



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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR.

)

TUESDAY, THE 4<sup>TH</sup>

JUSTICE CAVANAGH

)

DAY OF FEBRUARY, 2025

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

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

**STALKING HORSE SALE PROCESS APPROVAL ORDER**

**THIS MOTION**, made by Comark Holdings Inc., 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, for an order, *inter alia*, (i) approving the sale process letter attached as Appendix "E" to the Third Kassam Affidavit (as defined below) (the "**Process Letter**"), (ii) approving the term sheet between the Applicants and Warehouse One Clothing Ltd. (the "**Stalking Horse Purchaser**") dated January 28, 2025 (the "**Stalking Horse Term Sheet**"), a copy of which is attached as Appendix "F" to the Third Kassam Affidavit, to act as a stalking-horse bid in the Sale Process (as defined in the Process Letter), and (iii) granting certain related relief, was heard this day via videoconference.

**ON READING** the Motion Record of the Applicants, the affidavit of Shamsh Kassam sworn January 30, 2025, and the exhibits thereto (the "**Third Kassam Affidavit**"), the Second Report of Alvarez & Marsal Canada Inc. in its capacity as monitor (the "**Monitor**") dated January 31, 2025, and on hearing the submissions of counsel for the Applicants, the Monitor, and such other counsel that were present, no one else appearing although duly served as appears from the affidavit of service of Sierra Farr, sworn January 31, 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 capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them under the Process Letter, the Third Kassam Affidavit, or the Amended & Restated Initial Order of this Court dated January 17, 2025 (the “**ARIO**”), as applicable.

## APPROVAL OF PROCESS LETTER AND SALE PROCESS

3. **THIS COURT ORDERS** that the Process Letter is hereby approved and the Applicants and Monitor, and their respective affiliates, partners, directors, officers, employees, advisors, representatives and agents (collectively, “**Assistants**”), are hereby authorized and empowered to implement the Sale Process set out therein, as such process may be modified by the Monitor from time to time, in consultation with the Applicants and in accordance with the Process Letter. The Applicants, the Monitor and their Assistants are hereby authorized and directed to perform their respective obligations and to take any and all actions as may be necessary or desirable to implement and carry out the Sale Process in accordance with the ARIO, this Order, and the Process Letter, provided that completion of any refinancing, restructuring, sale or reorganization transaction resulting from the Sale Process will be subject to prior approval of this Court.
4. **THIS COURT ORDERS** that all actions taken by the Applicants, the Monitor and their respective Assistants in implementing and carrying out the Sale Process prior to the date of this Order be and are hereby approved *nunc pro tunc*.
5. **THIS COURT ORDERS** that the Applicants, the Monitor and their respective Assistants shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the Sale Process, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Applicants or the Monitor, as applicable, in carrying out the Sale Process, as determined by this Court.

6. **THIS COURT ORDERS** that, in conducting the Sale Process, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO, and any other Order of this Court in the within proceeding.

#### **APPROVAL OF STALKING HORSE TERM SHEET**

7. **THIS COURT ORDERS** (a) the execution of the Stalking Horse Term Sheet by the Applicants is hereby authorized *nunc pro tunc*, (b) that the Stalking Horse Term Sheet is approved to act as a stalking horse bid in accordance with the Process Letter, and (c) that the Applicants are hereby authorized and empowered to negotiate and finalize a definitive agreement of purchase and sale with the Stalking Horse Purchaser (such definitive agreement being the “**Stalking Horse Purchase Agreement**”) substantially on the terms set out in the Stalking Horse Term Sheet, with such amendments as may be acceptable to each of the parties thereto, with the approval of the Monitor; provided that, nothing herein approves the sale and the vesting of any Property to the Stalking Horse Purchaser (or any of its designees) pursuant to the Stalking Horse Term Sheet and that the approval of any Stalking Horse Purchase Agreement or sale and vesting of any such Property shall be considered by this Court on a subsequent motion made to this Court if the transaction set out in the Stalking Horse Term Sheet is declared to be the successful bidder in the Sale Process.

8. **THIS COURT ORDERS** that, as soon as reasonably practicable following the Applicants and the Stalking Horse Purchaser executing the Stalking Horse Purchase Agreement, the Monitor shall post a copy thereof on its website, and the Applicants shall:

- (a) serve a copy thereof on the Service List; and
- (b) provide a copy thereof to each Participant (as defined below), excluding from the public record any confidential information that the Applicants and the Stalking Horse Purchaser, with the consent of the Monitor, agree should be redacted.

#### **PROTECTION OF PERSONAL INFORMATION**

9. **THIS COURT ORDERS** that Pursuant to section 7(3)(e) of the *Canada Personal Information Protection and Electronic Documents Act*, and any similar legislation in any other applicable jurisdictions, the Applicants or the Monitor and their respective Assistants are hereby

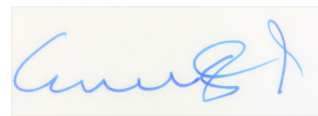
authorized and permitted to disclose and transfer to Sale Process participants that are party to a non-disclosure agreement with the Applicants or Monitor (each, a “**Participant**”) and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the Sale Process (a “**Transaction**”). Each Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to the Participant’s evaluation for the purpose of effecting a Transaction, and, if a Participant does not complete a Transaction, shall return all such information to the Applicants or the Monitor, or, in the alternative, destroy all such information and provide confirmation of its destruction to the Applicants and Monitor.

## **GENERAL**

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

12. **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.



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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

**STALKING HORSE SALE PROCESS APPROVAL  
ORDER**

**OSLER, HOSKIN & HARCOURT LLP**

1 First Canadian Place, P.O. Box 50  
Toronto, ON M5X 1B8  
Fax: 416.862.6666

**Tracy C. Sandler** (LSO# 32443N)

Tel: 416.862.5890  
Email: [tsandler@osler.com](mailto:tsandler@osler.com)

**Shawn Irving** (LSO# 50035U)

Tel: 416.862.4733  
Email: [sirving@osler.com](mailto:sirving@osler.com)

**Sean Stidwill** (LSO# 71078J)

Tel: 416.862.4217  
Email: [sstidwill@osler.com](mailto:sstidwill@osler.com)

**Sierra Farr** (LSO# 87551D)

Tel: 416.862.6499  
Email: [sfarr@osler.com](mailto:sfarr@osler.com)

Lawyers for the Applicants