

SUPERIOR COURT

(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. 500-11-047847-146

DATE: December 18, 2014

PRESIDING : THE HONOURABLE JUSTICE LOUIS GOUIN, J.S.C.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF:

MEXX CANADA COMPANY

Debtor/Petitioner

-and-

RICHTER ADVISORY GROUP INC.

Trustee

ORDER

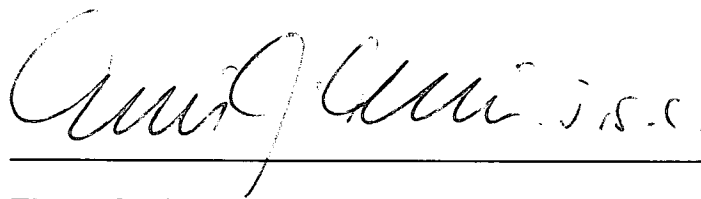
(Section 183(1.1) of the *Bankruptcy and Insolvency Act*, R.C.S. 1985 c. B-3 and
sections 2, 20 and 46 of the *Code of Civil Procedure*, R.S.Q., c. C-25)

- [1] **ON READING** the Debtor's Motion Seeking Authorization to Enter into an Agreement for the Liquidation of the Debtor's Inventory (the "**Motion**") pursuant to Section 183(1.1) of the *Bankruptcy and Insolvency Act* (the "**BIA**") and sections 2, 20 and 46 of the *Code of Civil Procedure* (the "**CCP**"), the affidavit and the exhibits in support thereof;

WHEREFORE THE COURT:

- [1] **GRANTS** the Motion;
- [2] **AUTHORIZES** the Debtor MEXX Canada Company ("**MCC**") to accept and execute the Consulting Agreement with Merchant Retail Solutions ULC and Gordon Brothers Canada ULC (collectively, the "**Consultant**") filed under seal as Exhibit R-3 (the "**Consulting Agreement**"), subject to any modifications agreed upon between the parties which do not substantially alter the terms of said agreement, and subject to the Trustee's approval, and **DECLARES** that MCC and the Consultant are bound by the Consulting Agreement;
- [3] **DECLARES** that the Consultant and MCC are entitled, allowed and hereby authorized to carry the sales, the business and other matters described in Exhibit R-3;
- [4] **ORDERS AND DECLARES** that MCC and the Consultant, pursuant to the terms of the Consulting Agreement, are authorized to sell the Merchandise and FF&E (as such terms are defined in the Consulting Agreement and collectively the "**Assets**") in accordance with the terms and conditions of the Consulting Agreement and, once sold, the Assets shall be deemed free and clear of and from any and all claims, liabilities (direct, indirect, absolute or contingent), obligations, prior claims, right of retention, charges, hypothecs, deemed trusts, judgments, writs of seizure or execution, notices of sale, contractual rights, encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**");
- [5] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the sale proceeds from the sale of the Assets shall stand in the place and stead of the Assets, and that all Encumbrances shall attach to the proceeds with the same priority as they had with respect to the Assets immediately prior to the sale, as if the Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale;
- [6] **ORDERS** that nothing in the Consulting Agreement shall deem the Consultant to be an employer, or joint or successor employer or a related or common employer or payor within the meaning of any legislation governing employment or labour standards or pension benefits or health and safety or any other statute, regulation, or rule of law or equity for any purpose whatsoever, and, further, that the Consultant shall be deemed not to be an owner or in possession, care, control or management of MCC or its property whether pursuant to any legislation enacted for the protection of the environment, the regulations thereunder or any other statute, regulation or rule of law or equity under any federal, provincial or other jurisdiction for any purpose whatsoever.

- [7] **ORDERS** the provisional execution of this Order notwithstanding appeal;
- [8] **DECLARES** that the Exhibit R-3 is confidential and **ORDERS** that it shall be kept under seal;
- [9] **THE WHOLE** without costs.

A handwritten signature in cursive script, appearing to read 'Louis Guin J.S.C.', is written above a horizontal line.

THE HONOURABLE LOUIS GOUIN, J.S.C.