

**Court File No.35-1844150
Estate No. 35-1844150**

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)**

**IN THE MATTER OF THE PROPOSAL OF
BOGDON & GROSS FURNITURE COMPANY LIMITED
OF THE TOWN OF WALKERTON
IN THE PROVINCE OF ONTARIO**

FIRST REPORT OF THE PROPOSAL TRUSTEE

MARCH 26, 2014

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INTRODUCTION

1. On March 4, 2014, Bogdon & Gross Furniture Company Limited (“**B&G**” or the “**Company**”) filed a Notice of Intention to Make a Proposal (“**NOI**”) under Section 50.4 of the *Bankruptcy and Insolvency Act* (the “**BIA**”). Zeifman Partners Inc. (“**ZPI**”) was appointed as Trustee in the Proposal of the Company (the “**Proposal Trustee**”). A copy of the Certificate of Filing a Notice of Intention to Make a Proposal is attached hereto as **Appendix A**.
2. The purpose of this First Report of the Proposal Trustee (the “**Report**”) is to provide this Honourable Court with:
 - (a) Background information relating to the Company;
 - (b) An update on the Proposal Trustee’s activities since the date of filing the NOI;
 - (c) Information with respect to the Sale and Investment Solicitation Process (the “**SISP**”) process being undertaken;
 - (d) An update on actual cash flow results for the period from March 10, 2014 up to and including March 21, 2014;
 - (e) Information regarding B&G’s motion for an extension of the time within which to file a proposal; and
 - (f) The Proposal Trustee’s recommendations to this Honourable Court in connection with the Company’s motion seeking to extend the time within which to file a proposal from April 3, 2014 to May 19, 2014.

TERMS OF REFERENCE

3. In developing this Report, the Proposal Trustee has relied upon unaudited financial information prepared by management, the Company's records and discussions with management. The Proposal Trustee has not performed an audit or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants ("CICA") Handbook has not been performed. Future oriented financial information relied upon in this Report is based on management's assumptions regarding future events, and actual results achieved will vary from this information and the variations may be material. Accordingly, the Proposal Trustee expresses no opinion or other form of assurance on the financial information contained in this Report.

BACKGROUND INFORMATION

4. Located in Walkerton, Ontario, B&G has a well-earned reputation for producing Canadian-made solid hardwood premium bedroom, occasional, dining and office furniture. Company products are well known for their durability and customization to satisfy customer demand. Attention to quality and a recently installed ERP system ensure efficient production. B&G focuses on small to medium-size independent furniture retailers in Canada. Key customers include Sears and La-Z-Boy.
5. B&G has a long history with customers who have remained loyal and positive contributors to its success. Established in 1927 to build furniture frames for upholstering operations across Canada, the Company now focuses on solid wood furniture.

6. Sales have averaged \$5.2 million per year over the most recent 5 years. The Company's 5 year business plan projects annual sales growth to \$7.4 million.
7. The current management team acquired the business in 2006. The management team consists of Adam Hofmann as President and Dirk Nielsen as Vice-President.
8. B&G's facility include the following physical plants:
 - (a) 72,000 square feet of manufacturing space on three floors;
 - (b) 4,000 square feet of heated dry lumber storage space;
 - (c) 1,600 square feet of unheated green lumber storage space;
 - (d) Capacity for 150,000 board feet of kiln drying lumber;
 - (e) 3,000 square feet office space;
 - (f) 26,000 square feet of unused manufacturing space in a separate building;
 - (g) 16 acres of land available for expansion; and
 - (h) Lumber.
9. Currently, the Company has 57 active employees.
10. The following chart summarizes the Company's secured creditors and the approximate amounts outstanding as of March 4, 2014:

Secured Creditor	Approximate Amount Owed
2110785 Ontario Inc.	\$500,000
Bruce Community Futures Development Corporation	\$312,000
Canada Revenue Agency (Source Deductions)	\$400,695

Canada Revenue Agency (HST)	\$73,650
CIT Financial Ltd.	\$20,649
CNH Capital Leasing	\$56,906
MCAP	\$821
Ministry of Finance (EHT)	\$46,842
Municipality of Brockton	\$128,170
RCAP Leasing	\$14,786
Saugeen Economic Development Corp.	\$312,000
TCE Capital Corporation	\$580,000

11. As at March 4, 2014, the unsecured creditors of the Company were owed approximately \$2,054,005. These include trade payables and amounts due to related parties.

ACTIVITIES OF THE PROPOSAL TRUSTEE

12. Since its appointment as Proposal Trustee on March 4, 2014, ZPI has monitored the business and affairs of the Company and examined its property in accordance with the provisions of the BIA. The monitoring activities have focused on reviewing and tracking B&G's weekly cash flow performance against the Company's cash flow forecast.
13. Immediately prior to filing the NOI, B&G had failed to meet its payroll obligations. As a result, it had sent its employees home and was in critical need of financing in order to continue operations and undertake the SISP with a view to maximizing value for its stakeholders.
14. In support of its urgent motion returnable on March 6, 2014 for, among other things, approval of a DIP Term Sheet and debtor-in-possession financing, the Company filed preliminary cash flow forecasts. The Proposal Trustee reviewed the preliminary cash flow forecasts filed with the Court.

15. On March 6, 2014, the Ontario Superior Court of Justice (Commercial List) issued an Order (the “**March 6th Order**”), among other things:

- (a) Approving debtor-in-possession financing in the maximum amount of \$300,000 to allow the Company to pay wage arrears, continue operations and undertaking the SISP;
- (b) Approving an Administration Charge in the amount of \$75,000; and
- (c) Authorizing B&G to undertake the SISP with the assistance of the Proposal Trustee.

A copy of the March 6th Order is attached hereto as **Appendix B**.

16. On March 10, 2014 the Proposal Trustee mailed to all known creditors an information package advising of the filing of the NOI. A copy of the creditor information package is attached hereto as **Appendix C**.

17. On March 14, 2014, the Ontario Superior Court of Justice issued an Order (the “**March 14th Order**”), among other things, amending the SISP to clarify that the Proposal Trustee is undertaking the process and amending certain dates. A copy of the March 14th Order, with the SISP annexed as Schedule “A” is attached hereto as **Appendix D**.

18. In addition, on March 14, 2014 the Proposal Trustee filed with the Official Receiver the statement of projected cash flow, a report on the reasonableness of the cash flow statement and a report containing prescribed representations by the Company regarding the preparation of the cash flow statement pursuant to Section 50.4 of the BIA. A copy of the prescribed cash flow statement for B&G is attached hereto as **Appendix E**.

19. The Proposal Trustee has continued to monitor the weekly operations and confirms there has been no material adverse deviation from the projected cash flows to date.
20. The Proposal Trustee has advised and assisted the Company on a number of matters since the date of the filing of the NOI. The more significant matters include:
 - (a) Reviewing of the daily disbursements for compliance with the BIA;
 - (b) Liaising with the DIP Lender and affected secured creditors regarding implementing the DIP Term Sheet;
 - (c) Liaising with major secured creditors and responding to concerns of secured creditors regarding obtaining financial information of the Company;
 - (d) Coordinating with the Company regarding it commissioning an appraisal for its equipment and inventory to assist in the review of Offers under the SISP; and
 - (e) Providing ongoing assistance with creditor inquiries relating to B&G's non-payment of pre-filing debts and assisting with ensuring continued supply of necessary goods and services during the proceeding.
21. Since the filling of the NOI, the Company has recommenced operations, brought back its labour force, purchased inventory and produced and shipped goods to its customer base. Most customers have supported the Company and continue to purchase product from B&G. Most suppliers are demonstrating their continued support and confidence in B&G and are providing B&G with some credit terms.
22. The Proposal Trustee has commenced the SISP process as further described in a separate subsection in the next section of this Report.

SISP

23. As set out above, the SISP process was amended pursuant to the March 14th Order to clarify that the Proposal Trustee is in control of the SISP. Details regarding the SISP can be found on the Proposal Trustee's website at http://www.zeifmans.ca/index.php/insolvency_file/bogdon-gross-furniture-company-ltd/.
24. The Proposal Trustee, with the assistance of the Company, has undertaken the following steps to date in respect of the SISP:
- (a) Prepared a list identifying potential purchasers and investors ("**Potential Offerees**");
 - (b) Prepared a document (the "**Teaser Letter**") summarizing the opportunity and posted it on its website along with other information regarding the SISP;
 - (c) Prepared a mailing for the interested parties which included an introductory letter, the Teaser Letter and the form of Confidentiality Agreement and forwarded these documents by email and mail on or about March 17, 2014;
 - (d) Prepared and published a notice in the national edition of the Globe and Mail on March 20, 2014, a copy of which is attached hereto as **Appendix F**;
 - (e) Assisted the Company with the preparation of a Confidential Information Memorandum to be provided to parties delivering Confidentiality Agreements to the Proposal Trustee;

- (f) Established an electronic data room for parties who have delivered a Confidentiality Agreement; and
 - (g) Responded to inquiries regarding the opportunity from interested parties.
25. Parties that are interested in purchasing the assets or making an investment in the Company are required to provide an Expression of Interest to the Proposal Trustee by no later than 5:00 p.m. on March 31, 2014. Binding Offers are then due to be submitted to the Proposal Trustee on April 14, 2014.
26. The Proposal Trustee has had several inquiries to date regarding the opportunity under the SISP and has already received Expressions of Interest notwithstanding that the date to receive them has not occurred yet.

CASH FLOW PROJECTIONS

27. As set out above, the cash flow forecast for B&G for the period March 10, 2014 to June 7, 2014 was filed with the Official Receiver on March 12, 2014 and is attached hereto as Appendix E.
28. A comparison to the actual cash flow results for the period March 10 to March 23, 2014 (the “**Reporting Period**”) and variance analysis is attached hereto as **Appendix G** along with explanatory notes explaining any significant variances.

NECESSITY OF EXTENSION

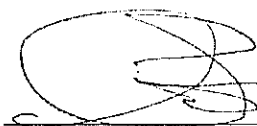
29. The initial 30-day stay period granted upon filing of the NOI expires on Thursday, April 3, 2014. The Proposal Trustee is advised by the Company that it is requesting a 45 day extension of the time within which to file a proposal to May 19, 2014.

30. The Company has been working diligently to stabilize business operations and its secured creditors.
31. The Proposal Trustee is satisfied that the Company has acted and is continuing to act in good faith and with due diligence in the Proposal proceedings to date.
32. Under the SISP, the Proposal Trustee will not receive Binding Offers until April 14, 2014 and will need time to consider these offers and determine which is the successful offer.
33. The Proposal Trustee is not aware of any creditor who would be materially prejudiced if the extension of the NOI period being requested by B&G to May 19, 2014 is granted.
34. Consequently, it is the Proposal Trustee's view that an extension of the time within which to file a proposal to May 19, 2014 is in the best interests of the Company and its stakeholders.

RECOMMENDATIONS

35. As a result of the above, the Proposal Trustee respectfully requests that the Court extend the time within which the Company has to file a Proposal from April 3, 2014 to May 19, 2014.

ZEIFMAN PARTNERS INC., in its capacity
as Proposal Trustee of Bogdon & Gross
Furniture Company Limited



Allan Rutman, President

APPENDIX “A”



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 04 - Owen Sound
Court No. 35-1844150
Estate No. 35-1844150

In the Matter of the Notice of Intention to make a
proposal of:

Bogdon & Gross Furniture Company Ltd.
Insolvent Person

ZEIFMAN PARTNERS INC.
Trustee

Date of the Notice of Intention: March 04, 2014

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: March 04, 2014, 11:45

E-File/Dépôt Electronique

Official Receiver

Federal Building - London, 451 Talbot Street, Suite 303, London, Ontario, Canada, N6A5C9, (877)376-9902

Canada

APPENDIX “B”

Court File No. 35-1844150

Estate No. 35-1844150

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MADAME)	THURSDAY, THE 6th
)	
JUSTICE THORBURN)	DAY OF MARCH, 2014

IN THE MATTER OF THE PROPOSAL OF
BOGDON & GROSS FURNITURE COMPANY LIMITED
OF THE TOWN OF WALKERTON
IN THE PROVINCE OF ONTARIO

ORDER

(Re: DIP Facility, Administration Charge, Factoring Charge, SISP and Extension)

THIS MOTION, made by the Bogdon & Gross Furniture Company Limited (the “Debtor”), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C 1985, c B-3, as amended (the “BIA”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Adam Hofmann sworn March 5, 2014 and the Exhibits thereto (the “Hofmann Affidavit”) and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Debtor, Zeifman Partners Inc. in its capacity as Proposal Trustee (the “Proposal Trustee”), counsel for the Proposal Trustee, counsel for TCE Capital Corporation (“TCE”), Bruce Community Futures Development Corporation, Saugeen Economic Development Corporation, and no one appearing for any of the other parties on the service list, although duly served as appears from the Affidavit of Service of Shallon Garrafa sworn March 5, 2014;

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Debtor's Notice of Motion and Motion Record is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

SUBSTITUTED SERVICE

2. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/#Commercial_List) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission.

3. **THIS COURT ORDERS** that the E-Service List Keeper (as defined in the Protocol) for the purpose of this proceeding shall be the Proposal Trustee.

DIP FINANCING

4. **THIS COURT ORDERS** that the Debtor is hereby authorized and empowered to obtain and borrow under one or more credit facilities (collectively, the "DIP Facility") granted by RPG Receivables Purchase Group Inc. (the "DIP Lender") to be used for the purposes described in the DIP term sheet attached as Schedule "A" hereto (the "DIP Term Sheet"), provided that borrowings under such credit facility shall not exceed the amount specified in the DIP Term Sheet between the Debtor and the DIP Lender dated as of March 5, 2014, filed, unless permitted by further Order of this Court.

5. **THIS COURT ORDERS** that the DIP Facility shall be on the terms and subject to the conditions set forth in the DIP Term Sheet.

6. **THIS COURT ORDERS** that the Debtor is authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents,

guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Debtor is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

7. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Debtor’s current and future properties, assets and undertakings of every nature and kind whatsoever and wheresoever situate including all proceeds thereof, including the real property of the Debtor (the “**Property**”), which DIP Lender’s Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s Charge shall have the priority set out in paragraphs 17 to 21 hereof, provided that in the event that the DIP Lender enforces the DIP Lender’s Charge, the DIP Lender shall first pursue its recourses in respect of classes of collateral other than equipment for a period of ninety (90) days before enforcing the DIP Lender’s Charge in respect of the equipment. For greater certainty, the Property does not include pre-filing (i.e. pre-March 4) accounts receivable and related inventory of the Debtor, all of which pre-filing accounts receivable have been purchased by TCE under its now terminated factor facility for the Debtor. TCE shall be allowed to continue to receive payments from account debtors and shall account to the Debtor, the DIP Lender and the Proposal Trustee for all receipts and shall pay over to the Debtor all proceeds on account of post-filing accounts receivable, using commercially reasonable efforts. The Debtor and the DIP Lender shall account to TCE and the Proposal Trustee for any payments or returns from account debtors and pay over to TCE all proceeds on account of pre-filing accounts receivable, using commercially reasonable efforts.

8. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order or the BIA (including sections 69 and 69.1):

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender’s Charge, the Factoring Charge (as defined below) or any of the Definitive Documents;

- (b) upon the occurrence of an event of default under the DIP Term Sheet, the Factoring Facility (as defined below), the Definitive Documents, the DIP Lender with leave of the Court obtained upon three (3) days' notice to the Debtor and to the Proposal Trustee, may exercise any and all of its rights and remedies against the Debtor or the Property under or pursuant to the DIP Term Sheet, the Definitive Documents, the DIP Lender's Charge and the Factoring Charge, including without limitation, to cease making advances to the Debtor and set off and/or consolidate any amounts owing by the DIP Lender to the Debtor against the obligations of the Debtor to the DIP Lender under the DIP Term Sheet, the Factoring Facility, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Debtor and for the appointment of a trustee in bankruptcy of the Debtor; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Debtor or the Property.

9. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any proposal filed by the Debtor under the BIA with respect to any advances made pursuant to the DIP Term Sheet, the Factoring Facility or the Definitive Documents.

10. **THIS COURT ORDERS** that the Debtor is authorized and empowered to enter into a factoring facility (the "**Factoring Facility**") with the DIP Lender in respect of accounts receivable that have not previously been factored, on terms acceptable to TCE Capital Corporation, Saugeen Economic Development Corporation, Bruce Community Futures Development Corporation and the Proposal Trustee.

11. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Factoring Charge**") on the Property, to secure any shortfall under the Factoring Facility. The Factoring Charge shall have the priority set out in paragraphs 17 to 21 hereof, provided that in the event that the DIP Lender enforces the Factoring Charge, the DIP Lender shall first exhaust its recourses in respect of classes of collateral other than equipment before enforcing the Factoring Charge in respect of the equipment.

12. **THIS COURT ORDERS, AUTHORIZES AND DIRECTS**, subject to the terms of the DIP Term Sheet and the Definitive Documents, the Debtor to pay the amounts payable to its employees in respect of outstanding salaries and wages arising prior to March 4, 2014, to an aggregate maximum of \$75,000.

13. **THIS COURT ORDERS** that (a) pending expiry of the time for filing a notice of appeal or application for leave to appeal in respect of this Order and the disposition of any motions to review, rescind or vary this Order, applications for leave to appeal or appeals from this Order (collectively, "**Challenges**"), the Debtor be and is hereby authorized to borrow funds under the DIP Facility in the amounts necessary to implement its restructuring plan and approved by the Proposal Trustee, (b) irrespective of the disposition of any Challenges the DIP Lender shall have the benefit of the DIP Charge and all other provisions of this Order in respect of all amounts so advanced, and (c) this Order is subject to provisional execution to the extent necessary to give effect to the foregoing.

ADMINISTRATION CHARGE

14. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Debtor shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Debtor as part of the costs of these proceedings. The Debtor is hereby authorized and directed to pay the accounts of the Proposal Trustee, counsel for the Proposal Trustee and counsel for the Debtor on a weekly basis.

15. **THIS COURT ORDERS** that the Proposal Trustee and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Proposal Trustee and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

16. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee and the Debtor's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$75,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Proposal Trustee and such counsel, both before and after the making of

this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 17 to 21 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

17. **THIS COURT ORDERS** that the priorities of the Administration Charge, the DIP Lender's Charge and the Factoring Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$75,000); and

Second – DIP Lender's Charge (to the maximum amount of \$300,000); and

Third – Factoring Charge (to the maximum amount of \$150,000).

18. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

19. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any individual, firm, corporation, governmental body or agency (except statutory deemed trusts that, at law, rank in priority to all other charges), or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**").

20. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Debtor shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Debtor also obtains the prior written consent of the Proposal Trustee, the DIP Lender and the beneficiaries of the Administration Charge, or further Order of this Court.

21. **THIS COURT ORDERS** that the Charges, the DIP Term Sheet and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the

chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (i) the pendency of these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (iii) the filing or deemed filing of any assignments for the general benefit of creditors made pursuant to the BIA; (iv) the provisions of any federal or provincial statutes; or (v) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Debtor, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet, the Factoring Facility or the Definitive Documents shall create or be deemed to constitute a breach by the Debtor of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Debtor entering into the DIP Term Sheet, the Factoring Facility, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Debtor pursuant to this Order, the DIP Term Sheet, the Factoring Facility or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

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

THE SISP

23. **THIS COURT ORDERS** that the sale and investment solicitation process in the form attached hereto as Schedule “B”) (the “**SISP**”) is approved.

EXTENSION

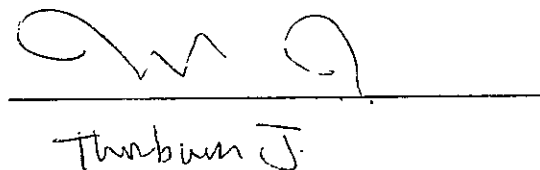
24. **THIS COURT ORDERS** that the Debtor may apply to this Court at a 9:30 am chambers attendance for an Order approving an extension of the time by which B&G must file a Proposal with the Official Receiver once the Proposal Trustee has approved the Cash Flow Projections (as defined in the Notice of Motion) and filed its Report thereon, on four (4) days' notice to the Service List, provided that no party objects to the extension.

GENERAL

25. **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 Debtor, the Proposal Trustee 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 Debtor and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Debtor and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

26. **THIS COURT ORDERS** that each of the Debtor and the Proposal Trustee be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Proposal Trustee is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

27. **THIS COURT ORDERS** that any interested party (including the Debtor and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



Handwritten signature of Thorburn J. over a horizontal line.

SCHEDULE "A"

DIP FACILITY TERM SHEET

Dated March 4, 2014

WHEREAS, on March 3, 2014 a Notice of Intention to make a Proposal was lodged with the Official Receiver pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") in respect of Bogdon & Gross Furniture Company Limited (the "**Borrower**");

AND WHEREAS, the Borrower has requested that the DIP Lender (as defined below) provide it funding in order to assist with certain of its restructuring obligations in accordance with the terms set out herein;

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

DIP BORROWER:	Bogdon & Gross Furniture Company Limited
DIP LENDER:	RPG Receivables Purchase Group Inc. (the " DIP Lender ").
PURPOSE / USE OF PROCEEDS:	To provide for the (i) liquidity needs of the Borrower; and (ii) Restructuring Costs (as defined below).
MAXIMUM AMOUNT	The maximum aggregate amount available under this super priority credit facility (the " DIP Facility ") is \$300,000 (" Maximum Amount ").
MATURITY DATE	<p>The "Maturity Date" shall be the date that is the earliest of: (i) sixty (60) days from the date the Court enters the DIP Order (as defined below), and (ii) such earlier date upon which repayment is required due to the occurrence of an Event of Default (as defined below). The Maturity Date may be extended at the request of the Borrower and with the consent of the DIP Lender for additional periods of not more than 30 days and upon payment of any applicable Extension Fee (as defined below), and on such additional terms and conditions as the Borrower and DIP Lender may agree.</p> <p>The commitment in respect of the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be repaid in full no later than the Maturity Date without the DIP Lender being required to make demand upon</p>

the Borrower or to give notice that the DIP Facility has expired and the obligations are due and payable.

The Borrower may prepay amounts outstanding under the DIP Facility at any time without notice, bonus or penalty.

DIP FACILITY:

The DIP Facility shall be a non-revolving credit facility up to the Maximum Amount, and shall be available subject to and upon the terms and conditions set out in this term sheet (the "**Term Sheet**"). DIP Advances (as defined below) shall be deposited into the Borrower's existing accounts with • (the "**Borrower's Accounts**") and withdrawn strictly in accordance with (i) the terms hereof; (ii) the Restructuring Court Orders (as defined below); and (iii) reasonably consistent with the Cash Flow Projections attached hereto as Schedule "A" (the "**Projections**").

Funding Conditions:

After (i) a Judge of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") enters an order approving the terms of the DIP Facility (in form and substance acceptable to the DIP Lender in its sole and absolute discretion) (the "**DIP Order**"), and (ii) the satisfaction of the additional conditions precedent noted below, the DIP Lender shall fund DIP Advances (as defined below) on the terms and conditions set out in this Term Sheet (the "**DIP Funding**"); *provided, however*, that the DIP Lender shall not be obligated to provide any DIP Funding or further DIP Funding if any one or more of the following occurs: (a) the DIP Order has been vacated, stayed or otherwise caused to become ineffective or is amended in a manner not acceptable to the DIP Lender (such consent not to be unreasonably withheld), (b) a Default or Event of Default has occurred and is continuing under the DIP Facility, or (c) the Court has not entered the DIP Order on or before March 7, 2014.

**ADVANCES AND
AVAILABILITY:**

The DIP Facility is to operate as a non-revolving loan facility and the amount of any loan advance under the DIP Facility (a "**DIP Advance**") and

together with more than one DIP Advance, "**DIP Advances**") that is repaid may not be re-borrowed except as expressly prescribed below in the Mandatory Prepayments section. The aggregate amount of DIP Advances outstanding shall not exceed the Maximum Amount.

All DIP Advances are to be paid to or to the benefit of the Borrower by payment into the Borrower's Account. The Borrower will provide at least two (2) Business Days' written notice in respect of any proposed request for a DIP Advance.

**INTEREST RATE AND
PAYMENTS:**

Interest at the DIP Rate (as defined below) shall be payable monthly, in arrears, on the first Business Day of each month on the principal balance from time to time outstanding under the DIP Facility and on any overdue interest, both before and after maturity, default or judgment, and the DIP Lender is authorized to deduct such amount as a DIP Advance under the DIP Facility.

Interest shall be calculated daily and compounded monthly for the actual number of days elapsed in the period during which it accrues based on a year of 365 or 366 days, as applicable.

FACILITY FEE:

The Borrower shall pay to the DIP Lender an amount equal to 1.0% of the Maximum Amount borrowed under the DIP Facility, and the DIP Lender is authorized to deduct such amount as a DIP Advance under the DIP Facility.

EXTENSION FEE:

One-half of a percent (0.5%) of the amount then-outstanding shall be payable to the DIP Lender upon the DIP Lender's consent to an extension of the Maturity Date (the "**Extension Fee**"), *provided, however*, there shall be no Extension Fee payable to the DIP Lender in respect of the DIP Lender's consent (if granted) to a first extension of the Maturity Date.

DIP SECURITY:

The DIP Facility shall be secured by a first super priority charge over all present and after acquired property, assets and undertakings of the Borrower ahead of and senior to all other creditors, interest holders, lien holders, and claimants of any kind

whatsoever (other than a court ordered administration charge in a maximum amount equal to the Administration Charge (as defined in the DIP Order) (the “**DIP Priority Charge**”), as the same may be increased from time to time, *provided however* that in the event the DIP Lender enforces the DIP Priority Charge, the DIP Lender shall first pursue its recourses in respect of all classes of collateral other than equipment for a period of ninety (90) days before enforcing its DIP Priority Charge in respect of the equipment.

MANDATORY PREPAYMENTS: DIP Advances to the Borrower shall be repaid and the Maximum Amount shall be permanently reduced upon a sale of any of the property, assets or undertakings of the Borrower out of the ordinary course of business, in an amount equal to the net cash proceeds (for greater certainty, net of a one-time cash reserve on account of the Administration Charge, reasonable costs and closing adjustments), unless agreed otherwise with the prior written consent of the DIP Lender or unless the amount in question in any one transaction or series of transactions is less than \$10,000 and in all such transactions is less than \$25,000, in which event only the excess shall be subject to a permanent reduction as aforesaid.

CONDITIONS PRECEDENT: The Lender shall have no obligation to make any DIP Advance under the DIP Facility unless and until the following conditions have been satisfied (or waived), in each case to the satisfaction of the DIP Lender:

1. The Court shall have issued the DIP Order in form and substance satisfactory to the DIP Lender, which order shall, without limitation, include:

- (i) provisions approving this Term Sheet and the DIP Facility created herein and the execution and delivery by the Borrower of such other loan and security documents as the DIP Lender deems necessary or

appropriate, acting reasonably (collectively, the “**Additional DIP Documents**”);

(ii) provisions granting to the DIP Lender the DIP Priority Charge;

(iii) provisions authorizing the DIP Lender to effect registrations, filings and recordings wherever in their discretion they deem appropriate regarding the DIP Priority Charge; and

(iv) provisions providing that the DIP Priority Charge shall be valid and effective to secure all of the obligations of the Borrower to the DIP Lender without the necessity of the making of any registrations or filings and whether or not any other documents are executed by the Borrower and the DIP Lender pursuant hereto; and

2. The DIP Lender shall be satisfied that the Borrower has complied with and is continuing to comply in all material respects with all applicable laws, regulations and policies in relation to its business.

3. The DIP Lender and the Borrower shall have entered into a factoring facility in respect of unfactored accounts receivable, on terms satisfactory to the DIP Lender in its sole discretion.

REPRESENTATIONS AND WARRANTIES:

The Borrower represents and warrants to the DIP Lender, upon which the DIP Lender relies in entering into this Term Sheet, that:

(a) the transactions contemplated by this Term Sheet, including the DIP Priority Charge:

(i) are within the powers of the Borrower;

(ii) have been duly authorized by all necessary corporate and, if required, shareholder approval;

(iii) have been duly executed and delivered by or on behalf of the Borrower;

(iv) upon the granting of the DIP Order,

constitute legal, valid and binding obligations of the Borrower, enforceable in accordance with their terms;

- (v) upon the granting of the DIP Order, do not require the consent or approval of, registration or filing with, or any other action by, any governmental authority, other than filings which may be made to register or otherwise record the DIP Priority Charge; and
 - (vi) will not violate the charter documents or bylaws of the Borrower or any applicable law relating to such party; and
- (b) no commissions or other payments shall be due to any broker, consultant or other third-party in connection with the DIP Facility.

AFFIRMATIVE COVENANTS:

The Borrower covenants and agrees to do the following:

1. Allow the DIP Lender full access to the books and records of the Borrower on reasonable notice and during normal business hours and cause management thereof to fully co-operate with the DIP Lender.
2. Provide to the DIP Lender a weekly status update and plan regarding the restructuring process (including reports on the progress of any sale or investment process and information which may otherwise be confidential subject to same being maintained as confidential, by the DIP Lender, subject to usual exceptions).
3. Use reasonable efforts to keep the DIP Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower.
4. Deliver to the DIP Lender the reporting and other information from time to time reasonably requested by the DIP Lender, at the reasonable times requested and in form and substance satisfactory to the DIP Lender.

5. Use the proceeds of the DIP Facility only for purposes consistent with (i) the Projections, and (ii) the restrictions set out herein in all material respects.
7. Maintain all cash and cash equivalents, and deposit all proceeds of receivables with such institutions and in such accounts as may be approved in advance in writing by the DIP Lender.
8. Operate the Borrower's business in the ordinary course and to the credit limits established under the DIP Facility as set out hereunder.
9. Comply with the provisions of the court orders made in connection with the BIA proceeding (the "**Restructuring Court Orders**" and each a "**Restructuring Court Order**"); provided that if any such Restructuring Court Order contravenes this Term Sheet or the Additional DIP Documents in a manner detrimental to the DIP Lender, the same shall be an Event of Default hereunder.
10. Preserve, renew and keep in full force its respective corporate existences, its respective material licenses, etc.
11. Forthwith notify the DIP Lender of the occurrence of any Default or Event of Default, or of any event or circumstance that may constitute a material adverse change.
12. Maintain at all times acceptable insurance coverage of such type, in such amounts and against such risks as is prudent for a business of an established reputation with financially sound and reputable insurers in coverage and scope acceptable to the DIP Lender.
13. Duly and punctually pay or cause to be paid to the DIP Lender all principal, interest, fees and other amounts payable by it under this Term Sheet and under any Additional DIP Documents on the dates, at the places and in

the amounts and manner set forth herein.

14. Comply in all material respects with all applicable laws, rules and regulations applicable to their businesses, including, without limitation, environmental laws.
15. Negotiate, execute and deliver the Additional DIP Documents.

NEGATIVE COVENANTS:

The Borrower covenants and agrees not to do the following other than with the prior written consent of the DIP Lender:

1. Transfer, lease or otherwise dispose of all or any part of its property, assets or undertaking over \$10,000 at any one time or through a series of related transactions, or more than \$25,000 in the aggregate during the period of the DIP Facility (excluding dispositions in the ordinary course of business), without the prior written consent of the DIP Lender and the Court, as applicable. For greater certainty, in the case of any transfer, lease or disposition of any property, assets or undertaking of any of the Borrower, or any affiliates or subsidiaries thereof, all proceeds of such transfer, lease or disposition shall be subject to the provisions herein under “**Mandatory Repayments**” to the extent applicable.
2. Create or permit to exist indebtedness for borrowed money other than existing (pre-filing) debt and debt contemplated by this DIP Facility.
3. Enter into any transaction with any affiliate or subsidiary or any of its or their directors, officers or senior management, or enter into or assume any employment, consulting or analogous agreement or arrangement with any of its or their directors, officers or senior management, or make any payment to any of its or their directors, officers or senior management, except in respect of a transaction or agreement or arrangement which is in the ordinary course of business of

the Borrower and which is upon fair and reasonable terms no less favourable than it would obtain in a comparable arm's-length transaction or except as permitted in the Restructuring Court Order.

4. Make any payments outside the ordinary course of business or inconsistent with the Projections, subject to the Maximum Amount available under the DIP Facility.
5. Create or permit to exist any other administrative claim which is senior to or *pari passu* with the superpriority claims of the DIP Lender, other than as provided in the Restructuring Court Order including, without limitation, the Administration Charge.
6. Amalgamate, consolidate with or merge into, or enter into any similar transaction with any other entity.
7. Other than as permitted by a Restructuring Court Order, make any payments of bonuses of any kind to any directors, officers or employees of the Borrower except where there is a contractual obligation to do so, provided that the Borrower shall be permitted to pay outstanding wages to employees.

EVENTS OF DEFAULT:

The occurrence of any one or more of the following events shall constitute an event of default ("**Event of Default**") under this Term Sheet:

- (a) the entry of an order dismissing the BIA proceeding, lifting the stay in the cases to permit the enforcement of any security against the Borrower, or the appointment of a receiver, interim receiver or similar official or the making of a receiving order against the Borrower, other than in respect of a non-material asset not required for the operations of the Borrower's business;
- (b) the entry of an order staying, reversing, vacating or otherwise modifying the

Additional DIP Documents, any Restructuring Court Order or the entry of an order by the Court having the equivalent effect, without the prior written consent of the DIP Lender;

- (e) failure of the Borrower to comply with any negative covenants in this Term Sheet or any other Additional DIP Documents where such failure has continued for more than three Business Days after written notice thereof from the DIP Lender to the Borrower;
- (g) the Borrower ceases or threatens to cease to carry on business in the ordinary course, except where such cessation occurs in connection with a sale of all or substantially all of the assets of the Borrower or other restructuring or reorganization of the Borrower which has been consented to by the DIP Lender;
- (i) any representation or warranty by the Borrower shall be incorrect or misleading in any material respect when made and where such failure is continuing more than three Business Days after written notice thereof from the DIP Lender to the Borrower;
- (j) any steps are taken by the Borrower to challenge the validity, enforceability or priority of the DIP Priority Charge; or
- (l) borrowings under the DIP Facility exceed the Maximum Amount.

It is acknowledged that, for the purposes of subsections (a) through (l) above, written notice may be delivered by electronic mail or facsimile transmission.

REMEDIES:

Upon the occurrence of an Event of Default, the DIP Lender may (i) terminate its total DIP commitment, (ii) declare the obligations in respect of the Additional DIP Documents to be immediately due and payable, (iii) apply to a court for the appointment of an interim receiver or a receiver and manager of the undertaking, property

and assets of the Borrower, or for the appointment of a trustee in bankruptcy of the Borrower, and file the Consent with the Court in support thereof, (iv) exercise the powers and rights of a secured party under the *Personal Property Security Act* (Ontario) or any legislation of similar effect applicable to the DIP Priority Charge, and (v) exercise all such other rights and remedies available to the DIP Lender under the Additional DIP Documents and the Restructuring Court Order, *provided however* that in the event the DIP Lender enforces the DIP Priority Charge, the DIP Lender shall first pursue its recourses in respect of all classes of collateral other than equipment for a period of ninety (90) days before enforcing its DIP Priority Charge in respect of the equipment.

FURTHER ASSURANCES:

The Borrower shall at its expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the DIP Lender may reasonably request for the purpose of giving effect to this Term Sheet and the DIP Priority Charge, perfecting, protecting and maintaining the Liens created by the DIP Priority Charge or establishing compliance with the representations, warranties and conditions of this Term Sheet or any other Additional DIP Documents.

**ENTIRE AGREEMENT;
CONFLICT:**

This Term Sheet, including the Schedules hereto and the Additional DIP Documents, constitutes the entire agreement between the parties relating to the subject matter hereof. To the extent that there is any inconsistency between this Term Sheet and any of the other Additional DIP Documents, this Term Sheet shall govern.

**AMENDMENTS, WAIVERS,
ETC.:**

No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder or under any Additional DIP Documents will operate as a waiver hereof or thereof unless made in writing and signed by an authorized officer of the DIP Lender.

SEVERABILITY:

Any provision in any Additional DIP Documents which is prohibited or unenforceable in any

jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

**COUNTERPARTS AND
FACSIMILE SIGNATURES:**

This Term Sheet may be executed and delivered in any number of counterparts and by email or facsimile, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Term Sheet by signing any counterpart of it.

**GOVERNING LAW AND
JURISDICTION:**

This Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario, waives any objections on the ground of venue or *forum non conveniens* or any similar grounds, and consents to service of process by mail or in any other manner permitted by relevant law.

CANADIAN CURRENCY:

Unless otherwise provided, all dollar amounts are in Canadian currency.

ADDITIONAL DEFINITIONS:

Capitalized terms not otherwise defined herein shall have the following meanings:

“**Business Day**” means each day other than a Saturday or Sunday or a statutory or civic holiday that banks are open for business in Toronto, Ontario, Canada;

“**Default**” means an event which, with the giving of notice and/or lapse of time would constitute an Event of Default (as defined herein);

“**DIP Rate**” means the rate of interest equal to one point nine percent (1.9%) per month;

“**Liens**” means all mortgages, charges, encumbrances, hypothecs, liens and security interests of any kind or nature whatsoever; and

“Restructuring Costs” means all costs and liabilities incurred by the Borrower in connection or associated with the restructuring process including, without limitation, the fees and disbursements of the Borrower and its legal counsel, and the fees and disbursements of the Proposal Trustee and its legal counsel.

IN WITNESS HEREOF, the parties hereby execute this Term Sheet as at March 4, 2014.

BOGDON & GROSS FURNITURE COMPANY LIMITED, as Borrower

By: _____
Name:
Title:

RPG RECEIVABLES PURCHASE GROUP INC., as DIP Lender

By: _____
Name:
Title:

SCHEDULE "B"

SISP SCHEDULE

	Event	Timing
1.	Motion to approve sale process and investment solicitation process (the "SISP"), extend stay of proceedings, grant administration charge and DIP charge.	March 6, 2014
2.	The Proposal Trustee and the Debtor will contact potential purchasers (as identified by the Debtor and the Proposal Trustee)	Immediately upon court approval of SISP
3.	Information pertaining to this opportunity will be posted on the Proposal Trustee's website, which will include: <ul style="list-style-type: none">• Invitation for Expressions of Interest letters from prospective offerees, and• Confidentiality Agreement.	On or before March 14, 2014
4.	The Company, with the assistance of the Proposal Trustee, will prepare and circulate information to potential offerees	On or before March 14, 2014
5.	Advertise the SISP in <i>The Globe & Mail</i> (National Edition), as well as such local, industry and other publications as considered appropriate by the Proposal Trustee	On or before March 14, 2014
6.	Deadline for submitting Expression of Interest Letters	March 24, 2014
7.	Deadline for submitting Binding Offers	April 7, 2014
8.	Selection of successful bidder and motion to seek court approval of agreement of purchase and sale and obtain a vesting order	April 21, 2014
9.	Close sale to successful purchaser(s)	On or before April 28, 2014
10.	Proposal Trustee to return all deposits other than that tendered pursuant to the successful offer	May 5, 2014

EXPRESSION OF INTEREST AND BID PROCEDURES

Below are the procedures for expressing interest and submitting bids that will be employed for the sale of substantially all of the property, assets and undertaking of Bogdon & Gross Furniture Company Limited (the “Assets”, and the “Company”, respectively).

Step 1: Expression of Interest

- The Company, with the assistance of the Proposal Trustee, will:
 - prepare a list identifying potential purchasers and investors (“**Potential Offerees**”), and
 - prepare a document (the “**Teaser Letter**”) summarizing the opportunity,
- The Company, with the assistance of the Proposal Trustee, will contact the Potential Offerees and other parties that come to its attention.
- The Teaser Letter and other information pertaining to the opportunity will be posted on the Proposal Trustee’s website [insert URL].
- A notice will be published in the national edition of *The Globe and Mail* newspaper and, at the discretion of the Company, in trade and local publications.
- A party that is interested purchasing the Assets or making an investment in the Company must deliver to the Proposal Trustee no later than 5:00 p.m. on March 24, 2014 (the “**EOI Deadline**”) a letter expressing such interest (an “**EOI**”).
- Prospective investors who deliver an EOI shall be required to identify all material terms of their proposed investment to permit evaluations of such proposal but will not be required to submit the terms and structure of their proposed investment in a predetermined prescribed format.

Step 2: Due Diligence

- A party that delivers an EOI to the Proposal Trustee on or before the EOI Deadline will be referred herein as an “**Interested Party**” and are collectively referred to as “**Interested Parties**”.
- Interested Parties who execute a confidentiality agreement (a “CA”) in a form satisfactory to the Company and the Proposal Trustee will have an opportunity to

perform due diligence, including reviewing information in a virtual data room and touring the Facility.

- The Company, with the assistance of the Proposal Trustee, will facilitate diligence efforts by, among other things, responding to questions and coordinating tours of the Facility.

Step 3: Binding Offers

- Interested Parties must submit offers no later than 5:00 p.m. on April 7, 2014 (the “**Bid Deadline**”).
- Interested Parties seeking to acquire the assets will be able to refer to a template asset purchase agreement (“**APA**”) that will be posted in the data room. Interested Parties seeking to purchase the Assets must submit offers in the form of the APA, with any changes black-lined against the APA (a “**Bid**”).
- A Bid shall:
 - Include a refundable cash deposit in in the form of a wire transfer (to a bank account specified by the Proposal Trustee) or such other form of deposit as is acceptable to the Proposal Trustee, payable to the Order of the Proposal Trustee, in trust, in an amount equal to 10% (the “**Deposit**”) of the purchase price or investment amount. The Deposit will either (i) be applied to satisfy the purchase price; or (ii) be forfeited to the Company in the event that the Successful Bidder (defined below) breaches its obligations pursuant to the Qualified Bid or an Accepted Bid (defined below).;
 - Disclose of the identity of each entity (including its ultimate shareholders) that will be bidding for the Assets or otherwise participating in a Bid and the complete terms of any such participation;
 - Provide evidence satisfactory to the Company and the Proposal Trustee of financing sufficient to close a transaction within the timelines detailed in these procedures;
 - Be irrevocable until 45 days after the date of the Bid Deadline.
 - In the case of a Bid where the consideration payable is in the form other than cash or the assumption of liabilities of the Company, the Bidder must include a detailed description of the form of consideration as well as sufficient financial information relating thereto, to enable the Company and the Proposal Trustee to access the value and liquidity of the consideration.

- The Proposal Trustee will determine in its sole discretion if a Bid meets the above criteria. A Bid that meets the above requirements will be considered a “**Qualified Bid**” and each Bidder that submits a Qualified Bid will be considered a “**Qualified Bidder**”.
- The Company, with the assistance of the Proposal Trustee, will determine which Qualified Bid (or Qualified Bids) is (or are) successful, and the Company will enter into a binding Asset Purchase Agreement on substantially the same terms as the APA (as amended by the Bid, subject to further negotiations between the Company and the Qualified Bidder) with the Qualified Bidder (the “**Successful Bidder**”) that submitted the highest and best Bid as determined by the Company in its sole discretion (with the assistance of the Proposal Trustee) (the “**Accepted Bid**”);
- The Company shall give written notice to all Qualified Bidders of the identity of the Successful Bidder and the next highest or next best Qualified Bid (the “**Back-up Bid**”);
- The Company, with the assistance of the Proposal Trustee will have the sole right to value any non-cash consideration, including the assumption of liabilities, offered in any Bid to determine whether it represents the best or highest Bid at any time.
- The Successful Bidder agrees to do all such things as are reasonably required for the Company and the Proposal Trustee to obtain Court approval of the Accepted Bid within seven (7) days of the Company’s acceptance of the Accepted Bid.
- If the Successful Bidder fails to close a purchase transaction within ten (10) days after Court approval (or such date that may otherwise be mutually agreed upon between the Company, the Proposal Trustee and the Successful Bidder), the Proposal Trustee shall be authorized but not required to deem that (a) the Successful Bidder has breached its obligations pursuant to the Accepted Bid, and (b) has forfeited its Deposit to the Company, and (c) the Company will be authorized to enter into a transaction with a party who has submitted the Back-up Bid.
- For greater certainty, Interested Parties and Qualified Bidders shall be responsible for their own fees and costs relating to their investigation and/or closing or any transaction under these procedures.

IN THE MATTER OF THE PROPOSAL OF BOGDON & GROSS FURNITURE
COMPANY LIMITED OF THE TOWN OF WALKTERON IN THE PROVINCE OF
ONTARIO

Court File No. 35-1844150
Estate No. 35-1844150

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER
(Re: DIP Facility, Administration Charge, Factoring
Charge, SISP and Extension)

PALLET VALO LLP
Lawyers & Trade-Mark Agents
77 City Centre Drive, West Tower
Suite 300
Mississauga, Ontario
L5B 1M5

Greg Azeff (LSUC #45324C)
Asim Iqbal (LSUC #61884B)

Tel: (905) 273-3300
Fax: (905) 273-6920

Lawyers for Bogdon & Gross Furniture Company Limited

APPENDIX “C”

District of Ontario
Division No. 04 – Owen Sound
Court No. 35-1844150
Estate No. 35-1844150

NOTICE TO CREDITORS

**IN THE MATTER OF THE PROPOSAL OF
BOGDON & GROSS FURNITURE COMPANY LTD.
OF THE TOWN OF WALKERTON
IN THE MUNICIPALITY OF BROCKTON, IN THE COUNTY OF BRUCE
IN THE PROVINCE OF ONTARIO**

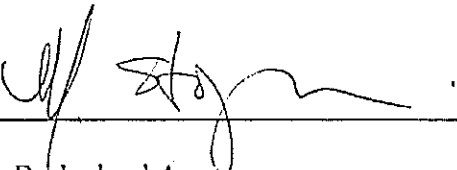
TAKE NOTICE that Bogdon & Gross Furniture Company Ltd. has filed with the Official Receiver a Notice of Intention to Make a Proposal under the Bankruptcy and Insolvency Act. Said Notice was filed on March 4, 2014. The undersigned, Zeifman Partners Inc. has consented to act as Trustee in this matter.

A copy of the Notice of Intention to Make a Proposal and a list of the creditors affected by the proposal, whose claims amount to \$250.00 or more are enclosed herewith.

Once the Proposal has been lodged, a copy will be forwarded to you as well as advising of the date for the first meeting of creditors.

Dated at Toronto, Ontario, this 7th day of March, 2014.

ZEIFMAN PARTNERS INC. - TRUSTEE

A handwritten signature in black ink, appearing to be 'J. Stojan', is written over a horizontal line.

201 Bridgeland Avenue
Toronto, Ontario
M6A 1Y7
Tel: 416.256.4005
Fax: 416.256.4001

Registry No. 31-1844150

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND
INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF

**BOGDON & GROSS
FURNITURE COMPANY LTD.**

OF THE TOWN OF WALKERTON
IN THE MUNICIPALITY OF BROCKSTON
IN THE COUNTY OF BRUCE
IN THE PROVINCE OF ONTARIO

**NOTICE TO CREDITORS OF FILING
OF A NOTICE OF INTENTION
TO MAKE A PROPOSAL**

ZEIFMAN PARTNERS INC.
Trustee in Bankruptcy
201 Bridgeland Avenue
Toronto, Ontario
M6A 1Y7
Tel: 416.256.4005
Fax: 416.256.4001

District of: Ontario
Division No. 04 - Owen Sound
Court No.
Estate No.

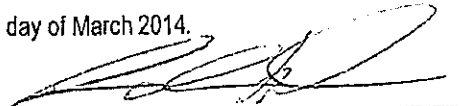
- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Bogdon & Gross Furniture Company Ltd.
of the Town of Walkerton, in the Municipality of Brockton
in the County of Bruce, in the Province of Ontario

Take notice that:

1. I, Bogdon & Gross Furniture Company Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Zeifman Partners Inc. of 201 Bridgeland Avenue, Toronto, ON, M6A 1Y7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 3rd day of March 2014.


Bogdon & Gross Furniture Company Ltd.
Insolvent Person

To be completed by Official Receiver:

Filing Date _____

Official Receiver

Creditor List

In the matter of the proposal of
Bogdon & Gross Furniture Company Ltd.
of the Town of Walkerton, in the Municipality of Brockton
in the County of Bruce, in the Province of Ontario

Creditor	Name	Attention	Address	Claim \$
Preferred	United Steelworkers	Saul Marques	Re: Wages USW Local 1-500 44 Henry Street Delhi ON N4B 2E8	70,000.00
	United Steelworkers	Saul Marques	Re: Benefits USW Local 1-500 44 Henry Street Delhi ON N4B 2E8	1,100.00
Secured	2110785 Ontario Inc.		75 Ridout Street Walkerton ON N0G 2V0	500,000.00
	Bruce Community Futures Development Corporation	Barb Fisher	P.O. Box 208 281 Durham Street Kincardine ON N2Z 2Y7	312,000.00
	Canada Revenue Agency		Re: Source Deductions 451 Talbot St., 3rd Floor London ON N6A 4R3	400,695.06
	Canada Revenue Agency		Re: HST 451 Talbot St., 3rd Floor London ON N6A 4R3	73,649.95
	CIT Financial Ltd.		5035 South Service Road Burlington ON L7R 4C8	20,648.70
	CNH Capital Leasing		PO Box 5334 Burlington ON L7R 4Z8	56,905.81
	MCAP		5575 North Service Road, Suite 300 Burlington ON L7L 6M1	821.28
	Ministry of Finance	Kevin J. O'Hara	Re: EHT Legal Services Branch 33 King St. W., 6th Floor, Box 620 Oshawa ON L1H 8H5	46,841.87
	Municipality of Brockton		Re: Property Tax 100 Scott Street PO Box 68 Walkerton ON N0G 2V0	128,170.09
	RCAP Leasing inc.		5575 North Service Road, Suite 300 Burlington ON L7L 6M1	14,785.92
	Saugeen Economic Development Corp.	Rose Austin	515 Mill St Neustadt ON N0G 2M0	312,000.00
	TCE Capital Corporation	Rick Coles	505 Consumers Road, Suite 707 Toronto ON M2J 4V8	580,000.00
Unsecured	Artage International		58 Adesso Dr Concord ON L4K 3C6	5,147.15

B.E. Grein Lumber Ltd	Box 23 Ayton Ayton ON N0G 1C0	129,712.46
BC Saw	222 Evans Avenue Toronto ON M8Z 1J8	364.00
Bell City Forest Products	12 Coachwood Rd Brantford ON N3R 3R4	67,043.33
Berhns Metal Fabricating Inc.	6650 Perth Line 88 Gowanstown ON N0G 1Y0	4,840.46
Biesse Group Canada	18005 Rue Lapointe I Mirabe QC J7J 0G2	3,465.65
Bluewater Wood Alliance	PO Box 1240 Walkerton ON N0G 2V0	6,305.56
Cad MicroSolutions Inc.	103-65 International Blvd Toronto ON M9W 6L9	1,755.74
Canmade Furniture Products	280 Applewood Cres Unit #1 Concord ON L4K 4B4	8,883.05
Cherry Forest Products	24 Kerr Cres Puslinch ON Puslinch ON N0B 2J0	80,803.99
Clamp Nail Company Inc.	21 West Lorne Cactus Drive Phoenix AZ 85027	256.42
Consolidated Fastfrate Inc.	9701 Highway 50 Woodbridge ON L4G 2G4	306.45
Craftsmen Hardwoods	P O Box 280 34 Drayton Industrial Dr Drayton ON N0G 1P0	62,752.80
Crate Designs	P O Box 460 87 7TH ST SW Chesley ON N0G 1L0	316.40
Dafco Filtration Group	1300 Acrowood Drive Mississauga ON L4W 1B7	382.12
Danja Inc.	10 Overdale Lane Dartmouth NS B3A 3V3	12,754.51
Davidson-Hill Elevator Inc.	476 Mill St. Box 2126 Port Elgin ON N0H 2C0	1,066.36
De Jong Enterprises Inc.	PO Box 39, RR 3 Norwich ON N0J 1P0	39,765.14
Domtar	Lock Box 90 Case Postal 11411 Succursale Centre-ville Montreal QC H3C 5H1	824.06
Edward Fuels Ltd.	Hwy #4 Teeswater ON N0G 2S0	307.54
Eldorado Plywood Specialties	10 Hollinger Cres. Kitchener ON N2K 2Z3	2,650.53
Excel Business Systems	625 Garafraxa Street South Durham ON N0G 1R0	265.24
Excel Dowel & Wood Product	800 Baker Drive Itasca IL 60143	549.92
Foamite Industries Inc	1000 Edgecley Blvd. Vaughan ON L4K 4V4	4,372.90
Franklin International	PO Box 1504 Station A Toronto ON M5W 3N9	907.98

Gaviller & Company LLP	7 Victoria St S. PO Box 129 Walkerton ON N0G 2V0	9,337.38
Hardwoods Speciality Products	5870-48th Street SE Calgary AB T2C 4L4	2,039.65
Hartech Grinding Services	401 G Weber St. N. Waterloo ON N2J 3J2	1,379.55
Hermes Abrasives Canada	160 Brunel Road Mississauga ON L4Z 1T5	555.96
Hettich International	90 Snow Blvd. Concord ON L4K 4A2	7,980.96
Holst Office Supplies	PO Box 218 Walkerton ON N0G 2V0	6,822.56
Homag Canada	5090 Edwards Blvd. Mississauga ON L5T 2W3	7,303.19
Huron Fuel Injection	P.O. Box 1471 Highway # 4 South Clinton ON N0M 1L0	672.45
Huronia Welding Supplies	282 Suncoast Drive Goderich ON N7A 4K4	288.15
Ideal Glass	PO Box 219 80 Davidson Street Cannington ON L0E 1E0	9,615.06
Indel Control Services Inc.	174 Thames St. South Ingersoll ON N5C 2T5	813.60
Ingersoll Rand	330-D Exeter Rd. London ON N6L 1A3	739.97
Intergon Company	P O Box 665, 27 Hickory St Ingleside ON K0C 1M0	467.80
J. Ennis Fabric Ltd	12122-68 Street Edmonton AB T5B 1R1	3,511.95
James Taylor	108 Parker Avenue Poughkeepsie NY 12601	718.05
Janzen, Douglas	2164 Chilcotin Cr Kelowna BC V1V 2N9	4,539.95
Kenneth Wheeler	PO Box 88 Durham ON N0G 1R0	640.00
Kitsupply	130 Kincardine Road Walkerton ON N0G 2V0	704.77
Les Agencies John MacDonald Inc.	302-225 Rue De Ruisseau Clair Mont Tremblant QC J8E 0A3	10,217.11
Lift Depot Ltd.	557 Lorne Ave., E. Stratford ON N5A 6S4	745.80
McFadden's	2164 Buchingham Road Oakville ON L6H 6Y7	1,703.65
Middlebro & Stevens	PO Box 100, 1030 2nd Avenue East Owen Sound ON N4K 5P1	29,592.18
Municipality of Brockton	Re: Utilities 100 Scott Street PO Box 68 Walkerton ON N0G 2V0	999.62
Murray's Sharpening	1190 2nd Avenue East Owen Sound ON N4K 2H9	273.91

National Casein		450 - 4 Tapscott Road Scarborough ON M1B 1Y4	618.02
National Compressed Air		376 Sovereign Road London ON N6M 1A5	437.54
Packaging Logistics Inc.		175 Deerfield Rd Newmarket ON L3Y 2L8	30,342.90
Peladeau Lumber		137, Ouest Boul. Bellerose Laval QC H7K 3B5	36,221.11
Peninsula Saw Company		PO Box 334 136 Broadway Welland ON L3B 5P7	836.37
Porter Lumber		RR 1 Port Dover ON N0A 1N1	157,327.15
R & M Nelson Holdings	Kim Nelson	c/o Royal Containers Ltd. 80 Midair Court Brampton ON L6T 5V1	241,000.00
R. E. Morrison Equipment Inc		21-3615 Laird Road Mississauga ON L5L 5X8	1,700.32
RBC Visa		c/o BankruptcyHighway.com PO Box 57100 Etobicoke ON M8Y 3Y2	29,241.76
Red/Cam Manufacturing Inc. o/a Preston Rebuilt Machinery		385 Dundas Street North, Unit 9 Cambridge ON N1R 5R1	693.00
RMZ Consulting		247-4th Street Cr Hanover ON N4N 3S2	11,769.00
Robert Betty Furniture Sales		608 Cheriton Crescent N. W. Edmonton AB T6R 2M6	246,110.37
Royce/Ayr Cutting		405 Sheldon Dr. Cambridge ON N1T 2B7	378.93
Selby Furniture Hardware		7083 Jarry E Local 210 Anjou QC H1J 1G3	731.94
Scradex Manufacturing Software		4460 Harvester Rd Burlington ON L7L 4X2	21,411.52
Sherwin-Williams Chemical Coatings		130 Van Kirk Drive Brampton ON L7A 1B1	24,872.79
Spec Furniture		165 City View Dr Toronto ON M9W 5B1	305.10
Springwater Mills Ltd		47493 Southdale Line St. Thomas ON N5P 3S6	34,969.26
Stell Chem Inc.		499 Brentcliffe Dr. Waterloo ON N2T 2R8	673.37
Sun Media		PO Box 7400 London ON N5Y 4X3	269.85
Sylka Inc		1175 Route 243, CP120 Saint-Felix-de-Kingsey QC J0B 2T0	371.18
Taurus Craco		282 Orenda Road West Brampton ON L6T 4X6	281.05
Taurus Industrial Sales		3327D Mainway Dr Burlington ON L7M 1A6	450.72
Technical Standards & Safety Author		PO Box 4577 Stn A Toronto ON M5W 4V8	474.60

The Water Centre	102 Kincardine Road Walkerton ON N0G 2V0	654.50
Union Gas	P O Box 2001 Chatham ON N7M 5M1	2,281.42
Universal Logistics Inc.	125 Commerce Valley Drive West Suite 750 Thornhill ON L3T 7W4	534.09
Upper Canada Forest Products Ltd	7088 Financial Dr Mississauga ON L5N 7H5	25,717.35
UPS	P O Box 4900 Stn A Toronto ON M5W 0A7	690.28
Valve-Inchem Inc.	5100 South Service Road Unit 31 Burlington ON L7L 6A5	1,143.56
Vexco Inc	289 Route 165 sud CP 95 Plessisville QC G6L 2Y6	1,036.97
Vincent Marone	11000 Avenue Mackay, Ste 1 Montreal-Nord QC H1H 5G2	71,444.17
Waste Management	PO Box 4205 Toronto ON M5W 5L4	798.23
Waterville Woodcraft	525, Principale Nord Waterville ON J0B 3H0	585.91
Web Mechanical	7154 Castlederg Sideroad Caledon ON L7C 0P4	2,470.00
Weber Supply Company Inc.	1830 Strasburg Rd Kitchener ON N2R 1E9	692.80
Weinig Group	124 Crosslake Park Drive PO Box 3158	3,158.55
Westario Power Inc.	24 Eastridge Rd, RR #2 Walkerton ON N0G 2V0	46,556.12
Western Logistics	1555 Brigantine Dr. Coquitlam BC V3K 7S2	5,206.40
Weston Premium Woods Inc.	25 Automatic Rd Brampton ON L6S 5N8	78,898.13
Wilson, John	1014-900 Chieftain St Woodstock ON N4T 0B7	233,716.30
Workplace Safety & Insurance Board	PO Box 4115 Toronto ON M5W 2V5	109,490.00
Xerox Canada	33 Bloor Street East, 3rd Floor Toronto ON M4W 3H1	4,000.70
Young's Woodcoatings	396 Garafraxa Street N Box 539 Durham ON N0G 1R0	14,878.24

AFFIDAVIT OF TRUSTEE

IN THE MATTER OF THE PROPOSAL OF
BOGDON & GROSS FURNITURE COMPANY LTD.
OF THE TOWN OF WALKERTON
IN THE MUNICIPALITY OF BROCKTON, IN THE COUNTY OF BRUCE
IN THE PROVINCE OF ONTARIO

SUPPLEMENTARY MAILING LIST

Office of the Superintendent of Bankruptcy
451 Talbot Street, Room 303
London, Ontario
N6A 5C9

Attention: Official Receiver

Superior Court of Justice
80 Dundas Street
Ground Floor, Unit A
London, Ontario
N6A 6A3

Attention: Ms. Terry Sheridan, Bankruptcy Court

Superior Court of Justice
393 University Avenue
10th Floor
Toronto, Ontario
M5G 1E6

Attention: Toronto Bankruptcy Court

Human Resources Development Canada
4900 Yonge Street, 2nd Floor
Toronto, Ontario
M2N 6A8

Rick Sabourin
RPG Receivables Purchase Group Inc.
221 Lakeshore Road East
Suite 300
Oakville, Ontario
L6H 1H7

Dirk Nielsen
75 Ridout Street
Walkerton, Ontario
N0G 2V0

Greg Azeff
Pallett Valo LLP
77 City Centre Drive
West Tower, Suite 300
Mississauga, Ontario
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Asim Iqbal
Pallett Valo LLP
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Kyla E. M. Mahar
Thornton Grout Finnigan LLP
100 Wellington Street West
Suite 3200, Box 329
Toronto-Dominion Centre
Toronto, Ontario
M5K 1K7

Diane Winters
Department of Justice Canada
Ontario Regional Office
130 King Street West, Suite 3400
Suite 3400, Box 36
Toronto, Ontario
M5X 1K6

Tammy Kemp
TCE Capital Corporation
505 Consumers Road
Suite 707
Toronto, Ontario
M2J 4V8

Capital Underwriters Inc.
2020 Winston Park Drive
Suite 301
Oakville, Ontario
L6M 3Z8

Wells Fargo Equipment Finance Company
2550 Victoria Park Avenue
Suite 700
Toronto, Ontario
M2J 5A9

APPENDIX “D”



Court File No. 35-1844150
Estate No. 35-1844150

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

THE HONOURABLE

)

FRIDAY, THE 14th

JUSTICE

)

DAY OF MARCH, 2014

)

IN THE MATTER OF THE PROPOSAL OF
BOGDON & GROSS FURNITURE COMPANY LIMITED
OF THE TOWN OF WALKERTON
IN THE PROVINCE OF ONTARIO

ORDER

(Re: Transfer Proceedings to Toronto, Amend SISP)

THIS MOTION, made by Bogdon & Gross Furniture Company Limited (the "Debtor"), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C 1985, c B-3, as amended (the "BIA") was heard this day at the Court House, 80 Dundas Street, London, Ontario, N6A 6A3.

ON READING the Affidavit of Adam Hofmann sworn March 12, 2014 and the Exhibits thereto (the "Hofmann Affidavit") and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Debtor, no one appearing for any of the other parties on the service list, although duly served as appears from the Affidavit of Service of ~~Nadia Gatta~~ ^{Shallon Garrafa} sworn March 13, 2014, and on being advised that the Proposal Trustee consents to the relief sought herein;

and counsel for Springwater
Mills Ltd.

Jey

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Debtor's Notice of Motion and Motion Record is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

TRANSFER OF PROCEEDINGS

2. **THIS COURT ORDERS** that these proceedings are hereby transferred to the bankruptcy district of Toronto.

AMENDMENT OF SISP

3. **THIS COURT ORDERS** that the Sale and Investor Solicitation Process approved pursuant to and attached as Schedule "B" to the Order of the Honourable Madam Justice Thorburn dated March 6, 2014 is amended, replaced and restated with the revised SISP attached as Schedule "A" to this Order (the "SISP").

~~GENERAL~~

4. **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 Debtor, the Proposal Trustee 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 Debtor and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Debtor and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

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

~~to act as a representative in respect of the within proceedings for the purpose of having these~~
~~proceedings recognized in a jurisdiction outside Canada.~~

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SCHEDULE "A" – REVISED SISP

SISP SCHEDULE

	Event	Timing
1.	Motion to approve sale process and investment solicitation process (the "SISP"), extend stay of proceedings, grant administration charge and DIP charge.	March 6, 2014
2.	The Proposal Trustee and the Company will contact potential purchasers (as identified by the Company and the Proposal Trustee)	Immediately - commencing upon court approval of SISP
3.	Information pertaining to this opportunity will be posted on the Proposal Trustee's website, which will include: <ul style="list-style-type: none">• Invitation for Expressions of Interest letters from prospective offerees, and• Confidentiality Agreement.	On or before March 21, 2014
4.	The Proposal Trustee, with the assistance of the Company, will prepare and circulate information to potential offerees	On or before March 21, 2014
5.	Advertise the SISP in <i>The Globe & Mail</i> (National Edition), as well as such local, industry and other publications as considered appropriate by the Proposal Trustee	On or before March 21, 2014
6.	Deadline for submitting Expression of Interest Letters	March 31, 2014
7.	Deadline for submitting Binding Offers	April 14, 2014
8.	Selection of successful bidder and motion to seek court approval of agreement of purchase and sale and obtain a vesting order	April 28, 2014
9.	Close sale to successful purchaser(s)	On or before May 5, 2014
10.	Proposal Trustee to return all deposits other than that tendered pursuant to the successful offer	On or before May 12, 2014

EXPRESSION OF INTEREST AND BID PROCEDURES

Below are the procedures (the “SISP Procedures”) for expressing interest and submitting bids that will be employed for the sale of substantially all of the property, assets and undertaking of Bogdon & Gross Furniture Company Limited (the “Assets”, and the “Company”, respectively).

Step 1: Expression of Interest

- The Company, with the assistance of the Proposal Trustee, will:
 - prepare a list identifying potential purchasers and investors (“Potential Offerees”), and
 - prepare a document (the “Teaser Letter”) summarizing the opportunity,
- The Company, with the assistance of the Proposal Trustee, will contact the Potential Offerees and other parties that come to its attention.
- The Teaser Letter and other information pertaining to the opportunity will be posted on the Proposal Trustee’s website:
http://www.zeifmans.ca/index.php/insolvency_file/bogdon-gross-furniture-company-ltd/
- A notice will be published in the national edition of *The Globe and Mail* newspaper and, at the discretion of the Proposal Trustee (with the assistance of the Company), in trade and local publications.
- A party that is interested purchasing the Assets or making an investment in the Company must deliver to the Proposal Trustee by no later than 5:00 p.m. on March 31, 2014 (the “EOI Deadline”) a letter expressing such interest (an “EOI”).

Step 2: Due Diligence

- A party that delivers an EOI to the Proposal Trustee on or before the EOI Deadline will be referred herein as an “Interested Party” and are collectively referred to as “Interested Parties”.
- Interested Parties who execute a confidentiality agreement (a “CA”) in a form satisfactory to the Proposal Trustee will have an opportunity to perform due diligence, including reviewing information in a virtual data room and touring the Facility.
- The Company, with the assistance of the Proposal Trustee, will facilitate diligence efforts by, among other things, responding to questions and coordinating tours of the Facility.

Step 3: Binding Offers

- Interested Parties must submit offers no later than 5:00 p.m. on April 14, 2014 (the “Bid Deadline”).

- Interested Parties seeking to acquire the assets will be able to refer to a template asset purchase agreement (“APA”) that will be posted in the data room. Interested Parties seeking to purchase the Assets must submit offers in the form of the APA, with any changes black-lined against the APA (a “Bid”).
- A Bid shall:
 - Include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Proposal Trustee) or such other form of deposit as is acceptable to the Proposal Trustee, payable to the order of the Proposal Trustee, in trust, in an amount equal to 10% (the “Deposit”) of the purchase price or investment amount. The Deposit will either (i) be applied to satisfy the purchase price; or (ii) be forfeited to the Company in the event that the Successful Bidder (defined below) breaches its obligations pursuant to an Accepted Bid (defined below);
 - Disclose of the identity of each entity (including its ultimate shareholders) that will be bidding for the Assets or otherwise participating in a Bid and the complete terms of any such participation;
 - Provide evidence satisfactory to the Proposal Trustee of financing sufficient to close a transaction within the timelines detailed in these procedures;
 - Be irrevocable until 45 days after the date of the Bid Deadline; and
 - In the case of a Bid where the consideration payable is in the form other than cash or the assumption of liabilities of the Company, the Bidder must include a detailed description of the form of consideration as well as sufficient financial information relating thereto, to enable the Company and the Proposal Trustee to assess the value and liquidity of the consideration.
- The Proposal Trustee will determine in its sole discretion if a Bid meets the above criteria. A Bid that meets the above requirements will be considered a “Qualified Bid” and each Bidder that submits a Qualified Bid will be considered a “Qualified Bidder”.
- The Proposal Trustee, in its sole discretion, will determine which Qualified Bid (or Qualified Bids) is (or are) successful (the “Accepted Bid”), and the Company will enter into a binding Asset Purchase Agreement on substantially the same terms as the APA (as amended by the Accepted Bid and subject to further negotiations between the Company and the Qualified Bidder) with the Qualified Bidder (the “Successful Bidder”).
- The Proposal Trustee shall give written notice to all Qualified Bidders of the identity of the Successful Bidder and the next highest or next best Qualified Bid (the “Back-up Bid”).

- The Proposal Trustee will have the sole right to value any non-cash consideration, including the assumption of liabilities, offered in any Bid to determine whether it represents the best or highest Bid at any time.
- The Successful Bidder agrees to do all such things as are reasonably required for the Company and the Proposal Trustee to obtain Court approval of the Accepted Bid within seven (7) days of the Company's acceptance of the Accepted Bid.
- If the Successful Bidder fails to close a purchase transaction within ten (10) days after Court approval (or such date that may otherwise be mutually agreed upon between the Company, the Proposal Trustee and the Successful Bidder), the Proposal Trustee shall be authorized but not required to deem that (a) the Successful Bidder has breached its obligations pursuant to the APA, and (b) has forfeited its Deposit to the Company, and (c) the Company will be authorized to enter into a transaction with a party who has submitted the Back-up Bid.
- For greater certainty, Interested Parties and Qualified Bidders shall be responsible for their own fees and costs relating to their investigation and/or closing or any transaction under these procedures.
- The Proposal Trustee may make such minor amendments to the SISP Procedures as may be necessary or desirable.

IN THE MATTER OF THE PROPOSAL OF BOGDON & GROSS FURNITURE
COMPANY LIMITED OF THE TOWN OF WALKTERON IN THE PROVINCE OF
ONTARIO

Court File No. 35-1844150
Estate No. 35-1844150

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

PROCEEDING COMMENCED AT
LONDON

ORDER
(Re: Transfer Proceedings to Toronto, Amend SISP)

PALLET VALO LLP
Lawyers & Trade-Mark Agents
77 City Centre Drive, West Tower
Suite 300
Mississauga, Ontario
L5B 1M5

Greg Azeff (LSUC #45324C)
Asim Iqbal (LSUC #61884B)

Tel: (905) 273-3300
Fax: (905) 273-6920

Lawyers for Bogdon & Gross Furniture Company Limited

APPENDIX “E”

BG Furniture Cash Flow Projections

Year	2014
Week	1
Week	2
Week	3
Week	4
Week	5
Week	6
Week	7
Week	8
Week	9
Week	10
Week	11
Week	12
Week	13

equal here

week starting

week ending

period

ending date

2014 10

2014 11

2014 12

2015 1

2015 2

2015 3

2015 4

2015 5

2015 6

2015 7

2015 8

2015 9

2015 10

2015 11

2015 12

2016 1

2016 2

2016 3

2016 4

2016 5

2016 6

2016 7

2016 8

2016 9

2016 10

2016 11

2016 12

2017 1

2017 2

2017 3

2017 4

2017 5

2017 6

2017 7

2017 8

2017 9

2017 10

2017 11

2017 12

2018 1

2018 2

2018 3

2018 4

2018 5

2018 6

2018 7

2018 8

2018 9

2018 10

2018 11

2018 12

2019 1

2019 2

2019 3

2019 4

2019 5

2019 6

2019 7

2019 8

2019 9

2019 10

2019 11

2019 12

2020 1

2020 2

2020 3

2020 4

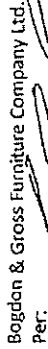
2020 5

2020 6

2020 7

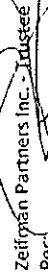
Category	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Total
Revenues & Cash In														
Shipments	16,500	40,000	95,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	1,260,000
Funds available from Factor (25%)	14,025	34,000	80,750	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500	1,078,500
Cumulative Available Factoring	14,025	34,000	80,750	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500	1,078,500
Factor's Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	260,715
Factor's Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	82,260
Factor's Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	11,760
Cash Receipt	260,000	40,000	80,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	1,067,000
D/P	260,000	40,000	80,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	1,067,000
Total Cash Receipts:	260,000	40,000	80,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	1,067,000
CASH DISBURSEMENTS:														
Payroll (net)	139,409	74,067	71,969	72,359	72,359	72,359	72,359	72,359	72,359	72,359	72,359	72,359	72,359	834,211
Benefits	3,420	2,509	2,509	2,509	2,509	2,509	2,509	2,509	2,509	2,509	2,509	2,509	2,509	29,800
Source deduction remittances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HST	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ERT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wages	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	36,049	11,500	6,500	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	109,000
Utilities	11,900	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	71,600
Maintenance & Repairs	1,000	500	500	500	500	500	500	500	500	500	500	500	500	5,000
Capital Leases	3,304	-	-	-	-	-	-	-	-	-	-	-	-	3,304
Loan Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commissions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Costs on D/P	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Materials														
Lumber	11,658	21,222	19,644	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	215,977
Furniture	9,319	9,301	1,275	3,832	3,832	3,832	3,832	3,832	3,832	3,832	3,832	3,832	3,832	43,015
Painting	3,412	3,403	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	43,412
Printing	1,111	4,318	3,525	3,525	3,525	3,525	3,525	3,525	3,525	3,525	3,525	3,525	3,525	43,412
Liquidity	2,705	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	15,900
Glass	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	13,000
Glass & Adhesive	600	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	13,000
Sawdust	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tooling	164	655	-	100	350	350	350	350	350	350	350	350	350	4,056
Freight	4,114	250	6,600	250	250	250	250	250	250	250	250	250	250	43,014
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Supplies & Admin	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Uncategorized	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Disbursements:	11,477	3,951	5,820	8,954	1,695	2,195	4,120	5,954	12,574	81,624	135,550	83,421	137,642	1,421,125
Net Cash Flow	248,523	40,049	7,030	41,641	118,305	117,805	117,805	117,805	117,805	117,805	117,805	117,805	117,805	14,135
Cumulative	248,523	288,572	358,872	400,513	518,818	636,623	754,428	872,233	989,038	1,106,843	1,224,648	1,342,453	1,460,258	14,135

This statement of projected cash flow of Bogdon & Gross Furniture Company Ltd. prepared in accordance with S.50.4(2) of the Bankruptcy and Insolvency Act should be read in conjunction with the Trustee's report on the reasonableness of the cash flow statement.

Bogdon & Gross Furniture Company Ltd.
Per: 

Adam Hofmann, President

Dated at Toronto, this 14th day of March, 2014

Zeifman Partners Inc. - Trustee
Per: 

Allan Rutman

Bogdon & Gross 13 Week Cash Flow Projections
March 10 – June 7, 2014
Assumptions

1. **Sales**

Sales are based on booked orders on hand of approximately \$500,000 as well as historical experience over the prior year of \$4.8 million. Sales ramp up in the first 3 weeks reflects availability of DIP funding to support payment of wage arrears and production commencing March 13, 2014 and allowing for availability of specific inventory and trailers for product delivery.

2. **Cash Receipts**

Initial B&G funding is available from two sources:

- (a) \$300,000 DIP loan from RPG Receivables Purchase Group Inc. ("RPG") approved by the Court on March 6, 2014 and expected to be advanced in two tranches: \$240,000 on May 14th and \$60,000 in week 2.
- (b) Factoring Agreement with RPG providing a facility up to \$750,000 on a recourse basis with 85% funding on invoicing, 4% administration fee and remaining 11% holdback as a reserve pending collections by RPG. The reserve funds are expected to be collected 45 days after invoicing.

3. **Cumulative Available Funding**

B&G is not expected to draw on its maximum available funding from RPG until required at the end of the forecasted 13 week period \$11,905 is undrawn.

4. **Recovery of Revenue**

See Note 2.

At the end of the 13 week period \$121,000 net of admin fee is due from RPG.

5. **Payroll**

Week 1 payroll includes the payment of \$70,000 arrears as well as \$69,409 representing production labour for 9 days as payroll is bi-weekly and paid 2 weeks in arrears. Additional amounts outstanding and not expected to be paid during the period are approximately \$130,000 of accrued vacation pay. With the termination of 5 production employees and the conversion of 1 office employee to a part-time position, labour costs is reduced on a fully fringed basis to \$90,000 for every two weeks. Direct labour costs as a percentage of sales approximates 30%.

6. **Materials**

The cost of lumber and other materials have historically averaged 30% of sales. Purchasing during the period approximates 36% of sales revenue which is related to some requirement of inventory buildup and a greater percentage of work in process and finished goods and a result in increase in inventory value of \$76,000.

7. **Capital Leases**

Four leases in respect of equipment are operating leases and on the advice of counsel are continuing to be paid.

2 of 2
JH

District of: Ontario
Division No. 04 - Owen Sound
Court No. 35-1844150
Estate No. 35-1844150

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Bogdon & Gross Furniture Company Ltd.
of the Town of Walkerton, in the Municipality of Brockton
in the County of Bruce, in the Province of Ontario

The Management of Bogdon & Gross Furniture Company Ltd., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 10th day of March 2014, consisting of projected earnings and expenses on a monthly basis for the period from March 10, 2014 to June 7, 2014..


The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

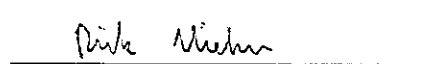
Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 14th day of March 2014.


Bogdon & Gross Furniture Company Ltd.
Debtor


Adam Hoffman, President
Name and title of signing officer


Name and title of signing officer

Dick Nielson
Vice President

District of: Ontario
Division No. 04 - Owen Sound
Court No. 35-1844150
Estate No. 35-1844150

FORM 30 - Attachment
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Bogdon & Gross Furniture Company Ltd.
of the Town of Walkerton, in the Municipality of Brockton
in the County of Bruce, in the Province of Ontario

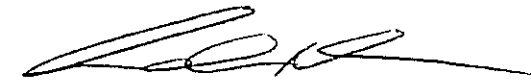
Purpose:

This combined statement of projected cash-flow has been prepared solely for the purpose of completing a Proposal pursuant to Part III of The Bankruptcy and Insolvency Act. This statement was not intended and therefore cannot be relied upon by creditors in their independent determination of whether or not to extend any further credit to the Debtor.

Projection Notes:

The projection has been prepared solely for the purpose of submission for review by creditors under the Proposal of Bogdon & Gross Furniture Company Ltd. and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 14th day of March 2014.



Bogdon & Gross Furniture Company Ltd.

District of: Ontario
Division No. 04 - Owen Sound
Court No. 35-1844150
Estate No. 35-1844150

-- FORM 29 --
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Bogdon & Gross Furniture Company Ltd.
of the Town of Walkerton, in the Municipality of Brockton
in the County of Bruce, in the Province of Ontario

The attached statement of projected cash flow of Bogdon & Gross Furniture Company Ltd., as of the 10th day of March 2014, consisting of projected earnings and expenses on a monthly basis for the period from March 10, 2014 to June 7, 2014., has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: ☒ the management and employees of the insolvent person or ☐ the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: ☒ management or ☐ the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 14th day of March 2014.

Zeifman Partners Inc. - Trustee

201 Bridgeland Avenue
Toronto ON M6A 1Y7
Phone: (416) 256-4005 Fax: (416) 256-4001

District of: Ontario
Division No. 04 - Owen Sound
Court No. 35-1844150
Estate No. 35-1844150

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Bogdon & Gross Furniture Company Ltd.
of the Town of Walkerton, in the Municipality of Brockton
in the County of Bruce, in the Province of Ontario

Purpose:


This combined statement of projected cash-flow has been prepared solely for the purpose of completing a Proposal pursuant to Part III of The Bankruptcy and Insolvency Act. This statement was not intended and therefore cannot be relied upon by creditors in their independent determination of whether or not to extend any further credit to the Debtor.

Projection Notes:

The projection has been prepared solely for the purpose of submission for review by creditors under the Proposal of Bogdon & Gross Furniture Company Ltd., and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 14th day of March 2014.

Zelfman Partners Inc. - Trustee



201 Bridgeland Avenue
Toronto ON M6A 1Y7
Phone: (416) 256-4005 Fax: (416) 256-4001

APPENDIX “F”

APPENDIX “G”

BG Furniture Cash Flow Projections

input here ---->	year	2014
	week	11

week starting
week ending
2014.10
working days

10-Mar
15-Mar
2014.11
2

17-Mar
22-Mar
2014.12
5

pp5/6

Category	Last Week (actual)	Week 1	Week 1 Plan	Week 2	Week 2 Plan	Week 2 Variance	Variance to Date	Notes
Revenues & Cash In								
Shipments		11,751	16,500	45,041	40,000	5,041	291	
Funds available from Factor (@85%)		9,988	14,025	38,285	34,000	4,285	247	
Cumulative available Factoring		9,988	14,025	38,154	38,025	129	129	
Recovery of Reserve		-	-	-	-	-	-	
Funds from Factoring		-	-	10,119	10,000	119	119	
Cash Receipt		900	-	-	-	-	-	
DIP		260,000	260,000	40,000	40,000	-	-	
Total Cash Receipts:		260,900	260,000	50,119	50,000	119	1,019	
CASH DISBURSEMENTS:								
Critical		196,248	237,982	81,915	71,066	10,849	(30,885)	
Payroll (net)		116,061	139,409	20,202	-	20,202	(3,147)	not all cheques cleared Week 1
Benefits		-	3,429	2,509	2,509	-	(3,429)	
Source deduction remittances		-	-	-	-	-	-	
HST		-	-	-	-	-	-	
EHT		-	-	-	-	-	-	
WSIB		-	-	-	-	-	-	
Professional Fees		31,040	36,040	4,284	11,500	(7,216)	(12,216)	timing of professional fees
Utilities		10,000	11,900	5,000	6,000	(1,000)	(2,900)	no gas utility or phone payments required
Maintenance & Repairs		-	1,000	-	500	(500)	(1,500)	no repairs yet
Capital Leases		1,020	3,304	1,280	-	1,280	(1,004)	timing variance
Loan Payments		-	-	-	-	-	-	
Commissions		-	-	-	-	-	-	
Interest Costs on DIP		-	-	3,000	3,000	-	-	payment came out of 2nd draw
Interest Costs on Factor		-	-	-	-	-	-	
Materials								
Lumber		20,613	11,655	25,790	22,822	2,968	11,926	timing issue
Hardware		1,865	9,319	10,140	9,201	939	(6,515)	timing, pmt moved to wk3
Finishing		3,412	3,412	2,067	3,500	(1,433)	(1,433)	timing, pmt moved to wk3
Packaging		-	911	818	4,318	(3,500)	(4,411)	timing, pmt moved to wk3
Upholstery		-	249	93	480	(387)	(636)	timing, pmt moved to wk3
Glass		-	1,000	-	1,300	(1,300)	(2,300)	timing, pmt moved to wk3
Glue & Adhesive		-	600	-	-	-	(600)	timing, pmt moved to wk3
Sandpaper		-	-	-	1,080	(1,080)	(1,080)	timing, pmt moved to wk3
Other		-	-	-	655	(655)	(819)	timing (week to week vs biweekly)
Tooling		-	164	-	250	2,759	3,097	
Freight		4,452	4,114	3,009	-	-	-	
Other								
Marketing		7,785	11,477	3,724	3,951	(227)	(3,919)	
Office Supplies & Admin		-	-	-	-	-	-	
Uncategorized		-	-	-	-	-	-	
Total Cash Disbursements:		196,248	237,982	81,915	71,066	10,849	(30,885)	
out of balance (data error)		-	-	-	-	-	-	
Net Cash Flow		64,652						
Cumulative		64,652						

IN THE MATTER OF THE PROPOSAL OF
BOGDON & GROSS FURNITURE COMPANY LIMITED
OF THE TOWN OF WALKERTON
IN THE PROVINCE OF ONTARIO

Court File No.35-1844150
Estate No. 35-1844150

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

Proceedings commenced at **Toronto**

FIRST REPORT OF THE PROPOSAL TRUSTEE
(MARCH 26, 2014)

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Barristers and Solicitors
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Toronto, ON M5K 1K7

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Lawyers for the Proposal Trustee, Zeifman Partners Inc.