

CANADA

SUPERIOR COURT
Commercial Division

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C. c.
C-36)

N°: 500-11-049256-155

IN THE MATTER OF THE PLAN OF
COMPROMISE AND ARRANGEMENT OF:

**MAGASIN LAURA (P.V.) INC. / LAURA'S
SHOPPE (P.V.) INC.**

Debtor / Petitioner

-and-

KPMG INC.

Monitor

**ORDER FOR THE FILING OF THE PLAN OF COMPROMISE AND ARRANGEMENT
AND THE CALLING OF A CREDITORS' MEETING**
(Sections 4, 9, 11 and 22 of the *Companies' Creditors Arrangement Act*,
R.S.C. 1985, c. C-36)

SEEING the Petitioner's, Laura's Shoppe (P.V.) Inc. (the "**Company**"), Motion for an Order for the Filing of the Plan of Compromise and Arrangement and the Calling of a Creditors' Meeting (the "**Motion**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**"), the exhibits thereto, the affidavit in support thereof and the submissions of counsel;

SEEING that the Company's "Plan of Compromise and Arrangement" dated October 16, 2015 has been submitted to the Court as required by the CCAA (the "**Plan**"), a copy of which is attached hereto as **Schedule A**;

GIVEN the provisions of the CCAA;

THE COURT:

[1] **GRANTS** the Motion;

Service

- [2] **DECLARES** that the notices given of presentation of the Motion are adequate and sufficient;

Definitions

- [3] **DECLARES** that, unless otherwise indicated, capitalized terms found herein shall have the same meaning ascribed thereto in the Plan;

Filing of the Plan

- [4] **AUTHORIZES** the filing of the Plan with the Court under the CCAA;

Notice of the Creditors' Meeting

- [5] **ORDERS** that the Monitor call a meeting of all Affected Creditors (the "**Creditors' Meeting**") in order for the Affected Creditors to vote for the acceptance or rejection of the Plan as set forth in the CCAA;

- [6] **ORDERS** that such Creditors' Meeting be called as hereafter set forth and held on or before December 15, 2015, or such later date as the Court may order (the "**Meeting Call Date**");

- [7] **ORDERS** that, at least fourteen (14) days before the Meeting Call Date, the Monitor publish the following documents on its website (collectively the "**Meeting Materials**");

- (a) a notice of the Creditors' Meeting, substantially in the form of the notice attached hereto in **Schedule B** (the "**Notice to Creditors**");
- (b) the Plan;
- (c) a copy of the proxy form substantially in the form as that in **Schedule C** attached hereto (the "**Proxy Form**");
- (d) a copy of this Order; and
- (e) such other materials, if any, as the Monitor deems appropriate.

- [8] **ORDERS** that, at least fourteen (14) days before the Meeting Call Date, the Monitor send, by regular mail, a copy of the Meeting Materials to each Creditor which filed a Claim in compliance with the Claims Procedure Order;

- [9] **ORDERS** that the Notice to Creditors be published by the Monitor in a French language newspaper and an English language newspaper as soon as possible

following the issuance of this Order and, in any case, no less than seven (7) days before the Meeting Call Date;

- [10] **ORDERS** that the publication and mailings made pursuant to paragraphs [7] to [9] of this Order shall constitute good and sufficient service of the Meeting Materials on all Persons who may be entitled to receive notice thereof, or of these proceedings, or to be present in person or by proxy at the Creditors' Meeting, or who may wish to appear in these proceedings, and no other form of notice or service need be made on such Persons, and no other document or material need be served on such Persons in respect of these proceedings;

Creditors' Meeting

- [11] **ORDERS** that the Monitor is hereby authorized to call, hold and conduct the Creditors' Meeting for the purpose of considering and, if appropriate, approving the Plan at a place, date and time as shall be set forth in the Notice to Creditors;
- [12] **ORDERS** that the only Persons entitled to attend the Creditors' Meeting are Affected Creditors, their legal representatives and their proxy holders, representatives of the Company, members of the board of directors of the Company and their representatives, representatives of the Monitor, the Chair and their respective legal and financial advisors. Any other Person may be admitted to the Creditors' Meeting on invitation by the Chair;
- [13] **ORDERS** that any proxy which any Creditor wishes to submit in respect of the Creditors' Meeting (or any adjournment thereof) must be substantially in the form of the Proxy Form (or to any such other form acceptable to the Monitor or the Chair) and be received by the Monitor before the beginning of the Creditors' Meeting;
- [14] **ORDERS** that any Creditor that named the Monitor as its authorized representative in its Proxy Form will be deemed to have voted in favour of the approval of the Plan, unless otherwise indicated in its Proxy Form;
- [15] **ORDERS** that the quorum required at the Creditors' Meeting shall be one Creditor having a Voting Claim present at such meeting in person or by proxy. If the requisite quorum is not present at the Creditors' Meeting, then the Creditors' Meeting shall be adjourned by the Chair to such time and place as the Chair deems necessary or desirable;
- [16] **ORDERS** that the only Persons entitled to vote at the Creditors' Meeting shall be Creditors with a Voting Claim and their proxy holders. Each Creditor with a Voting Claim will be entitled to a number of votes equal to the value in dollars of its Voting Claim. A Creditor's Voting Claim shall not include fractional numbers and Voting Claims shall be rounded down to the nearest whole Canadian dollar amount;

- [17] **ORDERS** that the results of any vote conducted at the Creditors' Meeting shall be binding on all Creditors, whether or not any such Creditor is present or voting at the Creditors' Meeting;
- [18] **ORDERS** that the Chair shall preside as the chair of the Creditors' Meeting and, subject to any further order of this Court, shall decide all matters relating to the conduct of the Creditors' Meeting. The Company and any Creditor may appeal from any decision of the Chair to the Court within five (5) Business Days of any such decision, by sending previous notice in writing to the Company's counsel, the Monitor and the Monitor's counsel as per paragraph [27] of the present Order before the hearing on the sanctioning of the Plan;
- [19] **ORDERS** that, at the Creditors' Meeting, the Chair is authorized to direct a vote with respect to the Plan and any amendments thereto as he deems appropriate;
- [20] **ORDERS** that the Monitor may appoint scrutineers for the supervision and tabulation of the attendance, quorum and votes cast at the Creditors' Meeting. A Person designated by the Monitor shall act as secretary at the Creditors' Meeting;
- [21] **ORDERS** that where the Creditor appeals from a Notice of Revision or Disallowance or its Claim has not been finally determined prior to the date of the Creditors' Meeting, the Monitor, in conjunction with the Company, will determine the amount of the Voting Claim;
- [22] **ORDERS** that the Monitor shall be directed to tabulate the votes cast at the Creditors' Meeting called to consider the Plan in accordance with this Order and shall report to the Court at the sanction hearing as to the effect, if any, that the Monitor's determination of Creditors' Voting Claims pursuant to paragraph [21] hereof had on the outcome of the votes cast at the Creditors' Meeting;
- [23] **ORDERS** that by a simple vote of a majority in number of the Voting Claims of Persons present at the Creditors' Meeting or by proxy, the Creditors' Meeting may be adjourned or re-adjourned to a subsequent date, time and place as determined by such vote and no further notice will be necessary;

Notice of Transfers

- [24] **ORDERS** that, for purposes of voting at the Creditors' Meeting, if a Creditor who has a Voting Claim transfers or assigns all of its Voting Claim and the transferee or assignee delivers evidence satisfactory to the Monitor of its ownership of all of such Voting Claim and a written request to the Monitor, not later than the Claims Bar Date, or such later time that the Monitor may agree to, that such transferee's or assignee's name be included on the list of Creditors entitled to vote, either in person or by proxy, the transferor's or assignor's Voting Claim at the Creditors' Meeting in lieu of the transferor or assignor;

- [25] **ORDERS** that, for purposes of distributions to be effected pursuant to the Plan, if a Creditor transfers or assigns the whole of its Voting Claim to another Person, neither the Petitioner, nor the Monitor shall be obligated to deal with the transferee or assignee of the Voting Claim as the Creditor in respect thereof unless and until notice of the transfer or assignment from either the transferor, assignor, transferee or assignee, together with evidence showing that such transfer or assignment was valid at law, has been received by the Monitor at least ten (10) Business Days prior to any distribution under the Plan;
- [26] **ORDERS** that if the holder of a Voting Claim or any subsequent holder of the whole of a Voting Claim who has been acknowledged by the Monitor as the Creditor in respect of such Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person or Persons, such transfer or assignment shall not create a separate Voting Claim or Voting Claims and such Claim shall continue to constitute and be dealt with as a single Voting Claim notwithstanding such transfer or assignment, and the Monitor and the Petitioner shall in each such case not be bound to recognize or acknowledge any such transfer or assignment and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim in whole as the Creditor in respect of such Claim, provided such Creditor may by notice in writing to the Monitor direct that subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and in such event, such Creditor, such transferee or assignee of the Claim as a whole shall be bound by any notices given or steps taken in respect of such Claim with such Person in accordance with this Order;

Notices and Communications

- [27] **ORDERS** that any notice or other communication to be given under this Order by a Creditor to the Monitor or the Company shall be in writing in substantially the form provided for in this Order and will be sufficiently given only if given by mail, telecopier, courier or other means of electronic communication addressed to:

Monitor:

Dev A. Coossa
Maxime Codere
KPMG INC.
600 boul. de Maisonneuve West
Suite 1500
Montreal, Quebec
H3A 0A3
Fax: 514-840-2121
E-mail: dcoossa@kpmg.ca
mcodere@kpmg.ca

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jcuttler@kklex.com

- [28] **ORDERS** that any document sent by the Monitor pursuant to this Order may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission. A Creditor shall be deemed to have received any document sent pursuant to this Order two (2) Business Days after the document is sent by mail and one (1) Business Day after the document is sent by courier, e-mail or facsimile transmission. Documents shall not be sent by ordinary or registered mail during a postal strike or work stoppage of general application;

Aid and Assistance of Other Courts

- [29] **REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order;

Sanction of the Plan by the Court

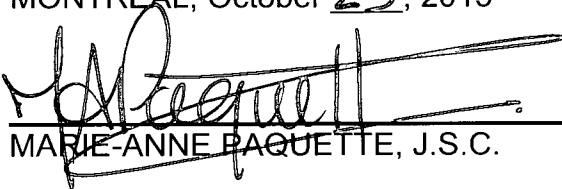
- [30] **AUTHORIZES** the Company, if the Plan is accepted by the Required Majorities, to present a motion in order to obtain the sanctioning thereof on a date to be determined;

General Provisions

- [31] **ORDERS** that the Monitor shall use reasonable discretion as to the adequacy of completion and execution of any document completed and executed pursuant to this Order and, where the Monitor is satisfied that any matter to be proven under this Order has been adequately proven, the Monitor may waive strict compliance with the requirements of this Order as to the completion and execution of documents;

- [32] **ORDERS** that the Monitor may apply to this Court for advice and directions in connection with the discharge or variation of its powers and duties under this Order;
- [33] **ORDERS** the provisional execution of this Order notwithstanding appeal;
- [34] **THE WHOLE** without costs.

MONTREAL, October 23, 2015


MARIE-ANNE PAQUETTE, J.S.C.