



Court File No. CV-25-00734339-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE

)

TUESDAY, THE 4TH

)

JUSTICE CAVANAGH

)

DAY OF FEBRUARY 2025

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 COMARK HOLDINGS INC.,
BOOTLEGGER CLOTHING INC., CLEO FASHIONS INC.
AND RICKI'S FASHIONS INC.

APPROVAL AND VESTING AND DIP ASSIGNMENT ORDER

THIS MOTION, made by Comark Holdings Inc. ("**Comark**"), Bootlegger Clothing Inc., cleo fashions Inc. and Ricki's Fashions Inc. (collectively, the "**Applicants**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia*, (i) approving the Asset Purchase Agreement dated February 3, 2025 (including the exhibits and schedules attached thereto, the "**Purchase Agreement**") between cleo fashions Inc. ("**cleo**") and Ricki's Fashions Inc. ("**Ricki's**"), as vendors (together with cleo, collectively the "**Vendors**" and each a "**Vendor**"), and 1001110197 Ontario Inc. (the "**Purchaser**"), as purchaser, a copy of which is attached as Schedule "A" hereto, and the transactions contemplated therein (collectively, the "**Transactions**"), (ii) transferring to and vesting in the Purchaser all of the applicable Vendor's right, title and interest in and to the Purchased Assets (as defined in the Purchase Agreement) free and clear of all Claims and Encumbrances (each as defined below) other than Assumed Liabilities and Permitted Encumbrances (each as defined in the Purchase

Agreement), (iii) approving an assignment of the rights and obligations of the DIP Lender under the DIP Term Sheet from Canadian Imperial Bank of Commerce (“**CIBC**”) to 9383921 Canada Inc. (“**938 Canada**”), (iv) assigning the Assumed Leases (as defined below) to the Purchaser pursuant to section 11.3 of the CCAA, and (v) granting related relief, was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Applicants, the affidavit of Shamsh Kassam sworn January 30, 2025, and the exhibits attached thereto (the “**Third Kassam Affidavit**”), the Second Report of Alvarez & Marsal Canada Inc. in its capacity as Court-appointed Monitor (in such capacity, the “**Monitor**”) dated January 31, 2025, the affidavit of Khrystal Thomas sworn February 3, 2025, and the exhibit attached thereto, and on hearing the submissions of counsel for the Applicants, the Monitor, the Purchaser, CIBC, 938 Canada, and such other counsel that were present and wished to be heard, no one else appearing although duly served as appears from the affidavit of service of Sierra Farr, sworn January 31, 2025 and the affidavit of service of Sierra Farr, sworn February 4, 2025,

SERVICE AND DEFINITIONS

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.
2. **THIS COURT ORDERS** that, unless otherwise stated herein, all capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement or the Amended and Restated Initial Order of this Court dated January 17, 2025 (the “**ARIO**”), as applicable.

TRANSACTION APPROVAL

3. **THIS COURT ORDERS** that the Purchase Agreement and the Transactions are hereby approved, and the execution of the Purchase Agreement and any agreements contemplated thereunder and ancillary documents related thereto by each of the Vendors is hereby authorized, ratified, confirmed and approved. The Vendors are authorized to make such amendments to the Purchase Agreement and any agreements contemplated thereunder (other than the Assumed Leases, except in accordance with any applicable Landlord Agreement) as the Vendors and the Purchaser, with the consent of the Monitor and the DIP Lender, may deem necessary or appropriate. The Vendors and the Monitor are hereby authorized and empowered to perform their respective obligations under the Purchase Agreement and any agreements contemplated thereunder and any ancillary documents related thereto, as applicable. The Vendors and the Monitor are hereby authorized and empowered to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions, the provision of any transition services pursuant to the Purchase Agreement and, in the case of the Vendors, the conveyance of the Purchased Assets to the Purchaser.

4. **THIS COURT ORDERS** that this Order shall constitute the only authorization required by the Vendors to proceed with and complete the Transactions, and that no shareholder, unitholder, member, partner, director or other approval shall be required in connection therewith other than to the extent contemplated by the Purchase Agreement.

5. **THIS COURT ORDERS** that, notwithstanding the approval of the Transactions, the liquidation sale in leased premises that are not assumed by the Purchaser shall continue to be governed by the Realization Process Approval Order made in these proceedings on January 17, 2025, (“**RPAO**”) and the Sale Guidelines appended thereto, provided that, from and after the

Effective Time, any such liquidation sale may be conducted by the Applicants and not the Consultant (as defined in the RPAO).

6. **THIS COURT ORDERS** that, upon the delivery by the Monitor of a Monitor's certificate (the "**Monitor's Certificate**") to the Vendors, the Purchaser and the DIP Lender (the time of such delivery, the "**Effective Time**") substantially in the form attached as Schedule "C" hereto, all of each Vendor's right, title and interest in and to the Purchased Assets other than the Lease Documents (as defined herein), as applicable, shall be deemed to be transferred to and shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, rights of distraint, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the ARIO or any other Order of this Court in these CCAA proceedings; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), *Personal Property Security Act* (Alberta), *Personal Property Security Act* (British Columbia), *Personal Property Security Act* (Manitoba), *the Personal Property Security Act* (New Brunswick), *Personal Property Security Act, 1993* (Saskatchewan), *Personal Property Security Act* (Nova Scotia), *Personal Property Security Act* (Newfoundland and Labrador) or any other personal or movable property registration system (all of which are collectively referred to as the "**Encumbrances**"), other than the Assumed Liabilities and Permitted Encumbrances, and that all Claims and Encumbrances other than the Assumed Liabilities and Permitted Encumbrances, affecting or relating to the Purchased Assets other than the Lease Documents are hereby irrevocably and forever expunged, released and discharged as against such Purchased Assets.

7. **THIS COURT ORDERS** that upon the registration in the Canadian Intellectual Property Office of a copy of this Order and the Monitor's Certificate, the applicable Registrar is hereby directed to transfer all of the applicable Vendor's right, title and interest in and to the intellectual property owned by it constituting Purchased Assets to the Purchaser, free and clear of all Claims and Encumbrances other than any Permitted Encumbrances, and the applicable Registrar is hereby further directed to cancel, discharge, delete and expunge all security agreements recorded as against such intellectual property.

8. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), each Vendor and the Monitor is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in each of the Vendors' records pertaining to the Transferring Employees, subject to and in accordance with the terms and conditions of the Purchase Agreement. The Purchaser shall maintain and protect the privacy of such information in accordance with applicable laws. The Purchaser shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by each such Vendor.

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

- (a) the pendency of these CCAA proceedings;
- (b) any applications for a bankruptcy order or a receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada), as amended (the "BIA"), or any other applicable legislation in respect of any of the Applicants and any bankruptcy or receivership order issued pursuant to any such applications; and

(c) any assignment into bankruptcy under the BIA made in respect of any of the Applicants,

the Purchase Agreement and the Transactions, including, without limitation, the transfer and vesting of the Purchased Assets to and in the Purchaser pursuant to this Order, (i) shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of any of the Applicants and shall not be void or voidable by creditors of any of the Applicants, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation, and (ii) shall not constitute or be deemed to be oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. **THIS COURT ORDERS** that (a) on or after the Effective Time, each of the Vendors is hereby permitted to execute and file articles of amendment or such other documents or instruments as may be required to change its legal name, and such articles, documents or other instruments shall be deemed to be duly authorized, valid and effective without any requirement to obtain shareholder, unitholder, manager, member, partner, director or any other similar consent or approval; and (b) upon the official change to the legal name of a Vendor, the name of such Vendor in the within title of proceeding shall be deleted and replaced with the new legal name of such Vendor, and any document filed thereafter in this proceeding (other than the Monitor's Certificate) shall be filed using such revised title of proceeding.

ASSIGNMENT OF ASSUMED LEASES

11. **THIS COURT ORDERS** that, at the Effective Time, but subject to paragraph 15, all of the rights and obligations of each Vendor under, to and in connection with, the leases, occupancy agreements, licences and other agreements (in each case including all associated or related

agreements, schedules, appendices, addenda, amendments, supplements, extensions, restatements, assignments, or other modifications made or entered into from time to time, “**Lease Documents**”) giving cleo or Ricki’s, as applicable, the right to occupy premises at the shopping centres set out on Schedule “1” to the executed Monitor’s Certificate (in respect of which, for greater certainty, there is a Landlord Agreement (as defined below)) (the “**Assumed Leases**”) shall be assigned, conveyed, transferred to, and assumed by, the Purchaser pursuant to section 11.3 of the CCAA, and such assignment is valid and binding upon all of the counterparties to the Assumed Leases, notwithstanding any restriction, condition or prohibition contained in any such Assumed Leases relating to the assignment thereof, including without limiting the generality of the foregoing, any transfer restrictions or provisions relating to a change of control or requiring the consent of, or notice for any period in advance of the assignment to, any party to such Assumed Leases, subject to the satisfaction or resolution between the applicable counterparty to such Assumed Lease and Purchaser of all monetary defaults.

12. **THIS COURT ORDERS** that, at the Effective Time, but subject to paragraph 15, each Vendor’s right, title and interest in and to the applicable Assumed Leases shall vest absolutely in the Purchaser free and clear of all Claims and Encumbrances other than Assumed Liabilities and Permitted Encumbrances, provided that, except as set out in paragraphs 11 and 13 of this Order and as may otherwise be agreed by the Purchaser and the applicable counterparty to an Assumed Lease, nothing in this Order shall affect the rights and remedies of such counterparty under or in respect of an Assumed Lease.

13. **THIS COURT ORDERS** that, at the Effective Time and subject to paragraph 15, the Assumed Leases shall remain in full force and effect and each counterparty to the Assumed Leases is prohibited from exercising any right or remedy under such Assumed Lease, and shall be forever

barred, enjoined, and estopped from taking any such action (including, without limitation, any right of set off against the Purchaser in respect of defaults having occurred before the Effective Time) solely by reason of:

- (a) any defaults arising from the insolvency of the Applicants;
- (b) the commencement of these CCAA proceedings;
- (c) any defaults and/or recapture rights which arise upon the assignment of the Assumed Leases to the Purchaser; or
- (d) any of the Vendors having breached a non-monetary obligation under any of the Assumed Leases, unless, with respect to any Assumed Lease: (A) any such non-monetary default arises or continues after the Assumed Lease is assigned to the Purchaser; (B) such non-monetary default is capable of being cured by the Purchaser; and (C) the Purchaser has failed to remedy the default after having received notice of such default pursuant to the terms of the applicable Assumed Lease,

and the counterparties under the respective Assumed Leases are hereby deemed to waive any defaults or events of default relating thereto, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under an Assumed Lease shall be deemed to have been rescinded and of no further force or effect. For greater certainty, and without limiting the foregoing but subject to paragraph 15, no counterparty under an Assumed Lease shall rely on a notice of default or notice of termination sent prior to the Effective Time as grounds for terminating or seeking relief or damages against the Purchaser under any Assumed Lease.

14. **THIS COURT ORDERS** that, at the Effective Time, except as expressly set out to the contrary in any agreement between the Purchaser and the applicable counterparty under an Assumed Lease, the Purchaser shall be entitled to all of the rights and benefits and subject to all of the obligations and restrictions as tenant pursuant to the terms of the Assumed Leases and registrations thereof and may enter into and upon and hold and have quiet enjoyment of such premises contemplated by the Assumed Leases (in each case, without prejudice to the Purchaser's right to extend or renew such term) and, if applicable, any renewals thereof, for Purchaser's own use and benefit, all in accordance with the terms of the applicable Assumed Leases, without any interruption from the Vendors, the counterparties under the Assumed Leases, or any person whomsoever claiming through or under any of the Vendors or the counterparties under the Assumed Leases.

15. **THIS COURT ORDERS** that (I) only the shopping centres and associated banners set out on Schedule "B" to this Order may be included in Schedule "1" to the executed Monitor's Certificate delivered to the Purchaser, the Vendors, and the DIP Lender at the Effective Time, and (II) Schedule "1" to the executed Monitor's Certificate may only include shopping centres and associated banners for premises occupied by cleo or Ricki's, as applicable, with respect to which the Purchaser and the applicable counterparty have provided written confirmation to the Monitor that they have reached consensual arrangements with respect to any Cure Costs, other lease terms, and the assignment of the applicable Assumed Leases (each, a "**Landlord Agreement**"). Any amounts payable to the counterparties under the Assumed Leases shall be paid or otherwise satisfied by the Purchaser in accordance with the Landlord Agreements. In this Order, "**Cure Costs**" shall mean amounts, if any, that must be paid pursuant to section 11.3(4) of the *Companies' Creditors Arrangement Act*.

16. **THIS COURT ORDERS** that nothing in this Order shall derogate from the obligations of the Purchaser to assume the Assumed Leases and to perform the Purchaser's obligations under such Assumed Leases following the Effective Time, and nothing in this Order shall amend or vary, or be deemed to amend or vary, the terms of any of the Assumed Leases which are assigned to the Purchaser except as expressly set out to the contrary in any agreement among the Purchaser and the applicable counterparty under the Assumed Lease.

TITLE OF PROCEEDINGS

17. **THIS COURT ORDERS** that, following the Effective Time, the title of these CCAA proceedings shall be hereby amended to the following:

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 COMARK HOLDINGS INC.,
BOOTLEGGER CLOTHING INC., 9376208 CANADA INC.
AND 10959367 CANADA INC.

DISTRIBUTION

18. **THIS COURT AUTHORIZES AND DIRECTS** the Monitor and Vendors, as applicable, forthwith following the Effective Time, to distribute the cash proceeds of the Purchase Price, to CIBC, in its capacity as DIP Lender immediately prior to the Effective Time, as a mandatory payment in accordance with, and subject to the terms of, section 18 of the DIP Term Sheet, provided that the \$100,000 holdback requirement set out in section 18 of the DIP Term Sheet will not apply to such distribution.

ASSIGNMENT OF DIP FINANCING

19. **THIS COURT ORDERS** that the transfer and assignment by CIBC to 938 Canada of all of CIBC's rights, interests, and obligations as DIP Lender under and pursuant to the DIP Term Sheet and ARIO (including, but not limited to, the DIP Lender's Charge, but excluding, for clarity, the right to receive a distribution under paragraph 18 of this Order) (the "**DIP Assignment**") is hereby approved, and, effective as at the Effective Time, all rights, interests, and obligations of CIBC in and to the DIP Term Sheet and under the ARIO (excluding, for clarity, the right to receive a distribution under paragraph 18 of this Order) shall be transferred and assigned to 938 Canada in accordance with definitive assignment documentation executed by CIBC, 938 Canada, and Comark (the "**DIP Assignment Agreement**"). Execution of the DIP Assignment Agreement by Comark is hereby authorized, ratified, confirmed and approved.

20. **THIS COURT ORDERS** that the DIP Assignment shall be completed concurrently with the transfer and assignment by CIBC to 938 Canada of CIBC's rights, interests and obligations under the Pre-Filing Credit Agreement in respect of the Revolving Credit and the Term Credit (as those terms are defined in the DIP Term Sheet) pursuant to definitive assignment documentation executed by CIBC, 938 Canada, and Comark (the "**Debt Assignment Agreement**"). Execution of the Debt Assignment Agreement by Comark is hereby authorized, ratified, confirmed and approved.

21. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver or make amendments to such documents as may be reasonably required in connection with the DIP Assignment Agreement and the Debt Assignment Agreement, including, for clarity, such credit agreements, mortgages, charges, hypothecs and security documents,

guarantees and other definitive documents as are contemplated by the DIP Term Sheet or as may be required by 938 Canada.

ADDITIONAL PROVISIONS

22. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

23. **THIS COURT ORDERS** that the Monitor and its counsel may rely on written notice from (a) the Vendors and the Purchaser regarding the satisfaction or waiver of conditions to closing under the Purchase Agreement; (b) the Purchaser and the counterparties under the Assumed Leases regarding the matters set out in paragraph 15, above, and (c) 938 Canada and CIBC regarding the satisfaction or waiver of conditions to closing under the DIP Assignment Agreement and the Debt Assignment Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

GENERAL

24. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

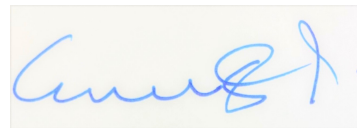
25. **THIS COURT ORDERS** that the Applicants, the Purchaser, 938 Canada, CIBC or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties under this Order, as applicable, or in the interpretation or application of this Order.

26. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal or 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 and 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.

27. **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 or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

28. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. prevailing Eastern Time on the date of this Order without the need for entry or filing.



SCHEDULE “A”

PURCHASE AGREEMENT

(see attached)

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("**Agreement**") made as of February 3, 2025,

BETWEEN:

CLEO FASHIONS INC.,
a corporation existing under the laws of Canada,

("cleo")

- and -

RICKI'S FASHIONS INC.,
a corporation existing under the laws of Canada,

("Ricki's" and together with cleo, "**Sellers**", and each a "**Seller**")

- and -

1001110197 ONTARIO INC.,
a corporation formed under the laws of the Province of Ontario,

("Purchaser").

WHEREAS Sellers each operate a business specializing in the sale of women's clothing in Canada (together, the "**Business**");

AND WHEREAS on January 7, 2025, Sellers and the other Applicants were granted protection (the "**Stay of Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"), and Alvarez & Marsal Canada Inc. was appointed as monitor of the Applicants thereunder, including Sellers (in such capacity, the "**Monitor**") pursuant to the Initial Order (defined below) granted by the Ontario Superior Court of Justice (Commercial List) (the "**Court**");

AND WHEREAS, on January 17, 2025, the Court granted the Amended and Restated Initial Order (as may be further amended and/or restated, the "**ARIO**") which, among other things, approved the extension of the Stay of Proceedings to and including May 15, 2025 and granted the Applicants, including Sellers, the authority to pursue offers for or avenues of refinancing, restructuring, sale or reorganization of, *inter alia*, the Business;

AND WHEREAS subject to approval of the Court, and in accordance with the ARIO, Purchaser submitted the Term Sheet (as defined herein) pursuant to which Sellers have agreed to sell, transfer and assign to Purchaser, and Purchaser has agreed to purchase, Sellers' assets used in connection with, and assume certain liabilities and obligations of, the Business (the "**Transaction**");

AND WHEREAS the Term Sheet contemplates that an asset purchase agreement be entered into by the Parties in respect of the Transaction subject to the terms and conditions set forth therein and herein;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the Parties set out in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

For the purposes of this Agreement, unless the context otherwise requires, the following terms have the respective meanings set out below, and grammatical variations of such terms have corresponding meanings:

"Accounts Receivable" means (i) any and all accounts receivable, holdback receivables, accrued revenue, credit card receivables, bills receivable, trade accounts and book debts of Sellers relating to the Business or the Purchased Assets (including overdue accounts receivable), (ii) any other amounts payable, owing, due or deemed to be due to Sellers relating to the Business or the Purchased Assets, including refunds and rebates payable to or for the benefit of Sellers; (iii) the full benefit of all security and guarantees for such accounts or rights to payment; and (iv) any and all claims, remedies or other rights relating to any of the foregoing, together with any interest or unpaid financing charges accrued thereon;

"Affiliate" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise;

"Agreement" has the meaning given to that term in the Recitals;

"Applicants" means, collectively, Comark Holdings Inc., Bootlegger Clothing Inc., cleo and Ricki's;

"ARIO" has the meaning given to that term in the Recitals;

"Assumed Contracts" has the meaning set out in Section 2.1(e);

"Assumed Leases" means, subject to Section 2.6(f), those Leases in respect of Purchased Locations;

"Assumed Liabilities" has the meaning set out in Section 2.3;

"Authorization" means, with respect to any Person, asset, property, transaction or event, any permit, approval, consent, waiver, licence, certificate, qualification, declaration, registration or similar authorization issued, granted, given or otherwise made available

under the authority of any Governmental Authority having jurisdiction over such Person, asset, property, transaction or event;

“BC PST” means the Tax levied under the *Provincial Sales Tax Act* (British Columbia).

“Books and Records” has the meaning set out in Section 2.1(i);

“Business” has the meaning given to that term in the Recitals;

“Business Day” means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario, on which commercial banks in Toronto, Ontario are open for business;

“Cash Purchase Price” means an amount equal to CDN\$0.64 for each CDN\$1.00 of the Merchandise constituting Purchased Assets on the Closing Date based on the Closing Merchandise Statement;

“CASL” means an *Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act* (Canada);

“CCAA” has the meaning given to that term in the Recitals;

“CCAA Proceeding” means the proceedings under the CCAA to which the Applicants, including Sellers, are subject pursuant to the ARIO;

“cleo” has the meaning given to that term in the Recitals;

“Closing” means the completion of the Transaction pursuant to the terms of this Agreement;

“Closing Cash Payment” has the meaning set out in Section 3.2(i)(B);

“Closing Date” has the meaning set out in Section 5.1;

“Closing Merchandise Statement” has the meaning set out in Section 3.5(a);

“Closing Time” means 12:01 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as Sellers and Purchaser may agree;

“Confidential Information” means all information or materials relating to or concerning Sellers, the Purchased Assets or the Business that are not generally available to the public (including information or materials relating to or concerning products or services, pricing structures, accounting and business methods, business and strategic plans, financial data, budgets and projections, marketing plans, employee information, training techniques and materials, customer lists and other marketing lists, contracts, arrangements with third parties, inventions, devices, Hardware, Software, new developments, methods and processes, customers and clients and customer or client lists, copyrightable works and all Technology, trade secrets and other Intellectual Property and proprietary information

whether owned or licensed), provided that notwithstanding the foregoing (i) all Personal Information shall be Confidential Information whether or not it is generally available to the public, and (ii) Confidential Information shall not include any information or materials that the Applicants or Monitor file with the Court as part of the Applicants' CCAA Proceedings.

"Confidentiality Agreement" means the confidentiality agreement dated January 7, 2025 between Sellers, Comark Holdings Inc., and an Affiliate of Purchaser;

"Contract" means any contract, agreement, lease, licence, indenture, instrument or other commitment or agreement, whether written or oral;

"Court" has the meaning given to that term in the Recitals;

"Cure Costs" means, in respect of any Assumed Contract and Assumed Lease, amounts, if any, that must be paid pursuant to section 11.3(4) of the CCAA;

"Deposit" has the meaning set out in Section 3.3(a);

"Disclaimer/Termination Period" means the period from the Closing Date until the expiry of the disclaimer period under each Assumed Lease or such earlier exit date as agreed to by the Parties;

"Employees" means any and all employees of Sellers (both active and inactive) who are employed in the Business as of the day before the Closing Date;

"Employee Costs" means all employment costs, expenses, and obligations payable to, or on behalf of, employees arising during the Transition Period under any contract of employment or by operation of Law (whether arising pursuant to statute or common law), but shall exclude, for greater certainty, any termination or statutory or common law severance amounts payable to any Non-Transferred Employee except as expressly set out in this Agreement; and for greater certainty, the Employee Costs include costs associated with or stemming from all payroll costs such as salary, wages, bonuses, commissions, overtime pay, vacation pay, public holiday pay, workers' compensation, employment taxes or other payroll taxes, fines, penalties or surcharges, costs under any employee benefit plans, disability plans, or retirement plans arising, accrued, or payable during the Transition Period.

"Encumbrances" means, other than Assumed Liabilities and Permitted Encumbrances, all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, rights of distraint, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the ARIO or any other Order of the Court in the CCAA Proceedings; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), *Personal Property Security Act* (Alberta), *Personal Property Security Act* (British Columbia), *Personal Property Security Act* (Manitoba), the *Personal Property Security Act* (New Brunswick), *Personal Property Security Act*, 1993 (Saskatchewan), *Personal Property Security Act* (Nova Scotia), *Personal Property Security Act* (Newfoundland and Labrador) or any other personal or movable property registration system.

“Estimated Cash Purchase Price” has the meaning set out in Section 5.4(e);

“Estimated Merchandise Statement” has the meaning set out in Section 5.4(e);

“ETA” means Part IX of the *Excise Tax Act* (Canada);

“Excluded Assets” has the meaning set out in Section 2.2;

“Excluded Contracts” means all Contracts that are not Assumed Contracts or Assumed Leases, including, for greater certainty, Leases in respect of all Excluded Locations;

“Excluded Locations” means Sellers’ retail store locations and storage facilities that are not in respect of the Purchased Locations;

“GAAP” means Canadian generally accepted accounting principles applicable for the relevant financial period as set out in the *CPA Canada Handbook – Accounting* for a Person that prepares its financial statements in accordance with Accounting Standards for Private Enterprises;

“Governmental Authority” means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, body, board, tribunal or dispute settlement panel or other law or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

“Hardware” means computer and communications equipment, including servers, network equipment, storage devices, personal computers, laptops, tablets, mobile phones, other electronic devices and related accessories;

“Holdback Amount” means an amount equal to \$500,000 retained from the Closing Cash Payment;

“Initial Order” means an order of the Court made January 7, 2025, among other things, granting the Applicants, including Sellers, protection under the CCAA and appointing the Monitor;

“Intellectual Property” means (a) all intellectual and/or industrial property in any jurisdiction, including patents, copyrights, trademarks, service marks, industrial designs, trade names, brand names, business names, social media accounts and handles (including registrations of and applications for all of the foregoing in any jurisdiction and renewals, continuations, continuation-in-parts, divisions, extensions and reissues, where applicable, relating thereto) and any and all common law rights and goodwill associated with any of the foregoing, where applicable, (b) all proprietary information, trade secrets, know how, product documentation (including instruction manuals), data (including research data), drawings, photographs, website content, designs, formulae, formulations, methods, processes, technology, works of authorship, inventions, software in any expressed form, screen layouts, graphical user interfaces, “look and feel” design elements, icons, logos systems, applications, source code, object code, algorithms,

libraries, databases, specifications, and (c) all other intellectual property in any jurisdiction and in whatever form or format;

“Law” means any federal, provincial, county, territorial, district, municipal, local, foreign, supranational or international law, statute, ordinance, regulation, by-law, rule, code, treaty or rule of common law or otherwise of, or any order, judgment, injunction, decree or similar authority enacted, issued, promulgated, enforced or entered by, any Governmental Authority;

“Lease” means any real property lease, offer to lease, occupancy agreement or agreement to lease in respect of the Purchased Locations or the Excluded Locations, together with and all amendments, assignments, extensions, modifications and restatements thereto;

“Liability” means any liability, duty, or obligation of any nature, whether known or unknown, accrued, absolute, contingent or otherwise, and whether due or to become due;

“Mandatory Reporting Rules” has the meaning given to that term in Section 10.4;

“Merchandise” means all inventory and merchandise owned by and in the possession of each Seller wherever located, including, without limitation, inventory and merchandise located within any Purchased Location or Excluded Location and any owned inventory and merchandise, as may be located at the Parian Warehouse in transit to any Purchased Location or Excluded Location, or located at or in transit to the Parian Warehouse to be delivered to any Purchased Location or Excluded Location;

“Monitor” has the meaning given to that term in the Recitals;

“Monitor’s Certificate” means the certificate (substantially in the form scheduled to the Vesting and Assignment Order) to be filed with the Court by the Monitor certifying, among other things, that the Monitor has received written confirmation from the Parties that all conditions of Closing (other than delivery of the Monitor’s Certificate) have been satisfied or waived by the applicable Parties and that the Cash Purchase Price has been paid to the Monitor, on behalf of Sellers;

“Non-Transferred Employees” has the meaning set out in section 4.1(b);

“Offers” has the meaning set out in Section 4.1(a);

“Outside Date” has the meaning set out in Section 8.1(a)(i);

“Parian” means Parian Logistics Inc.;

“Parian Warehouse” means that certain warehouse operated by Parian located at 1530 Gamble Place, Winnipeg, Manitoba;

“Parties” means Sellers and Purchaser and **“Party”** means any one of them;

“Payment Terminals” means the payment terminals located at the Excluded Locations;

“Permitted Encumbrances” means the Encumbrances listed in Schedule 1.1(b);

“Person” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

“Personal Information” means any information about an identified or identifiable individual or that is otherwise personal information under Laws (including Privacy Laws) that was collected, used or disclosed by, or is being stored by or is otherwise under the custody or control of, Sellers;

“Post-Closing Adjustment” has the meaning set out in Section 3.5(b);

“Prepaid Rent” means the amount of prepaid rent under the Assumed Leases for any Purchased Locations as at the Closing Date;

“Privacy Laws” means all applicable Laws governing the collection, use, disclosure and retention of Personal Information, including the *Personal Information Protection and Electronic Documents Act* (Canada) and similar provincial laws;

“Purchase Price” has the meaning set out in Section 3.1;

“Purchased Assets” has the meaning set out in Section 2.1;

“Purchased Locations” means Sellers’ retail store locations and storage facilities identified on Schedule 1.1(c) which satisfy the conditions in Section 2.6(f) to remain Purchased Locations at Closing;

“Purchaser” has the meaning given to that term in the Recitals;

“Realization Process Approval Order” means the Realization Process Approval Order granted by the Court on January 15, 2025, in the CCAA Proceeding;

“Ricki’s” has the meaning given to that term in the Recitals;

“Seller” and **“Sellers”** have the meanings given to them in the Recitals;

“Sellers’ Services” has the meaning set out in Section 7.3(a);

“Services” has the meaning set out in Section 7.3(a);

“Software” means computer programs and related materials, including (i) firmware and other programs embedded in Hardware, (ii) algorithms, subroutines, program and data files, (iii) source, executable and object code, (iv) interfaces, including application programming interfaces, and (v) related manuals and other documentation;

“Stalking Horse Sale Process Approval Order” means an Order of the Court in the CCAA Proceeding authorizing, among other things, the Applicants and/or Monitor to engage in a sales process in respect of the Applicants’ assets and business that remain following completion of the Transaction;

“Tax” and **“Taxes”** means any taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, income, gross receipts, profits, capital, transfer, value-added, land transfer, sales, goods and services, harmonized sales, use, excise, withholding, business, franchising, property, development, occupancy, payroll, health, social services, education, employment and all social security taxes, all surtaxes, all customs, duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada and other government pension plan premiums or contributions;

“Tax Act” means the *Income Tax Act* (Canada);

“Technology” means all computer systems and communications systems of Sellers or Business, including Software, Hardware and associated data and databases, whether owned, licenced, leased or otherwise used, held or accessed, including by means of cloud computing or other means;

“Term Sheet” means the binding letter of offer entered into between Sellers and Purchaser dated January 29, 2025;

“Third Party Consents” means the consents, approvals and/or authorizations required for the assignment and transfer by Sellers of the Assumed Contracts and Assumed Leases;

“Trade Payables” means all trade payables, accruals and other outstanding obligations of Sellers incurred with the consent of the Monitor between January 7, 2025 and the Closing Date;

“Transaction” has the meaning given to that term in the Recitals;

“Transfer Taxes” has the meaning set out in Section 3.9;

“Transferred Employees” has the meaning set out in Section 4.1(b);

“Transferred Information” means the Personal Information disclosed or conveyed to Purchaser as a result of or in connection with the Transaction, and includes all such Personal Information disclosed to Purchaser during the period leading up to and including the completion of the Transaction;

“Transition Period” has the meaning set out in Section 7.3(a);

“TSA Costs” has the meaning set out in Section 7.4(a);

“Value Added Tax” means the Tax exigible pursuant to the ETA; and

“Vesting and Assignment Order” means an order of the Court obtained on motion made on notice to such Persons as Purchaser and Sellers determine, acting reasonably, including counterparties to Assumed Leases, to be sought by Sellers, in form and substance satisfactory to Purchaser and Sellers, that, among things, (i) approves this

Agreement and the Transaction and vests in and to Purchaser the Purchased Assets, free and clear of all Encumbrances (other than Assumed Liabilities and the Permitted Encumbrances), and (ii) subject to the requirements of 2.6(f), assigns all of Sellers' rights and obligations to Purchaser under the Assumed Leases pursuant to section 11.3 of the CCAA.

1.2 Rules of Construction

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires, in this Agreement:

- (a) the terms "Agreement", "this Agreement", "the Agreement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;
- (b) references to an "Article", "Section", "Appendix" or "Schedule" followed by a number or letter refer to the specified Article or Section of or Exhibit or Schedule to this Agreement;
- (c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;
- (e) the word "including" is deemed to mean "including without limitation";
- (f) any reference to any Contract (including this Agreement) means such Contract as amended, modified, replaced or supplemented from time to time;
- (g) all dollar amounts refer to Canadian dollars;
- (h) all accounting terms not expressly defined in this Agreement have the meanings given to them under GAAP;
- (i) any reference to any statute includes all regulations made under or in connection with that statute, as amended, modified, replaced or supplemented from time to time, and any reference to a specific provision of any statute or regulation also refers to any successor provision thereto of like or similar effect;
- (j) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and
- (k) whenever any payment is required to be made, action is required to be taken or period of time is to expire on a day other than a Business Day, such payment shall be made, action shall be taken or period shall expire on the next following Business Day.

1.3 Entire Agreement

This Agreement, together with the Confidentiality Agreement, constitute the entire agreement between the Parties with respect to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter of this Agreement, except as provided in this Agreement or the Confidentiality Agreement. In the event of any conflict or inconsistency between this Agreement or the Confidentiality Agreement, the provisions contained in this Agreement shall prevail to the extent of such conflict or inconsistency.

1.4 Time of Essence

Time shall be of the essence of this Agreement.

1.5 Governing Law and Submission to Jurisdiction

(a) This Agreement shall be interpreted and enforced in accordance with, and the respective rights and obligations of the Parties shall be governed by, the Laws of the Province of Ontario and the federal Laws of Canada applicable in that province.

(b) Each of the Parties irrevocably and unconditionally: (i) submits to the exclusive jurisdiction of the Court as part of the CCAA Proceedings over any action, proceeding or dispute arising out of or relating to this Agreement, (ii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of the Court, and (iii) agrees not to assert that the Court and CCAA Proceedings are not a convenient forum for the determination of any such action or proceeding.

1.6 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated by this Agreement are not affected in a manner materially adverse to any Party. Upon any such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that such transactions are fulfilled to the extent possible.

1.7 Schedules

The schedules to this Agreement, listed below, are an integral part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule 1.1(b)	- Permitted Encumbrances
Schedule 1.1(c)	- Eligible Purchased Locations
Schedule 2.1(e)	- Assumed Contracts

- Schedule 2.2(n) - Specified Excluded Assets
- Schedule 5.4(e) - Form of Estimated Merchandise Statement
- Schedule 5.4(i) - Domain Names

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

Subject to the other terms and conditions of this Agreement, including without limitation the granting of the Vesting and Assignment Order, at the Closing Time, Sellers shall transfer, sell, convey, assign and deliver unto Purchaser, and Purchaser shall purchase, acquire, assume and accept from Seller, all right, title and interest of Sellers in and to the following assets (collectively, the **"Purchased Assets"**), free and clear of all Encumbrances other than the Assumed Liabilities and Permitted Encumbrances:

- (a) Rights to Leased Real Property. All rights and obligations of Sellers as lessee of real property for the Purchased Locations, including all Assumed Leases, together with all trade fixtures, and other agreements relating thereto, including all purchase options, options to lease, registered short form leases or caveats, security deposits, rights to appurtenances and improvements, easements, licenses and permits and transferrable governmental authorizations relating thereto;
- (b) Merchandise. All Merchandise;
- (c) Equipment, Fixtures and Furniture. All equipment, trade fixtures, furniture, accessories and all similar equipment used in or related to the operation of the Business and the interest of Sellers in any machinery and equipment held under lease or title retention agreement, in each case that is owned by Sellers and located in the Purchased Locations or Excluded Locations;
- (d) Technology. All Hardware, Software, telecommunications, network connections, peripherals and related communication technology, Payment Terminals and all other Technology infrastructure (excluding communication infrastructure that is generally accessible by the public) owned by Sellers, including all transferable rights of Sellers under licences and other agreements or instruments relating thereto, including all telecom addresses (including IP addresses), and all telephone and fax numbers used in connection with the Business;
- (e) Assumed Contracts. Subject to Section 2.2, all rights of Sellers under those Contracts listed in Schedule 2.1(e) related to the Business to which a Seller is a party other than the Excluded Contracts (collectively, the **"Assumed Contracts"**);
- (f) Prepaid Expenses. Any security deposits funded prior to the date of the Initial Order by or on behalf of the Sellers in respect of the Assumed Leases.

- (g) Intellectual Property. All owned Intellectual Property of Sellers used or held for use by Sellers in the Business;
- (h) Books and Records. All books and records (other than those required by Law to be retained by Sellers, copies of which will be made available to Purchaser), including customer lists, sales records, price lists and catalogues, sales literature, advertising material, supply records, inventory records and correspondence files (together with, in the case of any such information which is stored electronically, the media on which the same is stored), excluding corporate and Tax records in respect of Sellers (collectively, the “**Books and Records**”);
- (i) Warranties. All of Sellers’ rights under warranties, indemnities and all similar rights against third parties to the extent related to any Purchased Asset and only to the extent transferable by Sellers using commercially reasonable efforts (without any obligation to expend funds);
- (j) Confidential Information. All Confidential Information of Sellers necessary to operate the Business;
- (k) Express Consents under Privacy and Anti-Spam Law. To the extent transferrable under applicable Law, all express consents obtained by or on behalf of Sellers under CASL, any Privacy Laws and any applicable anti-spam Laws from any Person to: (i) send or cause to be sent an electronic message to such Person, (ii) alter or cause to be altered the transmission data in an electronic message so that the message is delivered to a destination other than or in addition to that specified by such Person, (iii) install or cause to be installed a computer program on such Person’s computer system or, having so installed or cause to be installed a computer program, to cause an electronic message to be sent from that computer system, or (iv) disclose any Personal Information of such Person; and
- (l) Goodwill. The exclusive right for Purchaser to represent itself as carrying on the Business in succession to Sellers and the right to use any words indicating that the Business is so carried on, including the exclusive right to use the names and styles currently used by Sellers, or any variation thereof, as part of the name or style under which the Business or any part thereof is carried on by Purchaser.

2.2 Excluded Assets

Notwithstanding any provision of this Agreement, the Purchased Assets shall not include any other assets and property of Sellers or related to the Business not expressly included as Purchased Assets under Section 2.1 (collectively, the “**Excluded Assets**”), and for greater certainty the Excluded Assets include the following:

- (a) all securities of Sellers, whether held by Sellers or in the equity of Sellers;
- (b) all cash and cash equivalents of Sellers;
- (c) other than security deposits funded prior to the date of the Initial Order by or on behalf of the Sellers in respect of the Assumed Leases, any deposits and prepaid expenses of Sellers related to the Purchased Assets, including Prepaid Rent;

- (d) all rights of Sellers as lessee of real property for the Excluded Locations and all Leases related thereto;
- (e) all rights of Sellers as lessee for the Payment Terminals;
- (f) all Accounts Receivable;
- (g) any intercompany Accounts Receivable owing to Sellers by any of its current or previous Affiliates at any time;
- (h) the rights of Sellers under this Agreement and each other document and agreement contemplated hereby;
- (i) any bank accounts of Sellers;
- (j) all Books and Records required by Law to be retained by Sellers (copies of which will be provided to Purchaser);
- (k) all Excluded Contracts;
- (l) any Tax losses of Sellers;
- (m) income Tax instalments paid by Sellers and the right to any refund of income Taxes; and
- (n) the property and assets of Sellers described in Schedule 2.2(n).

2.3 Assumed Liabilities

On the terms and subject to the conditions of this Agreement, Purchaser agrees, effective at the Closing Time, to assume and be responsible for and thereafter honour, perform, discharge and pay as and when due the following Liabilities of Sellers:

- (a) subject to Section 2.3(b), all Liabilities under the Assumed Leases and Assumed Contracts, including those relating to the conduct of the Business, whether or not such Liabilities first arose prior to or following the Closing Date;
- (b) all Liabilities and Cure Costs in respect of the Assumed Leases and Assumed Contracts (unless otherwise waived or agreed with the applicable landlord or counterparty and such waiver or agreement is provided to the Monitor two (2) Business Days prior to the Closing Date);
- (c) the Liabilities in respect of the Transferred Employees from and after the Closing Date as well as any vacation pay in relation to the Transferred Employees accrued (but not paid) prior to the Closing Date; and
- (d) all other Liabilities of Sellers with respect to the Purchased Assets and Transferred Employees arising from and after the Closing Time;

(collectively, the “**Assumed Liabilities**”).

2.4 Excluded Liabilities

Other than the Assumed Liabilities and the Liabilities assumed by Purchaser pursuant to Section 7.3, Purchaser shall not assume and shall not be liable or responsible for any Liabilities of Sellers, which, for certainty, shall include:

- (a) all Liabilities related to any Excluded Assets, including any Excluded Contracts, and any intercompany payables owing by Sellers to any current or previous Affiliate of Sellers;
- (b) all Liabilities related to any Excluded Location and any related Lease;
- (c) all Liabilities of Sellers in respect of any actions, causes of action, litigation proceedings, writs of enforcement, lawsuits, court proceedings, regulatory proceedings, arbitrations or proceedings before any Governmental Authority against Sellers;
- (d) all Liabilities (other than Assumed Liabilities) of Sellers in respect of claims or liens against the Purchased Assets;
- (e) all Liabilities of Sellers for or in respect of any indebtedness to any third party, including any accrued or unpaid principal, interest, fees, pre-payment or breakage fees or similar costs, interest or currency rate swaps, or any other amounts or obligations (for clarity, other than Cure Costs);
- (f) all Liabilities of Sellers in respect of any warranties, rebate programs, guarantees, gift cards, and any similar obligations of Sellers relating to the Business or the Purchased Assets prior to the Closing Time;
- (g) any Taxes payable or remittable by Sellers, other than Transfer Taxes payable by Purchaser pursuant to Section 3.9;
- (h) Encumbrances, other than Permitted Encumbrances;
- (i) any product Liability or similar claim for injury to a Person or property which arises out of or is based upon any express or implied representation, warranty, agreement or guarantee made by Sellers prior to the Closing Time, or by reason of the improper performance or malfunctioning of a product, improper design or manufacture, failure to adequately package, label or warn of hazards or other related product defects of any products at any time sold by Sellers prior to the Closing Time;
- (j) any recall, design defect or similar claims of any products sold by Sellers prior to the Closing Time;
- (k) all Trade Payables;
- (l) any Liabilities of Sellers relating or arising from unfulfilled commitments, quotations, purchase orders, customer orders or work orders that do not constitute part of the Purchased Assets, except in respect of any Merchandise commitments,

quotations, purchase orders, customer orders or work orders made by Sellers at the request of Purchaser; and

- (m) all Liabilities of Sellers related to the Non-Transferred Employees, save and except for the Employee Costs that Purchaser has expressly agreed to pay, reimburse, or cover pursuant to the terms of this Agreement,

provided that, notwithstanding the foregoing, this Section 2.4 does not limit Purchaser's payment obligations under Section 7.4.

2.5 Third Party Consents

Notwithstanding anything contained in this Agreement or elsewhere, Purchaser will not assume and will have no obligation to discharge any debt, liability or obligation under any Assumed Contract or Assumed Lease which is not assignable or assumable in whole or in part without a Third Party Consent, unless such Third Party Consent or, as applicable, the Vesting and Assignment Order, has been obtained.

2.6 Purchased Locations

(a) Purchaser shall deliver an updated Schedule 1.1(c) to Sellers by no later than two (2) Business Days prior to the Closing Date listing the Purchased Locations, as determined in its sole discretion (but subject to the terms of this Agreement and the Vesting and Assignment Order).

(b) Purchaser may amend Schedule 1.1(c) to change the designation of any Purchased Locations and their related Leases to Excluded Locations at any time prior to the Closing Date, as determined in its sole discretion.

(c) Purchaser accepts the permitted use as set out in each of the Leases relating to a Purchased Location, including any use restrictions and exclusive uses provided in such Leases.

(d) Purchaser represents and warrants that:

- (i) It has reviewed, is familiar with, and will comply with all obligations under the Leases for all Purchased Locations from and after the Closing Date; and
- (ii) It has the financial wherewithal to perform all of the obligations of Sellers under the Leases for all Purchased Locations;

(e) Sellers will not be responsible for any costs which may be necessary to cure any defaults under any of the Assumed Leases which exist as of the Closing Date, all of which costs shall be assumed by Purchaser;

(f) Notwithstanding the foregoing or anything to the contrary herein, if for any Lease Purchaser and the applicable counterparty landlord have not provided written confirmation to the Monitor at least two (2) Business Days prior to the Closing Date that they have reached consensual arrangements with respect to Cure Costs, other lease terms, and the assignment of the applicable Lease pursuant to the Vesting and Assignment Order, then such Lease shall

automatically be an Excluded Contract and the premises or stores to which they relate to shall become Excluded Locations.

ARTICLE 3 PURCHASE PRICE AND ALLOCATION

3.1 Purchase Price

The aggregate purchase price (the “**Purchase Price**”), exclusive of all applicable Transfer Taxes, payable by Purchaser to Sellers in consideration for the Purchased Assets shall be:

- (a) an amount equal to the Cash Purchase Price;
- (b) plus the amount of the Assumed Liabilities.

3.2 Satisfaction of Purchase Price

The Purchase Price shall be paid and satisfied as follows:

- (i) on the Closing Date:
 - (A) subject to Section 3.4 and 3.5, the Monitor shall release the Deposit from its trust account and transfer such amount to Sellers;
 - (B) Purchaser shall pay to the Sellers an amount (such amount being hereinafter referred to as the “**Closing Cash Payment**”) equal to the Estimated Cash Purchase Price less the Deposit; and
 - (C) Purchaser shall assume the Assumed Liabilities, and
- (ii) payment of the Post-Closing Adjustment, if applicable, in accordance with Section 3.5.

3.3 Deposit

(a) The Parties acknowledge and agree that Purchaser has delivered a deposit in the sum of \$3,000,000 (the “**Deposit**”) by wire transfer to the Monitor, in trust, to be released according to the terms of this Agreement. The Deposit shall be held in a non-interest bearing account.

(b) If the Transaction is completed, a portion of the Deposit shall be credited against the Purchase Price on Closing in accordance with Section 3.2(i)(A) and, if applicable, Section 3.5.

(c) If the Transaction is not completed or this Agreement is terminated for any reason, other than as a result of a termination of this Agreement by Purchaser pursuant to Section 5.7(a) or 8.1(a)(ii), the Deposit shall be forfeited and paid to Sellers as liquidated damages. If this Agreement is terminated by Purchaser pursuant to Section 5.7(a) or 8.1(a)(ii), the Deposit shall be fully refunded to Purchaser.

- (d) The provisions of this Section 3.3 shall survive the termination of this Agreement.

3.4 Hold Back Amount

The Monitor shall retain the Holdback Amount from the Closing Cash Payment and hold it in escrow, to be released according to the terms of this Agreement. The Holdback Amount shall be held in a non-interest bearing account.

3.5 Post-Closing Adjustment

(a) No later than two (2) Business Days after the Closing Date, Sellers shall deliver to Purchaser a statement setting out the actual value of the Merchandise at the Closing Time based on the books and records of Sellers ("**Closing Merchandise Value**") together with any proposed Post-Closing Adjustment pursuant to the methodology set out in Section 3.5(b) (the "**Closing Merchandise Statement**").

- (b) If the Cash Purchase Price determined using the Closing Merchandise Value is:

- (i) greater than the aggregate of the Closing Cash Payment and the Deposit (the amount of the difference being the "**Underpayment**"), then the Monitor shall release the full Holdback Amount to Sellers and Purchaser shall pay to Sellers an amount equal to Underpayment; or
- (ii) less than the aggregate of the Closing Cash Payment and the Deposit (the amount of the difference being the "**Overpayment**"), then, (A) if the Overpayment is less than the Holdback Amount, the Monitor pay the Overpayment to Purchaser from the Holdback Amount and release the remainder of the Holdback Amount to Sellers, and (B) if the Overpayment is greater than the Holdback Amount, the Monitor will return the full amount of the Holdback Amount to Purchaser and Sellers shall pay to Purchaser the remaining balance of the Overpayment

(the amount payable pursuant to clause (i) or (ii) of this Section 3.5(b), the "**Post-Closing Adjustment**"). Any Post-Closing Adjustment amount will be paid within two (2) Business Days of its determination.

(c) If the Cash Purchase Price determined using the Closing Merchandise Value pursuant to Section 3.5(a) is equal to the aggregate of the Closing Cash Payment and the Deposit, then the full Holdback Amount shall be immediately released to Sellers.

3.6 Disputed Payment

In the event of any dispute arising with respect to the Purchase Price, Cash Purchase Price, Closing Cash Payment, treatment of the Holdback Amount, or valuation of the Merchandise, the Parties shall use good faith efforts to resolve such dispute through negotiations with the assistance of the Monitor. Any unresolved dispute following such good faith negotiations may be resolved in accordance with Section 10.1.

3.7 Payments

All payments required under this Agreement shall be made by wire transfer of immediately available funds to, or as directed by, the applicable payee.

3.8 Purchase Price Allocation

(a) Purchaser and Sellers agree to allocate the Purchase Price among the Purchased Assets no later than five (5) Business Days after the Closing Date and to reflect in any such allocation any Post-Closing Adjustment.

(b) Purchaser and Sellers agree:

(i) to treat and report (and, if necessary, to cause each of their respective controlled Affiliates to treat and report) the transactions contemplated by this Agreement in a manner consistent with one another for all federal, provincial and local Tax purposes in a manner consistent with such allocation, including executing and filing all of their own Tax returns and preparing all of their own financial statements and other instruments on the basis of this allocation; and

(ii) not to take any action inconsistent with such allocation or such obligation.

3.9 Transfer Taxes

(a) All amounts payable by Purchaser to Sellers pursuant to this Agreement do not include any value-added, goods and services, harmonized sales, provincial sales, sales, retail, transfer, use, consumption, multi-staged, personal property, customs, excise, stamp, land transfer, or similar taxes, duties, or charges (including Value Added Tax) (collectively "**Transfer Taxes**") and all Transfer Taxes payable on the transfer, sale, conveyance, assignments, delivery of the Purchased Assets pursuant to Section 2.1 and in respect of the amounts that are payable by Purchaser to Sellers pursuant to Section 7.3 are the responsibility of and for the account of Purchaser.

(b) Unless otherwise stipulated in this Agreement, Purchaser shall pay or cause the payment of all applicable Transfer Taxes as and when such Transfer Taxes are payable pursuant to the applicable taxing legislation.

(c) With respect to any Transfer Taxes payable in respect of the supplies made pursuant to Section 7.3, Sellers shall provide Purchaser with any reasonably requested invoices, other documents or information for the purposes of claiming any related Transfer Tax credits, rebates or refunds concurrently with, or before, the request of payment of such Transfer Taxes.

3.10 Value Added Tax Elections

Under subsection 167(1) of Part IX of the Excise Tax Act (Canada), and any equivalent or corresponding provision under any applicable provincial legislation imposing a similar value added or multi-staged tax, Purchaser and each Seller shall jointly elect such that no tax HST/GST will be payable with respect to the purchase and sale of the Purchased Assets under this Agreement. Purchaser and each Seller shall make such election(s) in prescribed form containing prescribed information and Purchaser shall file such election(s) in compliance with the

requirements of the applicable legislation. Purchaser shall indemnify and save harmless Sellers from and against (a) any such Tax imposed on Sellers as a result of any failure or refusal by any Governmental Authority to accept any such election, and (b) any Transfer Taxes payable by Purchaser hereunder. This indemnity shall survive the Closing.

ARTICLE 4 EMPLOYEE MATTERS

4.1 Offers to Employees

(a) Purchaser shall, by no later than two (2) Business Days prior to the Closing Date or such earlier date as the Parties may agree, make written offers of employment to certain retail level Employees of Sellers employed at each Purchased Location on substantially the same terms and conditions that such Employees have with their respective employers immediately prior to Closing (the “**Offers**”). The Offers shall provide for employment with the Purchaser commencing on the Closing Date, conditional upon the Closing occurring. The Offers will provide that Purchaser will recognize Employees’ original dates of hire/past service with Sellers for purposes of any minimum standards imposed by applicable employment standards legislation.

(b) The Employees who accept their respective Offers and/or otherwise commence employment with Purchaser as of the Closing Date at any Purchased Location are collectively referred to as the “**Transferred Employees**”. For clarity and the avoidance of any doubt, any Employee who is made an Offer and does not expressly sign and return such Offer prior to Closing, but who performs work at a Purchased Location on or after the Closing Date will be deemed to have impliedly accepted their respective Offer and will be considered a Transferred Employee. All employees who are not offered employment with Purchaser and all Employees who do not expressly or impliedly accept their respective Offers and/or do not otherwise commence employment with Purchaser on or after the Closing Date at a Purchased Location are collectively referred to as the “**Non-Transferred Employees**”.

4.2 Employee Liabilities

The employment of the Transferred Employees will transfer to Purchaser at the Closing Time. At the Closing Time, Purchaser shall assume and be responsible for, with respect to the Transferred Employees, all: (i) Liabilities in respect of such Transferred Employees from and after the Closing Time as well as any vacation pay accrued (but not paid) prior to the Closing Date; and (ii) employer duties, obligations, losses, damages, costs, and expenses in respect of such Transferred Employees from and after the Closing Time.

ARTICLE 5 CLOSING AND CLOSING CONDITIONS

5.1 Closing

Subject to compliance with the terms and conditions of this Agreement, the Closing shall be completed no later than the earlier of (i) the Outside Date, and (ii) on the first (1st) Business Day after the day on which all of the conditions to Closing set forth in Sections 5.4 and 5.5 are satisfied or waived (other than conditions that are intended to be satisfied at the Closing), or at such other date, time or place as the Parties may agree (the “**Closing Date**”). The transfer of the Purchased Assets shall occur at the Closing Time on the Closing Date.

5.2 Sellers' Deliveries

At the Closing, Sellers shall deliver or cause to be delivered the following, each in form and substance satisfactory to Purchaser, acting reasonably:

- (a) the Purchased Assets, which shall be delivered *in situ* wherever located as of the Closing Time;
- (b) if requested by the Purchaser, customary deeds, assignments, bills of sale and other conveyancing documents, to be settled between Sellers and Purchaser, sufficient to transfer the various categories of Purchased Assets free and clear of all Encumbrances other than the Permitted Encumbrances, on an "as is, where is" basis, consistent with the terms of this Agreement and the Vesting and Assignment Order;
- (c) a copy of the issued and entered Vesting and Assignment Order;
- (d) an acknowledgement addressed to the Monitor dated the Closing Date that each of the conditions precedent in Section 5.5 have been fulfilled, performed or waived as of the Closing Time;
- (e) all Authorizations that are necessary for Purchaser to conduct the Business as conducted by Sellers as of the Closing Date that are transferrable;
- (f) the election referred to in Section 3.10; and
- (g) any other documents required to give effect to this Agreement in form and substance satisfactory to the Parties, each acting reasonably.

5.3 Purchaser's Deliveries

At the Closing, Purchaser shall deliver or cause to be delivered to Sellers, the Purchase Price in accordance with Section 3.2(i) (for clarity, subject to any Post Closing Adjustment) and the following, each in form and substance satisfactory to Sellers, acting reasonably:

- (a) a counterpart of any conveyancing document requiring execution by Purchaser, to be settled between Sellers and Purchaser, sufficient to transfer the various categories of Purchased Assets, on an "as is, where is" basis consistent with the terms of this Agreement and the Vesting and Assignment Order;
- (b) an assignment and assumption agreement evidencing Purchaser's assumption of the Assumed Liabilities, in form and substance satisfactory to Purchaser;
- (c) an acknowledgement dated the Closing Date that each of the conditions precedent in Section 5.4 have been fulfilled, performed or waived as of the Closing Time;
- (d) payment of all Transfer Taxes, if any, payable pursuant to Section 3.9;
- (e) the elections referred to in Section 3.10; and

- (f) any other documents required pursuant to this Agreement in form and substance satisfactory to the Parties, each acting reasonably.

5.4 Conditions of Closing in Favour of Purchaser

The purchase and sale of the Purchased Assets is subject to the following terms and conditions for the exclusive benefit of Purchaser to be performed or fulfilled at or prior to the Closing Time and which may be waived in whole or in part by Purchaser at any time:

- (a) Covenants. All of the terms, covenants and conditions of this Agreement to be complied with or performed by Sellers at or before the Closing Time shall have been complied with or performed in all material respects;
- (b) No Bankruptcy. Sellers shall not have made, or be deemed to have made, an assignment in bankruptcy under the *Bankruptcy and Insolvency Act* or shall not have obtained an order of the Court subjecting this Transaction to a trustee in bankruptcy;
- (c) Orders. Each of the Initial Order, the ARIO and the Vesting and Assignment Order shall have been issued, and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom);
- (d) ARIO. All stays of proceedings contained in the ARIO shall have remained in effect as at the Closing Time except where any such stay is terminated or lifted or amended in a manner which, in Purchaser's opinion, acting reasonably, is not materially prejudicial to Purchaser or which does not materially adversely affect Purchaser's rights under this Agreement or in respect of the Purchased Assets;
- (e) Estimated Merchandise Statement. On the date that is two (2) Business Days prior to the Closing Date, Sellers shall have delivered to Purchaser a statement, in the form attached hereto as Schedule 5.4(e) (the "**Estimated Merchandise Statement**"), setting out: (i) the estimated value of the Merchandise to be delivered to Purchaser at the Closing Time, constituting part of the Purchased Assets; and (ii) the Cash Purchase Price based on such estimate of Merchandise to be delivered to Purchaser at the Closing Time (the "**Estimated Cash Purchase Price**");
- (f) No Action or Proceeding. No legal or regulatory action or proceeding shall be pending or threatened by any Governmental Authority to enjoin, materially restrict or prohibit the purchase and sale of the Purchased Assets contemplated hereby;
- (g) Injunctions. There shall be no injunction against closing the Transaction entered by a court of competent jurisdiction;
- (h) Documents. Sellers shall have delivered the documents referred to in Section 5.2; and
- (i) Domain Names. Sellers will have caused their Affiliate(s) to transfer the domain names set out on Schedule 5.4(i) to Purchaser, such Schedule to be completed within two (2) Business Days of Closing Date.

Any of the foregoing conditions may be waived in whole or in part by Purchaser without prejudice to any claims it may have for breach of covenant, representation or warranty under this Agreement.

5.5 Conditions of Closing in Favour of Sellers

The purchase and sale of the Purchased Assets is subject to the following terms and conditions for the exclusive benefit of Sellers, to be performed or fulfilled at or prior to the Closing Time and which may be waived in whole or in part by Sellers at any time:

- (a) Representations and Warranties. The representations and warranties of Purchaser contained in this Agreement shall be true and correct in all material respects at the Closing Time (unless they are expressed to be made only as of an earlier fixed date, in which case they need be true and correct in all material respects only as of such earlier date);
- (b) Covenants. All of the terms, covenants and conditions of this Agreement to be complied with or performed by Purchaser at or before the Closing Time shall have been complied with or performed in all material respects;
- (c) Orders. Each of the Initial Order, the ARIO, and the Vesting and Assignment Order shall have been issued, and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom) and no notices of the foregoing shall have been filed at the Closing Time;
- (d) No Action or Proceeding. No legal or regulatory action or proceeding shall be pending or threatened by any Governmental Authority to enjoin, materially restrict or prohibit the purchase and sale of the Purchased Assets contemplated hereby;
- (e) Injunctions. There shall be no injunction against closing the Transaction entered by a court of competent jurisdiction; and
- (f) Purchase Price and Documents. Purchaser shall have made the payments and delivered the documents referred to in Section 5.3.

Any of the foregoing conditions may be waived in whole or in part by Sellers without prejudice to any claims they may have for breach of covenant, representation or warranty under this Agreement.

5.6 Monitor's Certificate

When the conditions set out in Sections 5.4 and 5.5 have been satisfied or waived, Purchaser and Sellers will each deliver to the Monitor written confirmation of same. The Closing shall be deemed to have occurred upon delivery by the Monitor of an executed copy of the Monitor's Certificate to Purchaser and Sellers.

5.7 Possession of Assets and Risk of Loss

- (a) The Purchased Assets shall be at the risk of Sellers until the Closing Time. If before the Closing Time, all or substantially all of the Purchased Assets are lost, damaged, destroyed or

have become unusable then Purchaser may terminate this Agreement and the Deposit shall be returned to Purchaser.

(b) At the Closing Time, Purchaser shall take possession of the Purchased Assets wherever situate. Purchaser shall promptly notify Sellers of any Excluded Assets which may come into the possession or control of Purchaser, whether before or after Closing, and thereupon shall promptly release such Excluded Assets to Sellers, or to such other Person as Sellers may direct in writing and title shall not be deemed to vest to Purchaser in respect of any Excluded Assets.

(c) If, prior to the Closing Time, all or any part of the Purchased Assets are destroyed or damaged by fire or any other casualty or are appropriated, expropriated or seized by a governmental or other lawful authority and Purchaser has not exercised its right to terminate this Agreement pursuant to Section 5.7(a):

- (i) the Parties shall complete the Transaction;
- (ii) all proceeds of insurance or compensation for expropriation or seizure received by Sellers in respect of the Purchased Assets prior to Closing shall be paid to Purchaser at the Closing Time and all right and claim of Sellers to any such amounts not received by Sellers prior to Closing shall be assigned at the Closing Time to Purchaser; and
- (iii) any claim Sellers may have against any Person in connection with such destruction or damage of the Purchased Assets shall be assigned to Purchaser at the Closing Time.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of Sellers

Each Seller represents and warrants to Purchaser as follows and acknowledge that Purchaser is relying on these representations and warranties in connection with its purchase of the Purchased Assets:

- (a) cleo is registered for the purposes of subdivision d of Division V of the ETA and its registration number is 1112-8455 and cleo is registered for the purposes of BC PST and its registration number is 1056-8225; and Ricki's is registered for the purposes of subdivision d of Division V of the ETA and its registration number is 1063-8747 and Ricki's is registered for the purposes of BC PST and its registration number is 1052-6873; and
- (b) neither Seller is non-resident of Canada within the meaning of the Tax Act.

6.2 Representations and Warranties of Purchaser

Purchaser represents and warrants to Sellers as follows and acknowledges and confirms that Sellers are relying on such representations and warranties in connection with their sale of the Purchased Assets:

- (a) Purchaser is a corporation formed and existing under the laws of the Province of Ontario and has the power and authority to enter into, and to perform its obligations under, this Agreement.
- (b) The execution, delivery and performance by Purchaser of this Agreement:
 - (i) has been duly authorized by all necessary action;
 - (ii) does not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval under, result in a breach or a violation of, or conflict with, any of the terms or provisions of its constating documents or any contracts or instruments to which it is a party or pursuant to which any of its assets or property may be affected; and
 - (iii) will not result in the violation of any applicable Law.
- (c) This Agreement has been duly executed and delivered by Purchaser.
- (d) By no later than February 18, 2025, Purchaser will have the necessary funds to complete the purchase of the Purchased Assets in accordance with this Agreement. For clarity, Closing is not subject to any financing condition.
- (e) Other than the Vesting and Assignment Order, there is no requirement for Purchaser to make any filing with, give any notice to or obtain any certificate, registration or Authorization as a condition to the lawful consummation of the transactions contemplated by this Agreement.
- (f) Purchaser is duly registered for the purposes of subdivision d of Division V of the ETA and its registration number is 726353626RC0001; and, within 21 days following the Closing, Purchaser will provide to Sellers in writing its registration number for the purposes of BC PST.
- (g) Purchaser is not a non-resident of Canada within the meaning of the Tax Act.

ARTICLE 7 COVENANTS OF THE PARTIES

7.1 Covenants of Sellers

Each Seller covenants and agrees with Purchaser as follows:

- (a) Each Seller shall use commercially reasonable efforts to change its name to a name which does not include the words “cleo fashions”, “Ricki’s”, “Ricki’s Fashion” or any part thereof or any similar words; provided that Purchaser acknowledges that any name change cannot take effect until after the Closing Time. Each Seller agrees that from and after the Closing Time (i) Neither Seller will use the words “cleo fashions”, “Ricki’s”, “Ricki’s Fashion” or any part thereof or any similar words (except as part of Court filings in the CCAA proceedings or any subsequent bankruptcy), including in all documents and websites, and (ii) each Seller will seek

an order in the CCAA Proceeding to change the style of cause in the CCAA Proceeding to reflect the change of the name of each Seller;

- (b) until the Closing Time, each Seller shall furnish Purchaser and its representatives with reasonable access to the Business and the Purchased Assets at all times during normal business hours, as well as such information within the possession or control of Sellers regarding the Purchased Assets as Purchaser and its representatives may reasonably request;
- (c) until the Closing Time, each Seller shall provide Purchaser and its legal counsel with a copy of any draft order or other draft court materials which each Seller intends to file with the Court in connection with this Agreement or the Transactions contemplated thereby with as much notice as is reasonably practicable before service thereof;
- (d) until the Closing Time, except as contemplated or permitted by this Agreement, the Initial Order, the ARIO, the Realization Process Approval, the Stalking Horse Sale Process Approval Order, the Vesting and Assignment Order, or any other Order of the Court made in the CCAA Proceeding, and any actions authorized thereunder: (a) maintain its properties and other assets, including the Purchased Assets, in good condition (normal wear and tear excepted); and (b) not enter into any transaction other than in the ordinary course of business and consistent with past practice on terms that are arm's length;
- (e) each Seller shall use commercially reasonable efforts to fulfill the conditions set out in Section 5.4 and shall cooperate with Purchaser in its efforts to cause the satisfaction of the conditions set out in Section 5.5.

7.2 Covenants of Purchaser

Purchaser covenants and agrees with Sellers as follows:

- (a) for a period of six years following the Closing Date, Purchaser covenants to use reasonable care to preserve the Books and Records of each Seller and to permit each Seller, the Monitor and their respective representatives and successors and assigns and any trustee in bankruptcy access to any such Books and Records that contain information relating to the period prior to the Closing Time, as Sellers, the Monitor and their respective representatives and successors and assigns and any trustee in bankruptcy may reasonably request; and
- (b) Purchaser shall use commercially reasonable efforts to fulfill the conditions set out in Section 5.5 and shall cooperate with Sellers in its efforts to cause the satisfaction of the conditions set out in Section 5.4.

7.3 Transition Services

- (a) For the period commencing on the Closing Date and ending on a date to be determined by the Parties in writing, provided such end date is no later than 120 days from the Closing Date (the "**Transition Period**"), Sellers shall provide or cause to be provided to Purchaser all services and other assistance as may be reasonably required by Purchaser in order to operate the Business, including:

- (i) communicating with internal and external stakeholders, if requested;
 - (ii) provided Purchaser has provided Sellers with all Value Added Tax and provincial sales Tax registration numbers of Purchaser and such other information as may be required by Sellers to do so, selling Merchandise located at Excluded Locations during the Disclaimer/Termination Period at the direction and for the benefit of Purchaser and acting as Purchaser's agent in connection with same as follows:
 - (A) charge and collect (without guarantee on such collectability) and invoice, on behalf of Purchaser, applicable Value Added Tax and provincial sales Tax,
 - (B) indicate in the relevant invoices Purchaser's Value Added Tax and provincial sales Tax numbers, and
 - (C) remit to Purchaser:
 - (I) all amounts, including Value Added Tax and provincial sales Tax, received by Sellers from the customers for and on behalf of Purchaser, which Value Added Tax and provincial sales Tax Purchaser shall be solely responsible to remit to applicable Tax authorities; and
 - (II) all of the necessary information with respect to the sales made by Sellers as agent so that Purchaser can properly report all Value Added Tax and provincial sales Taxes in respect of such sales; and
 - (iii) provide Purchaser with such SD-WAN services, salesforce services, and VOIP equipment and services as the Sellers receive immediately prior to Closing;
 - (iv) continuing the employment of Employees that are not Transferred Employees at the Excluded Locations for the Disclaimer/Termination Period (such period not to exceed the Transition Period), although Employees may resign from their employment and Sellers may terminate for just cause; For clarity and the avoidance of any doubt, nothing herein prohibits Sellers from delivering written notices of termination to Employees during the Disclaimer/Termination Period;
- (collectively, the "**Sellers' Services**" and together with the Purchaser Services, the "**Services**").
- (b) Each Party shall provide all Services directly to the other at a reasonable level of quality, and with a reasonable degree of care, diligence and responsiveness, and in accordance with applicable industry standards. Each Party shall cooperate with each other in all matters relating to the provision and receipt of the Services, including exchanging information.

- (c) Purchaser shall agree to defend, indemnify and hold harmless Sellers and the Monitor, and each of their respective Affiliates, officers, directors, employees, representatives and equityholders, from and against any and all losses, claims, damages, costs, judgments, expenses, Taxes and liabilities, together with all reasonable costs and expenses ("**Losses**"), to which any such indemnified party may become subject or that may be incurred, awarded or asserted against any such indemnified party, caused by, arising out of, or in connection with the performance of any of Sellers' Services (including in connection with any investigation, litigation or other proceeding or preparation of a defense in connection therewith); except to the extent that any such Losses of such indemnified party have resulted from the gross negligence, wilful misconduct or fraud of such party in performing Sellers' Services.
- (d) In all matters relating to the Services, representatives and employees of one Party shall not be considered representatives or employees of any other Party. Except to the extent the Parties otherwise agree in writing, no Party will have any right, power or authority to create any obligation, express or implied, on behalf of any other Party nor shall any Party act or represent or hold itself out as having authority to act as an agent or partner of the other Party, or in any way bind or commit the other Party to any obligations. Subject to the foregoing, nothing in this Section 7.3 is intended to create or constitute a joint venture, partnership, trust or other association of any kind between the Parties or Persons referred to herein.

7.4 Transition Costs

- (a) During the Transition Period, Purchaser hereby covenants and agrees with Sellers that Purchaser, shall pay, reimburse or cover all of the following costs and expenses during the Transition Period (collectively, "**TSA Costs**"):
 - (i) all Lease payments (including percentage rent, taxes and common area maintenance costs, as applicable), utilities, maintenance, security, and other operating costs related to operating the Excluded Locations;
 - (ii) all utilities, including, without limitation, electricity, gas, water, fuel, telephone service, internet services, security and surveillance services or otherwise at the Purchased Locations (collectively, "**Utilities**" and each, a "**Utility**");
 - (iii) all Employee Costs for the Non-Transferred Employees until the closure of the applicable Excluded Locations or Purchased Locations; such Employee Costs shall also include an additional contribution of up to a maximum of CDN\$400,000 in statutory termination and severance entitlements incurred, triggered, or engaged during the Transition Period (even if such costs are not payable until after the Transition Period expires);
 - (iv) all costs of payroll and payroll services in respect of Transferred Employees to the extent required by Purchaser on arrangements satisfactory to Sellers;
 - (v) all shipping costs, freight and duties associated with (i) any in-transit Merchandise and (ii) moving any Merchandise from the Excluded Locations

or the Parian Warehouse to the Purchased Locations, or such other locations as Purchaser may request in writing;

- (vi) any costs associated with credit card fees, banking fees and shared services costs relating to the information technology (IT) and point of sale (POS) equipment including costs of services required by Purchaser during the Transition Period that are provided by Parian's and/or Comark Holdings Inc.'s principal shareholder; provided such amount shall not exceed a weekly cap amount to be agreed to by Sellers and Purchaser in writing prior to the Closing Date each acting reasonably;
 - (vii) the costs associated with running the Parian Warehouse and the corporate overhead costs incurred by Parian related to the services provided by Parian to Sellers during the Transition Period, provided that (i) such services will only be provided for an initial 30-day period, subject to up to three 30-day extensions upon no less than 10 days' advance written notice by Purchaser prior to expiration of the then applicable 30-day period, and (ii) the costs for each 30-day period will be subject to a maximum amount of CDN\$1,000,000. For any in-transit or other inventory that is received or handled by Parian after the expiry of the 30-day period, Purchaser shall pay Parian a handling fee at a price to be agreed to in writing by Sellers and Purchaser each acting reasonably;
 - (viii) from and after the Closing Date, all costs associated with the consulting agreement between the Applicants and Tiger Asset Solutions Canada, ULC associated with or related to the Excluded Locations;
 - (ix) an allocation of the professional fees of the Monitor and the Monitor's counsel, based on the Excluded Locations' share of sales, in comparison to the aggregate amount of sales of the Excluded Locations and the retail stores locations operated by Bootlegger Clothing Inc. that remain in the CCAA Proceedings; provided that, after the Closing Date, no share of the costs associated with the Applicants' legal counsel shall be allocated to the account of Purchaser; and
 - (x) all sales or Transfer Taxes payable in connection with the TSA Costs.
- (b) Cash proceeds from the sale of Merchandise that occurs during the Transition Period (for clarity, excluding the Cash Purchase Price), net of the TSA Costs set out in Section 7.4(a) above, shall be the property of Purchaser, and such cash proceeds shall constitute Purchased Assets and be included in Purchased Assets. Purchaser shall be solely liable to collect and remit any sales taxes or other Transfer Taxes paid or payable on the sale of such Merchandise. Sellers and the Monitor shall make weekly distributions of the net proceeds to Purchaser after accounting for (a) the applicable TSA Costs for such week, and (b) a reasonable reserve amount to be established by the Monitor for estimated future TSA Costs, such reserve not to exceed the weekly cap amount to be agreed to by Sellers and Purchaser in writing prior to the Closing Date each acting reasonably.
- (c) In addition and notwithstanding any provision in this Agreement to the contrary, in event that Sellers are asked to provide point of sale (POS) and banking services

to Purchaser beyond 90 days after the Closing Date pursuant to the TSA, Purchaser shall, commencing on the 91st day after the Closing Date, pay to Parian a service fee equal to three percent (3%) of the cash proceeds collected on behalf of Sellers.

- (d) Sellers and Purchaser agree to work cooperatively to establish a schedule for the issuance of lease disclaimers for the Excluded Locations with the intention of minimizing the TSA Costs.

7.5 Payments Received Post Closing

- (a) If, at any time after the Closing Time, subject to Section 7.4:
 - (i) Sellers receive any payment that is for the account of Purchaser according to the terms of this Agreement, including any proceeds from the sale of Merchandise sold after the Closing Date in accordance with Section 7.3(a)(ii), Sellers shall promptly deliver such amounts to Purchaser on a weekly basis;
 - (ii) Purchaser receives any payment that is for the account of Sellers according to the terms of this Agreement, Purchaser shall promptly deliver such amount(s) to Sellers;
- (b) On prior written notice, either Party may set-off any amounts payable to the other Party pursuant to 7.5(a) against (i) any Post-Closing Adjustment payable by the other Party pursuant to Section 3.5, and (ii), in the case of Sellers, any amounts payable by Purchaser pursuant to Section 7.3; and
- (c) All amounts due and payable under this Section 7.5 shall be due and payable by the applicable Party in immediately available funds, by wire transfer to the account designated in writing by the relevant Party, or by way of set-off, on prior written notice. Notwithstanding the foregoing, each Party hereby undertakes to use its commercially reasonable efforts to direct or forward all bills, invoices or like instruments to the appropriate Party.

7.6 Utilities

From and after the Closing Date, any and all charges and other related fees payable for Utilities for the Purchased Locations pursuant to any invoice or statement issued on or after the Closing Date to the extent relating to a time period commencing on or after the Closing Date, shall be the sole responsibility of the Purchaser. The Purchaser shall, as soon as is reasonably practicable but in all cases prior to expiry of the Transition Period, set up all required Utility accounts for the Purchased Locations in its own name, and the Sellers shall not be responsible for payment of any utilities following such date. The Parties agree to adjust within thirty (30) days of the Closing Date for any Utilities paid by or on behalf of Sellers in respect of any period following the Closing Date that Purchaser will have the benefit of.

ARTICLE 8 TERMINATION

8.1 Termination Rights

(a) Subject to Section 8.2, this Agreement may be terminated by written notice given at or prior to the Closing Time:

- (i) by either Purchaser or Sellers if the Closing has not occurred on or before February 21, 2025 (or such later date as the Parties may agree) (the “**Outside Date**”), except that the right to terminate this Agreement under this Section 8.1(a)(i) is not available to Purchaser or Sellers if the failure of the Closing to occur was due to a breach by it of any of its obligations or any of its representations and warranties in this Agreement;
- (ii) by Purchaser if any of the conditions in Section 5.4 has not been or is incapable of being satisfied by the Outside Date, except that the right to terminate this Agreement under this Section 8.1(a)(ii) is not available if the failure of such condition to be satisfied was due to a breach by Purchaser of any of its obligations or any of its representations and warranties in this Agreement; or
- (iii) by Sellers if (A) any of the conditions in Section 5.5 has not been satisfied or is incapable of being satisfied by the Outside Date, or (B) Closing has not occurred on or prior to February 18, 2025, except that the right to terminate this Agreement under this Section 8.1(a)(iii) is not available if the failure of such condition to be satisfied was due to a breach by Sellers of any of its obligations or any of its representations and warranties in this Agreement.

(b) This Agreement may be terminated by mutual written agreement of Purchaser and Sellers, with the prior written consent of the Monitor.

8.2 Effect of Termination

(a) If this Agreement is terminated pursuant to Section 8.1 or Section 5.7(a) all further obligations of the Parties under or pursuant to this Agreement shall terminate without further liability of any Party to the other except for and subject to the provisions of Section 10.3 and Section 3.3(c) and any other provisions of this Agreement that are stated to survive termination.

(b) Under no circumstance shall any of the Parties or their respective directors, officers, employees, managers, Affiliates or agents or their respective directors, officers and employees be liable for any special, punitive, exemplary, consequential or indirect damages (including loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction.

ARTICLE 9 AS IS WHERE IS

9.1 Acquisition of Assets on “As Is, Where Is” Basis

Purchaser acknowledges and agrees that except as otherwise expressly set forth herein, the Purchased Assets are purchased and the Assumed Liabilities are assumed by Purchaser on an “as is, where is” basis as they shall exist at the Closing Date with all faults, without any representations or warranties, express or implied, in fact or by Law with respect to the Purchased Assets, the Business and the Assumed Liabilities, and without any recourse to Sellers, the Monitor or any of their directors, officers, shareholders, representatives or advisors. Purchaser agrees that it has had the opportunity to inspect and perform any diligence it requires with respect to the Purchased Assets (including Assumed Leases), the Business and the Assumed Liabilities and agrees to accept the Purchased Assets (including Assumed Leases), the Business and the Assumed Liabilities in the condition, state and location they are in on the Closing Date based on Purchaser’s own inspection, examination and determination with respect to all matters and without reliance upon any express or implied representations or warranties of any nature made by or on behalf of or imputed to Sellers or the Monitor. Except as otherwise expressly set forth in this Agreement, Purchaser acknowledges and agrees that no representation, warranty, term or condition, understanding or collateral agreement, whether statutory, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, is being given by Sellers or the Monitor in this Agreement or in any instrument furnished in connection with this Agreement, as to description, fitness for purpose, sufficiency to carry on any business, merchantability, quantity, condition, ownership, quality, value, suitability, durability, environmental condition, assignability or marketability thereof. This Section 9.1 shall not merge on the Closing Date and is deemed incorporated by reference in all documents, agreements or instruments delivered pursuant to the terms of this Agreement. Notwithstanding the foregoing, nothing in this Section 9.1 shall limit or otherwise impair a Party’s right to enforce the terms and conditions of this Agreement.

ARTICLE 10 GENERAL

10.1 Disputes

Any dispute arising out of or in connection with this Agreement shall be submitted to and finally resolved by a motion brought before the Court in the CCAA Proceeding.

10.2 Notices

Any notice, approval, request, demand, consent, instruction, offer or other communication required or permitted under this Agreement shall be in writing and shall be made or given by delivery (courier or otherwise) or by email communication, addressed as follows

(a) in the case of a notice to Sellers at:

cleo fashions Inc.
66 Wellington Street West
Toronto, ON M5K 1A0

Attention: Shamsh Kassam & Andrew Bull
Email: skassam@sternpartners.com & abull@sternpartners.com

Ricki's Fashions Inc.
66 Wellington Street West
Toronto, ON M5K 1A0

Attention: Shamsh Kassam & Andrew Bull
Email: skassam@sternpartners.com & abull@sternpartners.com

with a copy (which shall not constitute notice) to:

Osler, Hoskin & Harcourt LLP
100 King Street West
1 First Canadian Place, Suite 6200
Toronto, ON M5X 1B8

Attention: Tracy Sandler & Sean Stidwill
Email: tsandler@osler.com & sstidwill@osler.com

(b) in the case of a notice to Purchaser at:

1001110197 Ontario Inc.
c/o Aird & Berlis LLP

181 Bay Street, Suite 1800
Toronto, ON M5J 2T9
Attention: Tony Gioia
Email: tgioia@airdberlis.com

(c) in the case of a notice to the Monitor, as follows:

Alvarez & Marsal Canada Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501, P.O. Box 22
Toronto, ON M5J 2J1

Attention: Joshua Nevsky
Email: jnevsky@alvarezandmarsal.com

with a copy (which shall not constitute notice) to:

Goodmans LLP
Bay Adelaide Centre – West Tower
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Attention: Brendan O'Neill & Bradley Wiffen
Email: boneill@goodmans.ca & bwiffen@goodmans.ca

Any notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address by giving notice to the other Parties in accordance with the provisions of this Section 10.2.

10.3 Confidentiality

(a) Purchaser acknowledges that this Agreement will be filed in the CCAA Proceedings in connection with filing and obtaining the Vesting and Assignment Order.

(b) Subject to Section 10.3(a) unless and until this Agreement is terminated prior to Closing, Sellers shall maintain as confidential any Confidential Information of Sellers including such information relating to any of the Purchased Assets, the Business and the Assumed Liabilities. Sellers acknowledge the confidential and proprietary nature of the Confidential Information and shall, before, until, and after Closing:

- (i) not use the Confidential Information for any purpose other than, until Closing, the conduct of the Business; and
- (ii) keep the Confidential Information confidential and, except as required by applicable Laws, not disclose the Confidential Information to any Person without the prior written consent of Purchaser,

provided that the foregoing confidentiality obligations will not apply to any Confidential Information that becomes part of the public domain other than as a result of a breach of these provisions by a Seller or that either of them is obligated to disclose pursuant to applicable Law.

(c) The Parties will cooperate and consult with one another, to the extent reasonably practical, with respect to the issuance of any press release or other public statement regarding this Agreement and the Transaction.

10.4 Mandatory Disclosure Rules

Each Party agrees to notify the other Party if it determines that any transaction contemplated by this Agreement is required to be reported pursuant to section 237.3 and 237.4 of the *Income Tax Act* (Canada) or any other rules of similar effect (the "**Mandatory Reporting Rules**") or if the Party otherwise intends to file any information returns in connection with this

Agreement pursuant to the Mandatory Reporting Rules. Each Party agrees, to the extent possible, to share a draft of any such filing (subject to redactions of solicitor-client privileged information) with the other Party no later than 15 Business Days prior to the due date for such filing and to consider in good faith any changes requested by the other Party prior to the due date to any such filing. Notwithstanding the foregoing, no Party shall be under any obligation not to report a transaction that it determines, acting reasonably, to be subject to a reporting requirement pursuant to the Mandatory Reporting Rules. This Section 10.4 shall survive Closing.

10.5 Assignment

No Party shall assign this Agreement or any rights or obligations arising under this Agreement without the prior written consent of the other Party.

10.6 Amendment

No amendment or waiver of any provision of this Agreement shall be binding on a Party unless consented to in writing by such Party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

10.7 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing Date provided that the reasonable costs and expenses of any actions taken after the Closing Date at the request of a Party shall be the responsibility of the requesting Party.

10.8 Survival

The representations and warranties of Sellers and Purchaser contained in this Agreement shall merge on Closing. The covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

10.9 Personal Information

(a) Purchaser covenants and agrees to use and disclose Transferred Information only for those purposes for which the Transferred Information was initially collected, unless:

(i) where required by applicable Law, it has obtained the consent of that individual to that additional purpose; or

(ii) that use or disclosure is permitted or authorized by applicable Law.

(b) The Parties acknowledge and confirm that the disclosure of Transferred Information is necessary for the purposes of determining whether to proceed with the Transaction and is necessary to carry on the Business and for the completion of the Transaction.

(c) Purchaser covenants and agrees to: (i) where required by applicable Law, within a reasonable time after Closing notify the individuals to whom the Transferred Information relates that Closing has taken place and that the Transferred Information has been disclosed to it; (ii) return or destroy the Transferred Information, at the option of Sellers, should Closing not occur; and (iii) protect the confidentiality of all Transferred Information in a manner consistent with security safeguards appropriate to the sensitivity of the information.

(d) After Closing Sellers shall: (i) not use or disclose any Transferred Information except for those purposes for which the Transferred Information was initially collected or as permitted by applicable Law; (ii) protect the confidentiality of all Transferred Information in a manner consistent with security safeguards appropriate to the sensitivity of the information; and (iii) after the disclosure of all Transferred Information to Purchaser, destroy all Transferred Information in its possession, custody, or control, provided that Sellers may retain Transferred Information only as required by Law.

10.10 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns under Section 10.5. Except as otherwise provided in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns, and no Person other than the Parties and their successors and their permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

10.11 Monitor's Liability

In addition to all of the protections granted to the Monitor under the CCAA, the Initial Order, the ARIQ and any other order of the Court in the CCAA Proceeding, Sellers and Purchaser acknowledge and agree that the Monitor, acting in its capacity as Monitor of Sellers and not in its personal capacity, will have no Liability, in its personal capacity or otherwise, in connection with this Agreement or the Transaction whatsoever. This Section 10.11 shall survive Closing or termination of this Agreement.

10.12 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if all Parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement.

[Remainder of page intentionally left blank]

IN WITNESS OF WHICH the Parties have executed this Agreement as of the date first written above.

CLEO FASHIONS INC.

by 
Name: Shamsh Kassam
Title: Authorized Signatory

RICKI'S FASHIONS INC.

by 
Name: Shamsh Kassam
Title: Authorized Signatory

1001110197 ONTARIO INC.

by 
Name: Douglas Putman
Title: Authorized Signatory

Schedule 1.1(b)
Permitted Encumbrances

None.

Schedule 1.1(c)
Eligible Purchased Locations

Store #	Store Name (Banner and Mall)	Address
40890	cleo (Aberdeen Mall)	1320 W. Trans Canada Hwy, Kamloops, BC
40088	cleo (Avalon Mall)	48 Kenmount Road, St. John's, NFL
30080	Ricki's (Avalon Mall)	48 Kenmount Road, St. John's, NFL
30260	Ricki's (Bayshore Shopping Centre)	100 Bayshore Drive, Ottawa, AB
30258	Ricki's (Billings Bridge Plaza)	2269 Riverside Drive, Ottawa, AB
30715	Ricki's (Bower Place)	4900 - 28th St, Red Deer, AB
40436	cleo (Bramalea City Centre)	25 Peel Centre Drive, Brampton, ON
30351	Ricki's (Bramalea City Centre)	25 Peel Centre Drive, Brampton, ON
40521	cleo (Brandon Shoppers Mall)	1570 18th St, Brandon, MB
30515	Ricki's (Brandon Shoppers Mall)	1570 18th St, Brandon, MB
40338	cleo (Burlington Mall)	777 Guelph Line, Burlington, ON
30281	cleo/Ricki's combo (Burlington North P.C.)	4517 Dundas Street East, Burlington, ON
30692	Ricki's (Calgary Eaton Centre)	751 - 3rd Street SW, Calgary, AB
	cleo (Calgary Market Mall)	3625 Shaganappi Trail N.W., Calgary, AB
30767	Ricki's (Calgary Market Mall)	3625 Shaganappi Trail N.W., Calgary, AB
40442	cleo (Cambridge Centre)	355 Hespeler Road, Cambridge, ON
40352	cleo (Carlingwood Mall)	2121 Carling Avenue, Ottawa, ON

Store #	Store Name (Banner and Mall)	Address
40476	cleo (Cataraqui Town Centre)	945 Gardiners Road, Kingston, ON
40078	cleo (Champlain Place)	477 Paul Street, Dieppe, NB
40836	cleo (Coquitlam Centre)	2929 Barnet Highway, Coquitlam, BC
40417	cleo (Cornwall Square)	1 Water Street East, Cornwall, ON
40704	cleo (Crossiron Mills)	261056 CrossIron Blvd., Rocky View County, AB
30674	Ricki's (Crossiron Mills)	261056 CrossIron Blvd., Rocky View County, AB
40491	cleo (Devonshire Mall)	3100 Howard Avenue, Windsor, ON
30496	Ricki's (Devonshire Mall)	3100 Howard Avenue, Windsor, ON
30289	Ricki's (Durham Centre)	135 Hardwood Ave N, Ajax, ON
30335	cleo/Ricki's combo (Eastgate Square)	75 Centennial Pkwy N, Hamilton, ON
40750	cleo (Edmonton City Centre East)	10205 - 101 St., Edmonton, AB
30768	cleo/Ricki's combo (Edmonton N.E. Power Centre)	13838 40th Street NW, Edmonton, AB
30651	Ricki's (Emerald Hills Centre)	5000 Emerald Hills Drive, Sherwood Park, AB
40444	cleo (Erin Mills Town Centre)	5100 Erin Mills Parkway, Mississauga, ON
30522	Ricki's (Garden City Shopping Centre)	2305 McPhillips Street, Winnipeg, MB
40403	cleo (Georgetown Market Place)	280 Guelph Street, Georgetown, ON
30587	Ricki's (Grasslands @ Harbour Landing)	4548 Gordon Road, Regina, SK
	cleo (Halifax Shopping Centre)	7001 Mumford Road, Halifax, NS

Store #	Store Name (Banner and Mall)	Address
	Ricki's (Halifax Shopping Centre)	7001 Mumford Road, Halifax, NS
30483	cleo/Ricki's combo (Hamilton Southeast PC)	2180 Rymal Road, Hannon, ON
40834	cleo (Hillside Centre)	1644 Hillside Avenue, Victoria, BC
30860	Ricki's (Hillside Centre)	1644 Hillside Avenue, Victoria, BC
30320	Ricki's (Intercity Mall)	1000 Fort William Road, Thunder Bay, ON
30519	Ricki's (Kildonan Place)	1555 Regent Avenue West, Winnipeg, MB
40445	cleo (King's Crossing)	97 Dalton Ave., Kingston, ON
40710	cleo (Kingsway Mall)	109 St. & Kingsway, Edmonton, AB
30696	Ricki's (Kingsway Mall)	109 St. & Kingsway, Edmonton, AB
40256	cleo (Lansdowne Place)	645 Lansdowne Street West, Peterborough, ON
40559	cleo (Lawson Heights)	134 Primrose Drive, Saskatoon, SK
30602	Ricki's (Lawson Heights)	134 Primrose Drive, Saskatoon, SK
40387	cleo (Limeridge Mall)	999 Upper Wentworth St., Hamilton, ON
	cleo (Lynden Park Mall)	84 Lynden Road, Brantford, ON
30426	Ricki's (Lynden Park Mall)	84 Lynden Road, Brantford, ON
40639	cleo (Market Mall)	2325 Preston Avenue, Saskatoon, SK
	cleo (Masonville Place)	1680 Richmond Street N., London, ON
30665	Ricki's (Mayfield Common)	144 Mayfield Common, Edmonton, AB

Store #	Store Name (Banner and Mall)	Address
30097	Ricki's (Mayflower Mall)	800 Grand Lake Road, Sydney, NS
30676	cleo/Ricki's combo (Medicine Hat Mall)	3292 Dunmore Road SE, Medicine Hat, AB
30058	Ricki's (Micmac Mall)	21 Micmac Blvd., Dartmouth, NS
	cleo (Midtown Plaza)	1st Avenue S & 21st Street E, Saskatoon, SK
30601	Ricki's (Midtown Plaza)	1st Avenue S & 21st Street E, Saskatoon, SK
40384	cleo (Milton Crossroads)	1250 Steeles Avenue E., Milton, ON
30371	Ricki's (Milton Crossroads)	1250 Steeles Avenue E., Milton, ON
40275	cleo (New Sudbury Shopping Centre)	1349 Lasalle Blvd, Sudbury, ON
40614	cleo (Northgate Mall)	489 Albert Street N, Regina, SK
40912	cleo (Orchard Park Shopping Centre)	2271 Harvey Avenue, Kelowna, BC
30906	Ricki's (Orchard Park Shopping Centre)	2271 Harvey Avenue, Kelowna, BC
40488	cleo (Oshawa Centre)	419 King Street W., Oshawa, ON
40490	cleo (Ottawa Trainyards P.C.)	100 Trainyards Drive, Ottawa, ON
30489	Ricki's (Ottawa Trainyards P.C.)	100 Trainyards Drive, Ottawa, ON
40695	cleo (Park Place)	501 - 1st Avenue S, Lethbridge, AB
30765	Ricki's (Park Place)	501 - 1st Avenue S, Lethbridge, AB
40691	cleo (Parkland Mall)	4747-67th Street, Red Deer, AB
40474	cleo (Pen Centre)	Glendale Ave At Hwy 406, St. Catharines, ON

Store #	Store Name (Banner and Mall)	Address
30760	Ricki's (Peter Pond Shopping Centre)	9713 Hardin Street, Fort McMurray, AB
30848	Ricki's (Pine Centre Mall)	3055 Massey Drive, Prince George, BC
40505	cleo (Polo Park Shopping Centre)	1485 Portage Ave, Winnipeg, MB
30504	Ricki's (Polo Park Shopping Centre)	1485 Portage Ave, Winnipeg, MB
30741	Ricki's (Prairie Mall)	11801 - 100 Street, Grande Prairie, AB
40353/ 30288	cleo/Ricki's combo (Quinte Mall)	390 North Front Street, Belleville, ON
40051	cleo (Regent Mall)	1381 Regent St., Fredericton, NB
30337	cleo/Ricki's combo (Seaway Mall)	800 Niagara Street N, Welland, ON
40923	cleo (Seven Oaks Shopping Centre)	32900 South Fraser Way, Abbotsford, BC
30882	Ricki's (Seven Oaks Shopping Centre)	32900 South Fraser Way, Abbotsford, BC
40708	cleo (Sherwood Park Mall)	2020 Sherwood Drive, SherwoodPark, AB
30355	cleo/Ricki's combo (Smart Centre Barrie South)	29 Mapleview Drive West, Barrie,
	cleo (South Edmonton Common)	9735 19th Avenue NW, Edmonton, AB
30681	Ricki's (South Edmonton Common)	9735 19th Avenue NW, Edmonton, AB
30661	Ricki's (South Trail Crossing)	4307 - 130 Ave. SE, Calgary, AB
40671	cleo (South Centre Mall)	100 Anderson Road S.E., Calgary, AB
30680	Ricki's (South Centre Mall)	100 Anderson Road S.E., Calgary, AB
40618	cleo (Southland Mall)	2965 Gordon Road, Regina, SK

Store #	Store Name (Banner and Mall)	Address
30612	Ricki's (Southland Mall)	2965 Gordon Road, Regina, SK
40267	cleo (St. Laurent Shopping Centre)	1200 St. Laurent Blvd., Ottawa, ON
30470	Ricki's (St. Laurent Shopping Centre)	1200 St. Laurent Blvd., Ottawa, ON
40539	cleo (St. Vital Centre)	1225 St. Mary's Road, Winnipeg, MB
30524	Ricki's (St. Vital Centre)	1225 St. Mary's Road, Winnipeg, MB
40493	cleo (Station Mall)	293 Bay Street, Sault Ste. Marie, ON
40690	cleo (Sunridge Mall)	2525-36 St NE, Calgary, AB
30315	cleo/Ricki's combo (Sunrise Shopping Centre)	1400 Ottawa Street South, Kitchener, ON
40466	cleo (TD Centre)	66 Wellington Street West, Toronto, ON
40096	cleo (The Village)	430 Topsail Road, St. John's, NFLD
40407	cleo (Upper Canada Mall)	17600 Yonge Street, Newmarket, ON
40740	cleo (West Edmonton Mall)	8882-170th Street, Edmonton, AB
40670	cleo (Westland Market Mall)	70 Mcleod Avenue, Spruce Grove, AB
40410	cleo (Whiteoaks Mall)	1105 Wellington Road S, London, ON
30878	Ricki's (Willowbrook Mall)	19705 Fraser Highway, Langley, BC
30492	cleo/Ricki's combo (Windsor Crossing)	1555 Talbot Rd, LaSalle, ON
40886	cleo (Woodgrove Centre)	6631 Island Highway North, Nanaimo, BC
30880	Ricki's (Woodgrove Centre)	6631 Island Highway North, Nanaimo, BC

Store #	Store Name (Banner and Mall)	Address
	cleo (The Core)	324 8 Ave SW, Calgary, AB

- Any storage leases associated with any of the above locations.

Schedule 2.1(e)
Assumed Contracts

None.

Schedule 2.2(n)
Specified Excluded Assets

Without limiting Section 2.2, the Excluded Assets shall include:

1. All rights in respect of, including the right to receive recovery, settlement or other proceeds from, any insurance coverage or claims made by Sellers in respect of the period prior to Closing; and
2. Any Contracts that are not Assumed Contracts or Assumed Leases.

Schedule 5.4(e)
Form of Estimated Merchandise Statement

(see attached)

Schedule 5.4(e)
Estimated Merchandise Statement

	Ricki's	cleo	Total
In-Transit	[•]	[•]	[•]
On-Hand	[•]	[•]	[•]
Total	[•]	[•]	[•]
Less: estimated COS			[•]
Estimated Merchandise on Closing			[•]
64-cents purchase price			\$ 0.64
Estimated Cash Purchase Price			[•]

Schedule 5.4(i)
Domain Names

Schedule to be completed within two (2) Business Days of Closing Date.

SCHEDULE “B”

ELIGIBLE LEASE DOCUMENTS

Only Lease Documents in respect of the following shopping mall and associated banner locations are eligible to become Assumed Leases in accordance with the Purchase Agreement and paragraph 15 of the Order, provided, for clarity, no Lease Document will become an Assumed Lease unless and until the applicable shopping mall and associated banner is included on Schedule “1” to the executed Monitor’s Certificate delivered to the Purchaser, Vendors and the DIP Lender.

No.	Mall	Banner/Store	Address
1.	ABERDEEN MALL	cleo	1320 W. Trans Canada Hwy, Kamloops, BC
2.	AVALON MALL	cleo	48 Kenmount Road, St. John's, NFL
3.	AVALON MALL	Ricki's	48 Kenmount Road, St. John's, NFL
4.	BAYSHORE SHOPPING CENTRE	Ricki's	100 Bayshore Drive, Ottawa, AB
5.	BILLINGS BRIDGE PLAZA, ON	Ricki's	2269 Riverside Drive, Ottawa, AB
6.	BOWER PLACE	Ricki's	4900 - 28th St, Red Deer, AB
7.	BRAMALEA CITY CENTRE	cleo	25 Peel Centre Drive, Brampton, ON
8.	BRAMALEA CITY CENTRE	Ricki's	25 Peel Centre Drive, Brampton, ON
9.	BRANDON SHOPPERS MALL	cleo	1570 18th St, Brandon, MB
10.	BRANDON SHOPPERS MALL	Ricki's	1570 18th St, Brandon, MB
11.	BURLINGTON MALL	cleo	777 Guelph Line, Burlington, ON
12.	BURLINGTON NORTH P.C.	Ricki's and cleo combo	4517 Dundas Street East, Burlington, ON
13.	CALGARY EATON CENTRE	Ricki's	751 - 3rd Street SW, Calgary, AB
14.	CALGARY MARKET MALL	cleo	3625 Shaganappi Trail N.W., Calgary, AB
15.	CALGARY MARKET MALL	Ricki's	3625 Shaganappi Trail N.W., Calgary, AB
16.	CAMBRIDGE CENTRE	cleo	355 Hespeler Road, Cambridge, ON
17.	CARLINGWOOD MALL	cleo	2121 Carling Avenue, Ottawa, ON
18.	CATARAQUI TOWN CENTRE	cleo	945 Gardiners Road, Kingston, ON
19.	CHAMPLAIN PLACE	cleo	477 Paul Street, Dieppe, NB
20.	COQUITLAM CENTRE	cleo	2929 Barnet Highway, Coquitlam, BC
21.	CORNWALL SQUARE	cleo	1 Water Street East, Cornwall, ON

22.	CROSSIRON MILLS	cleo	261056 CrossIron Blvd., Rocky View County, AB
23.	CROSSIRON MILLS	Ricki's	261056 CrossIron Blvd., Rocky View County, AB
24.	DEVONSHIRE MALL	cleo	3100 Howard Avenue, Windsor, ON
25.	DEVONSHIRE MALL	Ricki's	3100 Howard Avenue, Windsor, ON
26.	DURHAM CENTRE	Ricki's	135 Hardwood Ave N, Ajax, ON
27.	Eastgate Square	Ricki's and cleo combo	75 Centennial Pkwy N, Hamilton, ON
28.	E-comm (Gamble)	cleo	1530 Gamble Place, Winnipeg, MB
29.	E-comm (Gamble)	Ricki's	1530 Gamble Place, Winnipeg, MB
30.	EDMONTON CITY CENTRE EAST	cleo	10205 - 101 St., Edmonton, AB
31.	Edmonton N.E. Power Centre	Ricki's and cleo combo	13838 40th Street NW, Edmonton, AB
32.	EMERALD HILLS CENTRE	Ricki's	5000 Emerald Hills Drive, Sherwood Park, AB
33.	ERIN MILLS TOWN CENTRE	cleo	5100 Erin Mills Parkway, Mississauga, ON
34.	GARDEN CITY SHOPPING CENTRE	Ricki's	2305 McPhillips Street, Winnipeg, MB
35.	GEORGETOWN MARKET PLACE	cleo	280 Guelph Street, Georgetown, ON
36.	Grasslands @ Harbour Landing	Ricki's	4548 Gordon Road, Regina, SK
37.	HALIFAX SHOPPING CENTRE	cleo	7001 Mumford Road, Halifax, NS
38.	HALIFAX SHOPPING CENTRE	Ricki's	7001 Mumford Road, Halifax, NS
39.	HAMILTON SOUTHEAST PC, ON	Ricki's and cleo combo	2180 Rymal Road, Hannon, ON
40.	HILLSIDE CENTRE	cleo	1644 Hillside Avenue, Victoria, BC
41.	HILLSIDE CENTRE	Ricki's	1644 Hillside Avenue, Victoria, BC
42.	INTERCITY MALL	Ricki's	1000 Fort William Road, Thunder Bay, ON
43.	KILDONAN PLACE	Ricki's	1555 Regent Avenue West, Winnipeg, MB
44.	King's Crossing	cleo	97 Dalton Ave., Kingston, ON
45.	KINGSWAY MALL	cleo	109 St. & Kingsway, Edmonton, AB
46.	KINGSWAY MALL	Ricki's	109 St. & Kingsway, Edmonton, AB
47.	LANSDOWNE PLACE	cleo	645 Lansdowne Street West, Peterborough, ON

48.	LAWSON HEIGHTS	cleo	134 Primrose Drive, Saskatoon, SK
49.	LAWSON HEIGHTS	Ricki's	134 Primrose Drive, Saskatoon, SK
50.	LIMERIDGE MALL	cleo	999 Upper Wentworth St., Hamilton
51.	LYNDEN PARK MALL	cleo	84 Lynden Road, Brantford, ON
52.	LYNDEN PARK MALL	Ricki's	84 Lynden Road, Brantford, ON
53.	MARKET MALL	cleo	2325 Preston Avenue, Saskatoon, SK
54.	MASONVILLE PLACE	cleo	1680 Richmond Street N., London, ON
55.	MAYFIELD COMMON	Ricki's	144 Mayfield Common, Edmonton, AB
56.	MAYFLOWER MALL	Ricki's	800 Grand Lake Road, Sydney, NS
57.	MEDICINE HAT MALL	Ricki's and cleo combo	3292 Dunmore Road SE, Medicine Hat, AB
58.	MICMAC MALL	Ricki's	21 Micmac Blvd. , Dartmouth, NS
59.	MIDTOWN PLAZA	cleo	1st Avenue S & 21st Street E, Saskatoon, SK
60.	MIDTOWN PLAZA	Ricki's	1st Avenue S & 21st Street E, Saskatoon, SK
61.	MILTON CROSSROADS	cleo	1250 Steeles Avenue E., Milton, ON
62.	MILTON CROSSROADS	Ricki's	1250 Steeles Avenue E., Milton, ON
63.	NEW SUDBURY SHOPPING CENTRE	cleo	1349 Lasalle Blvd, Sudbury, ON
64.	NORTHGATE MALL	cleo	489 Albert Street N, Regina, SK
65.	ORCHARD PARK SHOPPING CENTRE	Ricki's	2271 Harvey Avenue, Kelowna, BC
66.	ORCHARD PARK SHOPPING CENTRE	cleo	2271 Harvey Avenue, Kelowna, BC
67.	OSHAWA CENTRE	cleo	419 King Street W., Oshawa, ON
68.	OTTAWA TRAINYARDS P.C.	cleo	100 Trainyards Drive, Ottawa, ON
69.	OTTAWA TRAINYARDS P.C.	Ricki's	100 Trainyards Drive, Ottawa, ON
70.	PARK PLACE	cleo	501 - 1st Avenue S, Lethbridge, AB
71.	PARK PLACE	Ricki's	501 - 1st Avenue S, Lethbridge, AB
72.	PARKLAND MALL	cleo	4747-67th Street, Red Deer, AB
73.	PEN CENTRE	cleo	Glendale Ave At Hwy 406, St. Catharines, ON
74.	PETER POND SHOPPING CENTRE	Ricki's	9713 Hardin Street, Fort McMurray, AB
75.	PINE CENTRE MALL	Ricki's	3055 Massey Drive, Prince George, BC
76.	POLO PARK SHOPPING CENTRE	cleo	1485 Portage Ave, Winnipeg, MB

77.	POLO PARK SHOPPING CENTRE	Ricki's	1485 Portage Ave, Winnipeg, MB
78.	PRAIRIE MALL	Ricki's	11801 - 100 Street, Grande Prairie, AB
79.	QUINTE MALL	cleo	390 North Front Street, Belleville, ON
80.	QUINTE MALL	Ricki's	390 North Front Street, Belleville, ON
81.	REGENT MALL	cleo	1381 Regent St., Fredericton, NB
82.	Seaway Mall	Ricki's and cleo combo	800 Niagara Street N, Welland, ON
83.	SEVEN OAKS SHOPPING CENTRE	cleo	32900 South Fraser Way, Abbotsford, BC
84.	SEVEN OAKS SHOPPING CENTRE	Ricki's	32900 South Fraser Way, Abbotsford, BC
85.	SHERWOOD PARK MALL	cleo	2020 Sherwood Drive, Sherwood Park, AB
86.	SMART CENTRE BARRIE SOUTH	Ricki's and cleo combo	29 Mapleview Drive West, Barrie, ON
87.	SOUTH EDMONTON COMMON	cleo	9735 19th Avenue NW, Edmonton, AB
88.	SOUTH EDMONTON COMMON	Ricki's	9735 19th Avenue NW, Edmonton, AB
89.	SOUTH TRAIL CROSSING	Ricki's	4307 - 130 Ave. SE, Calgary, AB
90.	SOUTHCENTRE MALL	cleo	100 Anderson Road S.E. , Calgary, AB
91.	SOUTHCENTRE MALL	Ricki's	100 Anderson Road S.E. , Calgary, AB
92.	SOUTHLAND MALL	cleo	2965 Gordon Road, Regina, Sk
93.	SOUTHLAND MALL	Ricki's	2965 Gordon Road, Regina, SK
94.	ST. LAURENT SHOPPING CENTRE	cleo	1200 St. Laurent Blvd., Ottawa, ON
95.	ST. LAURENT SHOPPING CENTRE	Ricki's	1200 St. Laurent Blvd., Ottawa, ON
96.	ST. VITAL CENTRE	Ricki's	1225 St. Mary's Road, Winnipeg, MB
97.	ST. VITAL CENTRE	cleo	1225 St. Mary's Road, Winnipeg, MB
98.	STATION MALL	cleo	293 Bay Street, Sault Ste. Marie, ON
99.	SUNRIDGE MALL	cleo	2525-36 St NE, Calgary, AB
100.	SUNRISE SHOPPING CENTRE	Ricki's and cleo combo	1400 Ottawa Street South, Kitchener, ON
101.	TD CENTRE	cleo	66 Wellington Street West, Toronto, ON

102.	THE VILLAGE	cleo	430 Topsail Road, St. John's, NFL
103.	UPPER CANADA MALL	cleo	17600 Yonge Street, Newmarket, ON
104.	WEST EDMONTON MALL	cleo	8882-170th Street, Edmonton, AB
105.	WESTLAND MARKET MALL	cleo	70 Mcleod Avenue, Spruce Grove, AB
106.	WHITEOAKS MALL	cleo	1105 Wellington Road S, London, ON
107.	WILLOWBROOK MALL	Ricki's	19705 Fraser Highway, Langley, BC
108.	WINDSOR CROSSING	Ricki's and cleo combo	1555 Talbot Rd, LaSalle, ON
109.	WOODGROVE CENTRE	cleo	6631 Island Highway North, Nanaimo, BC
110.	WOODGROVE CENTRE	Ricki's	6631 Island Highway North, Nanaimo, BC
111.	The Core	cleo	324 8 Ave SW, Calgary, AB

SCHEDULE “C”

FORM OF MONITOR’S CERTIFICATE

Court File No. CV-25-00734339-00CL

**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 COMARK HOLDINGS INC.,
BOOTLEGGER CLOTHING INC., CLEO FASHIONS INC.
AND RICKI’S FASHIONS INC. (collectively, the
“**Applicants**”)

MONITOR’S CERTIFICATE

RECITALS

1. Pursuant to the Initial Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated January 7, 2025 (as amended and restated on January 17, 2025, and as may be further amended, restated or supplemented from time to time), the Applicants were granted protection from their creditors pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and Alvarez & Marsal Canada Inc. was appointed as the monitor (the “**Monitor**”).

2. Pursuant to an Approval and Vesting and DIP Assignment Order (the “**Order**”) of the Court dated February 4, 2025, the Court *inter alia*, (i) approved the Asset Purchase Agreement dated February 3, 2025 (including the exhibits and schedules attached thereto, the “**Purchase Agreement**”) between cleo fashions Inc. (“**cleo**”) and Ricki’s Fashions Inc. (together with cleo, the “**Vendors**”) and 10011110197 Ontario Inc. (the “**Purchaser**”), a copy of which is attached as

Schedule “A” to the Order, and the transactions contemplated therein (collectively, the “**Transactions**”), (ii) provided for the transfer to and the vesting in the Purchaser of all of the Vendors’ right, title and interest in and to the Purchased Assets free and clear of all Claims and Encumbrances other than Assumed Liabilities and Permitted Encumbrances, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Vendors, the Purchaser and the DIP Lender of this certificate (the “**Monitor’s Certificate**”), (iii) approved an assignment of the rights and obligations of the DIP Lender under the DIP Term Sheet from Canadian Imperial Bank of Commerce (“**CIBC**”) to 9383921 Canada Inc. (“**938 Canada**”), and (iv) ordered the assignment of the Assumed Leases to the Purchaser pursuant to Section 11.3 of the CCAA.

3. Pursuant to the Order, the Monitor may rely on written notice from (a) the Vendors and the Purchaser regarding satisfaction or waiver of conditions to closing under the Purchase Agreement; (b) the Purchaser and the counterparties under the Assumed Leases regarding the matters set out in paragraph 15 of the Order, and (c) 938 Canada and CIBC regarding the satisfaction or waiver of conditions to closing under the DIP Assignment Agreement and the Debt Assignment Agreement.

4. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Order or Purchase Agreement, as applicable.

THE MONITOR HEREBY CERTIFIES the following:

1. The Purchaser has paid the cash proceeds of the Purchase Price to the Monitor, on behalf of Vendors, pursuant to the Purchase Agreement;

2. The Vendors and the Purchaser have each delivered written notice to the Monitor that all applicable conditions of closing under the Purchase Agreement (other than delivery of the Monitor's Certificate) have been satisfied and/or waived, as applicable;
3. CIBC and 938 Canada have each delivered written notice to the Monitor that all applicable conditions of closing under the DIP Assignment Agreement and the Debt Assignment Agreement (other than delivery of the Monitor's Certificate) have been satisfied and/or waived, as applicable;
4. With respect to each shopping mall and associated banner listed on Schedule "1" to this Monitor's Certificate, (I) such shopping mall and associated banner is listed on Schedule "B" to the Order, and (II) the Purchaser and the applicable counterparty to the applicable Assumed Lease have provided written confirmation to the Monitor that they have reached consensual arrangements with respect to Cure Costs, other lease terms, and the assignment of such Assumed Lease, and
5. The Effective Time is deemed to have occurred at [TIME] on [DATE], 2025.

This Monitor's Certificate was delivered by the Monitor at _____ on _____, 2025.

**ALVAREZ & MARSAL CANADA INC.,
solely in its capacity as Monitor of the
Applicants, and not in its personal capacity**

SCHEDULE “1” TO THE MONITOR’S CERTIFICATE

ASSUMED LEASES

[Note to Finalization: Executed Monitor’s Certificate to include only shopping centres and associated banners set out on Schedule “B” to the Order where Purchaser and the applicable counterparty have provided written confirmation to the Monitor that they have reached consensual arrangements with respect to Cure Costs, other lease terms, and the assignment of the applicable Lease Documents]

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED Court File No: CV-25-00734339-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF COMARK HOLDINGS INC., BOOTLEGGER CLOTHING INC., CLEO FASHIONS INC. AND RICKI'S FASHIONS INC.

Applicants

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

APPROVAL AND VESTING AND DIP ASSIGNMENT ORDER

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