brotman; discussion with Harold Chataway; discussion with Adam Sherman; voicemail to Stuart Brotman; discussions with Fay Sulley;	1.70

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Cassels Brock & Blackwell LLP

2100, Scotia Plaza, 40 King Street West, Toronto, Canada M5H 3C2
Tel: 416.869.5300 Fax: 416.360.8877 www.casselsbrock.com

Date		Description	Hours
11/06/14	JDI	Review of revised letter from Stuart Brotman; review of voicemail from Adam Sherman; discussion with Stuart Brotman; review of draft lease assignment and mark up same; email request for status update call; discussion with Gilles Benchaya; discussion with Sean Sweig; emails regarding court time; review of comments from CIBC on lease assignment document; discussion with Stuart Brotman and Adam Sherman regarding comments on lease assignment; review of revised assignment and emails regarding same;	2.00
11/07/14	MS	Call with working group about status of closing;	1.20
11/07/14	JDI	Review of revised lease assignments; discussion with Alex MacFarlane and Harold Chataway; discussion with Adam Sherman;	2.10
11/09/14	JDI	Review of voicemail from Rick Orzy and email to Adam Sherman and Gilles Benchaya; respond to Rick Orzy; review of email;	0.20
11/10/14	MS	Drafting fee affidavit; Call with working group to discuss closing and court materials; Correspondence re: update call and circulation of draft court materials;	2.30
11/10/14	JDI	Draft response to Rick Orzy and send to Adam Sherman and Gilles Benchaya for review; discussion with Gilles Benchaya; email to Rick Orzy; email to Harold Chataway; discussion with Sean Zweig; review of credit agreement terms; participate in status update call; exchange of voicemail with Stuart Brotman; review of email regarding lease amendments;	2.80
11/11/14	MS	Meeting to discuss lease amendments; review of lease documents;	0.80
11/11/14	RSK	Office conference with Jane Dietrich regarding status of credit bid transaction and lease assignment issues;	0.40

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Date		Description	Hours
11/11/14	JDI	Email regarding credit agreement terms; review of voicemail from Stuart Brotman and return call; discussion with Gilles Benchaya; discussion with Monique Sassi; discussion with Stuart Brotman regarding outstanding matters; emails regarding discussion with IBSA; discussion with Shayne Kukulowicz regarding strategy;	2.50
11/12/14	MS	Call with Richter to discuss leases; review of lease documentation; correspondence re: lease discussion and update call;	4.30
11/12/14	JDI	Review of lease summary sheet and weekly reporting; Discussion with Gilles Benchaya and Monique Sassi regarding lease summary; review of revised lease summary and discussion with Jason Parravano; exchange emails regarding status update calls;	1.90
11/13/14	MS	Review of lease documentations; Call with Purchaser's counsel and Company counsel to discuss outstanding lease matters; correspondence re: scheduling update call;	2.20
11/13/14	JDI	Participate in status update call regarding lease assignment chart; discussion with Harold Chataway; discussion with Adam Sherman;	1.30
11/14/14	JDI	Discussion with Gilles Benchaya and Warren Levine; exchange of email; participate in update call regarding model; participate in general status update call; discussion with Stuart Brotman; and	2.60
11/14/14	MS	Call with working group to discuss business model.	1.30

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.


Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	20.80	595.00	12,376.00
Monique Sassi	12.10	390.00	4,719.00
Shayne Kukulowicz	0.40	795.00	318.00
			<hr/>
Our Fee			17,413.00
HST on Fees			<hr/> 2,263.69
Total Fees and Tax			19,676.69

Taxable Disbursements

Copies	53.00	
Binding, Tabs, Disks, etc	39.48	
Telephone	11.06	
Total Taxable Disbursements	<hr/>	103.54
HST on Disbursements	13.46	
Total Tax on Disbursements	<hr/>	13.46
Total Disbursements and Tax		<hr/> 117.00
Total Fees, Disbursements & Tax		<u>\$ 19,793.69</u>

This is our account herein
Cassels Brock & Blackwell LLP



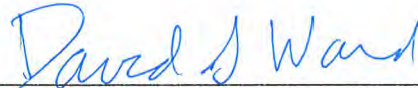
 Larry Ellis
 E&OE

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

EXHIBIT "B"

Summary of Lawyers Services

This is Exhibit "B" referred to in the Affidavit of
LARRY ELLIS sworn before me in the City of Toronto,
in the Province of Ontario this 20th day of November,
2014



Commissioner for Taking Affidavits (or as may be)

EXHIBIT "B"
Summary of Lawyers Services per Invoice Issued

Invoice No. 1940685 (for the period from July 4, 2014 – July 25, 2014)

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
N/A	Alexandra Scott	370.00	888.00	2.40
1984	Bogdan Teofilovici	795.00	6,360.00	8.00
N/A	Brittany Finn	125.00	1,775.00	14.20
1997	Charles Newman	700.00	140.00	0.20
2004	Jane Dietrich	595.00	1,368.50	2.30
2004	Larry Ellis	595.00	5,474.00	9.20
2005	Peter Sullivan	585.00	292.50	0.50
1990	Shayne Kukulowicz	795.00	3,100.50	3.90
2009	Steven Kennedy	450.00	180.00	0.40
2009	Suhuyini Abudulai	450.00	10,845.00	24.10
		Total:	\$30,423.50	65.20

Invoice No. 1940971 (for the period from July 28, 2014 – August 1, 2014)

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
N/A	Alexandra Scott	370.00	148.00	0.40
1984	Bogdan Teofilovici	795.00	20,670.00	26.00
N/A	Brittany Finn	125.00	1,037.50	8.30
2000	David Budd	750.00	3,450.00	4.60
2004	Jane Dietrich	595.00	6,188.00	10.40
2004	Larry Ellis	595.00	5,890.50	9.90
2005	Peter Sullivan	585.00	526.50	0.90
1990	Shayne Kukulowicz	795.00	8,188.50	10.30
2009	Suhuyini Abudulai	450.00	8,640.00	19.20
		Total:	\$54,739.00	90.00

Invoice No. 1941216 for the period from August 2, 2014 – August 8, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1984	Bogdan Teofilovici	795.00	9,540.00	12.00
N/A	Brittany Finn	125.00	587.50	4.70
1997	Charles Newman	700.00	210.00	0.30
2000	David Budd	750.00	600.00	0.80
2004	Jane Dietrich	595.00	12,138.00	20.40
2004	Larry Ellis	595.00	10,531.50	17.70
2005	Peter Sullivan	585.00	877.50	1.50
1990	Shayne Kukulowicz	795.00	1,987.50	2.50
2009	Suhuyini Abudulai	450.00	10,620.00	23.60
		Total	\$47,092.00	83.50

Invoice No. 1942321 (for the period from August 9, 2014 – August 15, 2014)

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1984	Bogdan Teofilovici	795.00	1,192.50	1.50
2000	David Budd	750.00	600.00	0.80
2004	Jane Dietrich	595.00	4,403.00	7.40
2004	Larry Ellis	595.00	10,888.00	18.30
2009	Suhuyini Abudulai	450.00	675.00	1.50
2013	Monique Sassi	390.00	1,755.00	4.50
		Total:	\$19,514.00	34.00

Invoice No. 1942698 (for the period ending August 22, 2014)

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1990	Shayne Kukulowicz	795.00	10,891.50	13.70
2004	Jane Dietrich	595.00	595.00	1.00
2004	Larry Ellis	595.00	10,829.00	18.20
2013	Monique Sassi	390.00	2,223.00	5.70
N/A	Stephanie Waugh	200.00	240.00	1.20
		Total:	\$24,778.50	39.80

Invoice No. 1942905 for the period from August 23, 2014 – August 29, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1990	Shayne Kukulowicz	795.00	1,113.00	1.40
2004	Jane Dietrich	595.00	2,915.50	4.90
2004	Larry Ellis	595.00	1,785.00	3.00
2013	Monique Sassi	390.00	234.00	0.60
N/A	Stephanie Waugh	200.00	20.00	0.10
		Total:	\$6,067.50	10.00

Invoice No. 1943396 for the period ending September 5, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1990	Shayne Kukulowicz	795.00	636.00	0.80
2004	Jane Dietrich	595.00	5,950.00	10.00
2004	Larry Ellis	595.00	2,677.50	4.50
2009	Steven Kennedy	450.00	360.00	0.80
N/A	Stephanie Waugh	200.00	60.00	0.30
		Total:	\$9,683.50	16.40

Invoice No. 1944038 for the period ending September 12, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1990	Shayne Kukulowicz	795.00	2,544.00	3.20
2004	Jane Dietrich	595.00	6,307.00	10.60
2004	Larry Ellis	595.00	2,142.00	3.60
N/A	Stephanie Waugh	200.00	40.00	0.20
		Total:	\$11,033.00	17.60

Invoice No. 1944585 for the period from September 13 - September 19, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1990	Shayne Kukulowicz	795.00	1,510.50	1.90
2004	Jane Dietrich	595.00	7,021.00	11.80
2004	Larry Ellis	595.00	2,023.00	3.40
2009	Suhuyini Abudulai	450.00	225.00	0.50
		Total:	\$10,779.50	17.60

Invoice No. 1944799 for the period from September 20 - September 26, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1990	Shayne Kukulowicz	795.00	397.50	0.50
2004	Jane Dietrich	595.00	5,117.00	8.60
2004	Larry Ellis	595.00	1,011.50	1.70
		Total:	\$6,526.00	10.80

Invoice No. 1945858 for the period from September 27 – October 3, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1990	Shayne Kukulowicz	795.00	238.50	0.30
2004	Jane Dietrich	595.00	3,451.00	5.80
2004	Larry Ellis	595.00	2,023.00	3.40
2013	Monique Sassi	390.00	1,404.00	3.60
		Total:	\$7,116.50	13.10

Invoice No. 1945932 for the period from October 4, 2014 – October 10, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
2004	Jane Dietrich	595.00	4,046.00	6.80
2004	Larry Ellis	595.00	952.00	1.60
2013	Monique Sassi	390.00	2,691.00	6.90
N/A	Katherine Anderson	370.00	185.00	0.50
N/A	Eva Lau	300.00	240.00	0.80
N/A	Stephanie Waugh	200.00	40.00	0.20
		Total:	\$8,154.00	16.80

Invoice No. 1946404 for the period from October 11, 2014 – October 17, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1990	Shayne Kukulowicz	795.00	318.00	0.40
2004	Jane Dietrich	595.00	7,854.00	13.20
2004	Larry Ellis	595.00	595.00	1.00
2013	Monique Sassi	390.00	1,560.00	4.00
N/A	Stephanie Waugh	200.00	460.00	2.30
		Total:	\$10,787.00	20.90

Invoice No. 1947239 ending October 31, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
2004	Jane Dietrich	595.00	8,687.00	14.60
2004	Larry Ellis	595.00	2,142.00	3.60
2013	Monique Sassi	390.00	2,067.00	5.30
N/A	Katherine Anderson	370.00	111.00	0.30
N/A	Stephanie Waugh	200.00	40.00	0.20
		Total:	\$13,047.00	24.00

Invoice No. 1948603 ending November 14, 2014

<u>Year of Call</u>	<u>Lawyer</u>	<u>Rate</u>	<u>Fees Billed</u>	<u>Hours Worked</u>
1990	Shayne Kukulowicz	795.00	318.00	0.40
2004	Jane Dietrich	595.00	12,376.00	20.80
2013	Monique Sassi	390.00	4,719.00	12.10
		Total:	\$17,413.00	33.30

Exhibit "C"
Calculation of Average Hourly Billing Rates of
Cassels Brock & Blackwell LLP
for the period August 9, 2014 to November 14, 2014

This is Exhibit "C" referred to in the Affidavit of
LARRY ELLIS sworn before me in the City of Toronto, in the
Province of Ontario this 20th day of November, 2014



Commissioner for Taking Affidavits (or as may be)

EXHIBIT "C"
Calculation of Average Hourly Billing Rates of
Cassels Brock & Blackwell LLP
for the period August 9, 2014, to November 14, 2014

Invoice No./ Period	Fees (\$)	Disbursements (\$)	HST (\$)	Total Fees, Disbursement s and HST (\$)	Hours Billed	Average Billed Rate (\$)
1940685 (July 4 – July 25, 2014)	30,423.50	2,735.00	4,268.10	37,426.60	65.20	466.62
1940971 (July 28 to August 1, 2014)	54,739.00	157.38	7,136.53	62,032.91	90.00	608.21
1941216 (August 2 to August 8, 2014)	47,092.00	303.11	6,161.36	53,556.47	83.50	563.98
1942321 (August 9 to August 15, 2014)	19,514.00	567.09	2,608.07	22,689.16	34.00	573.94
1942698 (ending August 22, 2014)	24,778.50	344.99	3,266.06	28,389.55	39.80	622.58
1942905 (August 23 to August 29, 2014)	6,067.50	139.88	806.96	7,014.34	10.00	606.75
1943396 (ending September 5, 2014)	9,683.50	15.36	1,260.86	10,959.72	16.40	590.46

1944038 (ending September 12, 2014)	11,033.00	2,201.05	1,689.60	14,923.65	17.60	626.88
1944585 (September 13 to September 19, 2014)	10,779.50	13.55	1,403.10	12,196.15	17.60	612.47
1944799 (September 20 to September 26, 2014)	6,526.00	521.72	913.34	7,961.06	10.80	604.26
1945858 (September 27 to October 3, 2014)	7,116.50	42.55	930.68	8,089.73	13.10	543.24
1945932 (October 4 to October 10, 2014)	8,154.00	3.75	1,060.51	9,218.26	16.80	485.36
1946404 (October 11 to October 17, 2014)	10,787.00	379.25	1,440.56	12,606.81	20.90	516.12
1947239 (ending October 31, 2014)	13,047.00	52.77	1,702.97	14,802.74	24.00	543.63
1948603 (ending November 14, 2014)	17,413.00	103.54	2,277.15	19,793.69	33.30	522.91
Total:	\$277,154	\$7,528.22	\$36,925.85	\$321,608.07	493.00	\$562.17

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 AND ARRANGEMENT INVOLVING BOMBAY & CO. INC., BOWRING & CO.
INC. AND BENIX & CO. INC.

ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) PROCEEDING COMMENCED AT TORONTO	
FEE AFFIDAVIT OF LARRY ELLIS (SWORN NOVEMBER 20, 2014)	
CASSELS BROCK & BLACKWELL LLP 2100 Scotia Plaza 40 King Street West Toronto, ON M5H 3C2 SHAYNE KUKULOWICZ LSUC #:30729S Tel: 416.860.6463 Fax: 416.640.3176 skukulowicz@casselsbrock.com JANE DIETRICH LSUC #:49302U Tel: 416.860.5223 Fax: 416.640.3144 jdietrich@casselsbrock.com LARRY ELLIS LSUC #49313K Tel: 416.869.5406 Fax: 416.640.3004 lellis@casselsbrock.com	<i>Lawyers for Richter Advisory Group Inc., in its Capacity as Monitor</i>

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 AND ARRANGEMENT INVOLVING BOMBAY & CO. INC. , BOWRING & CO.
INC. AND BENIX & CO. INC.

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

PROCEEDING COMMENCED AT
TORONTO

**SECOND REPORT OF RICHTER ADVISORY
GROUP INC., IN ITS CAPACITY AS MONITOR OF
BOMBAY & CO. INC., BOWRING & CO. INC. AND
BENIX & CO. INC.**

CASSELS BROCK & BLACKWELL LLP

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Capacity as Monitor*