

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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

**AND**

**IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C.  
1985, c. C-44**

**AND**

**IN THE MATTER OF STERLING SHOES INC. and STERLING SHOES GP INC.**

**PETITIONERS**

**NOTICE OF APPLICATION**

**Names of applicants: Sterling Shoes Inc. and Sterling Shoes GP Inc.**

To: The Service List as set out in Schedule "A"

TAKE NOTICE that an application will be made by the applicants to Mr. Justice Pearlman at the courthouse at 800 Smithe Street, Vancouver, BC, V6Z 2E1, on Thursday, the 11<sup>th</sup> day of October, 2012 at **9:30 a.m.** for the Order as set out in Part 1 below.

**Part 1: ORDERS SOUGHT**

1. An Order in the draft form attached as Schedule "B".

**Part 2: FACTUAL BASIS**

1. The Company seek an extension of the stay of proceedings until January 11, 2013.
2. The Company is continuing to attend to issues in respect of the claims process, approved by Order of the Court dated April 2, 2012 (the "**Claims Process Order**").
3. The Company requires additional time and an extension of the stay in order to, among other things:
  - (a) deal with the remaining issues under the Claims Process Order;

- (b) finalize the reconciliation of the asset purchase agreement among the Petitioners, Town Shoes Limited and Alvarez & Marsal Canada Inc., dated April 16, 2012;
  - (c) attend to the distribution of proceeds to the Company's creditors; and
  - (d) deal with ancillary matters related to the wind down of the estate.
4. The Applicants continue to act in good faith and with due diligence.

**Part 3:LEGAL BASIS**

1. The applicants will rely on the *Companies Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended,
2. Supreme Court Civil Rules, Rule 8-1, 13-1; and
3. The inherent jurisdiction of this court.

**Part 4: MATERIAL TO BE RELIED ON**

1. Affidavit #1 of Daniel Gumprich, affirmed October 20, 2011;
2. Affidavit #2 of Daniel Gumprich, affirmed November 15, 2011;
3. Affidavit #3 of Daniel Gumprich, affirmed December 6, 2011;
4. Affidavit #5 of Daniel Gumprich, affirmed March 28, 2012;
5. Affidavit #6 of Daniel Gumprich, affirmed April 18, 2012;
6. Affidavit #7 of Daniel Gumprich, affirmed May 3, 2012;
7. Affidavit #8 of Daniel Gumprich, affirmed June 7, 2012; and
8. Affidavit #9 of Daniel Gumprich, affirmed October 5, 2012.

The applicants estimate that the application will take 20 minutes.

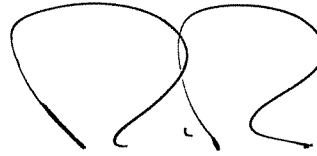
[ ] This matter is within the jurisdiction of a master.

[X] This matter is not within the jurisdiction of a master. Mr. Justice Pearlman is seized of this matter.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
  - (i) you intend to refer to at the hearing of this application, and
  - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
  - (i) a copy of the filed application response;
  - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
  - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Date: October 5, 2012



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Signature of  
☐ applicant ☒ lawyer for the applicants  
Peter L. Rubin

To be completed by the court only:

Order made

☐ in the terms requested in paragraphs ..... of Part 1 of this notice of application

☐ with the following variations and additional terms:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of ☐ Judge ☐ Master

## APPENDIX

*[The following information is provided for data collection purposes only and is of no legal effect.]*

### **THIS APPLICATION INVOLVES THE FOLLOWING:**

*[Check the box(es) below for the application type(s) included in this application.]*

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts

**Schedule "A"**

**SERVICE LIST**

**IN THE MATTER THE CCAA AND STERLING SHOES  
S.C.B.C. ACTION NO. S117081**

<p><i>Counsel for Petitioners</i>  <b>BLAKE, CASSELS &amp; GRAYDON LLP</b>  Barristers &amp; Solicitors  2600 - 595 Burrard Street  Vancouver, BC V7X 1L3  <b>Attn: Peter L. Rubin / Andrew Crabtree</b></p> <p>Direct: 604.631.3315 / 4185  Fax: 604.631.3309  Email: peter.rubin@blakes.com  andrew.crabtree@blakes.com</p>	<p><i>Counsel for the Bank of Montreal</i>  <b>GOWLINGS</b>  2300 - 550 Burrard Street  Vancouver, BC V6C 2B5  <b>Attn: Colin D. Brousson / David Cohen</b></p> <p>Direct: 604.891.2286 / 416.369.6667  Fax: 604.683.3558 / 416.862.7661  Email: colin.brousson@gowlings.com  david.cohen@gowlings.com</p>
<p><i>Monitor</i>  <b>ALVAREZ &amp; MARSAL CANADA INC.</b>  1680 – 400 Burrard Street  Vancouver, BC V6C 3A6  <b>Attn: Todd M. Martin / Pam Boparai</b></p> <p>Direct: 604.638.7445 / 7446  Fax:  Email: tmartin@alvarezandmarsal.com  pboparai@alvarezandmarsal.com</p>	<p><i>Counsel for the Monitor</i>  <b>FASKEN MARTINEAU</b>  2900-550 Burrard Street  Vancouver, BC V6C 0A3  <b>Attn: John F. Grieve / Kibben Jackson</b></p> <p>Direct: 604.631.4772 / 4786  Fax: 604.632.4772 / 4786  Email: jgrieve@fasken.com  kjackson@fasken.com</p>
<p><i>Counsel for BII Acquisition Inc.</i>  <b>BORDEN LADNER GERVAIS LLP</b>  1200 – 200 Burrard Street  Vancouver, BC V7X 1T2  <b>Attn: Magnus C. Verbrugge</b></p> <p>Direct: 604.640.4198  Fax: 604.622.5898  Email: mverbrugge@blg.com</p>	<p><i>BII Acquisition Inc.</i>  <b>BELKORP GROUP OF COMPANIES</b>  900 – 1508 West Broadway  Vancouver, BC, V6J 1W8  <b>Attn: Randy Smith, General Counsel</b></p> <p>Direct: 604.688.8533 (co.)  Fax: 604.688.3569  Email: rsmith@belkorp.com</p>
<p><i>Counsel for Ivanhoe Cambridge</i>  <b>McCARTHY TETRAULT</b>  1300 – 777 Dunsmuir Street  Vancouver BC V7Y 1K2  <b>Attn: Warren Milman</b></p> <p>Direct: 604.643.7104  Fax: 604.643.7900  Email: wmilman@mccarthy.ca</p>	<p><i>Sports Industry Credit Association (Footwear Credit Group)</i>  800 – 245 Victoria Avenue  Montreal, QC H3Z 2M6  <b>Attn: William Anidjar</b></p> <p>Direct: 514.931.5561 ext. 223  Fax: 514.931.2896  Email: william@sica.ca</p>

<p><i>Counsel for The Cadillac Fairview Corporation Limited</i>  <b>TORYS LLP</b>  3000 – 79 Wellington Street West  Toronto, ON M5K 1N2  <b>Attn: David Bish</b></p> <p>Direct: 416.865.7353  Fax: 416.865.7380  Email: dbish@torys.com</p>	<p><i>The Clarks Companies</i>  <b>Clarks, Bostonian, Indigo, Privo</b>  156 Oak Street  Newton, MA 02464  U.S.A.  <b>Attn: Dan Logan, Credit Manager</b></p> <p>Direct: 800.842.9305 x 4334  Fax: 866.700.3041  Email: dan.logan@clarksna.com</p>
<p><i>Counsel for Morguard Investments Limited, Morguard Real Estate Investment Trust, Primaris Retail Estate Investment Trust, 20 VIC Management Inc., Oxford Properties Group Inc. and Retrocom Mid-Market REIT</i>  <b>ALEXANDER HOLBURN BEAUDIN &amp; LANG LLP</b>  2700 – 700 West Georgia Street  Vancouver, BC V7Y 1B8  <b>Attn: Sharon Urquhart</b></p> <p>Direct: 604.484.1757  Fax: 604.484.9757  Email: surquhart@ahbl.ca</p>	<p><i>Western Compensation &amp; Benefits Consultants</i>  2000 – 1188 West Georgia Street  Vancouver, BC V6E 4A2  <b>Attn: Barry Cook</b></p> <p>Direct: 604.443.3706  Fax: 604.687.2315  Email: barry_cook@wcbc.ca</p>
<p><i>Counsel for MC Leaseholds Ltd.</i>  <b>BORDEN LADNER GERVAIS LLP</b>  1200 – 200 Burrard Street  Vancouver, BC V7X 1T2  <b>Attn: Blair A. Rebane</b></p> <p>Direct: 604.640.4130  Fax: 604.622.5897  Email: brebane@blg.com</p>	<p><i>Counsel for adidas AG</i>  <b>GOWLINGS</b>  2600 – 160 Elgin Street  Ottawa, ON K1P 1C3  <b>Attn: Martha J. Savoy</b></p> <p>Direct: 613.786.0180  Fax: 613.788.3471  Email: martha.savoy@gowlings.com</p>
<p><i>Counsel for Rocket Dog Brands LLC</i>  <b>GOODMANS LLP</b>  3400 – 333 Bay Street  Toronto, ON M5H 2S7  <b>Attn: Brian F. Empey</b></p> <p>Direct: 416.597.4194  Fax: 416.979.1234  Email: bempey@goodmans.ca</p>	<p><i>Counsel for Canada Revenue Agency</i>  <b>DEPARTMENT OF JUSTICE CANADA</b>  900-840 Howe Street  Vancouver, BC V6Z 2S9  <b>Attn: Kirat K. Khalsa</b></p> <p>Direct: 604.666.2390  Fax: 604.666.1462  Email: kirat.khalsa@justice.gc.ca</p>

<p><i>Counsel for Jackson Lam and Yvonne Yee Wan Lau, Landlords</i>  <b>MILLER THOMSON</b>  1000 – 840 Howe Street  Vancouver, BC V6Z 2M1  <b>Attn: Gordon Plottel</b></p> <p>Direct: 604.643.1245  Fax: 604.643.1200  Email: gplottel@millerthomson.com</p>	<p><i>Counsel for the Directors of Sterling Shoes Inc. and Sterling Shoes GP Inc.</i>  <b>DAVIS LLP</b>  2800 – 666 Park Place  Vancouver, BC V6C 2Z7  <b>Attn: Mary I.A. Buttery</b></p> <p>Direct: 604.643.6478  Fax: 604.605.3768  Email: mbuttery@davis.ca</p>
<p><i>Shaw Cablesystems G.P.</i>  900, 630 – 3<sup>rd</sup> Avenue SW  Calgary, AB T2P 4L4  <b>Attn: Sandra Bazian</b></p> <p>Direct: 403.750.4709  Fax: 403.716.6544  Email: sandra.bazian@sjrb.ca</p>	<p><i>Counsel for Town Shoes Limited</i>  <b>LAWSON LUNDELL LLP</b>  1600 – 925 West Georgia Street  Vancouver, BC V6C 3L2  <b>Attn: Heather M.B. Ferris</b></p> <p>Direct: 604.631.9145  Fax: 604.694.2957  Email: hferris@lawsonlundell.com</p> <p><b>TORYS LLP</b>  3000 – 79 Wellington Street West  Toronto, ON M5K 1N2  <b>Attn: Lee J. Cassey</b></p> <p>Direct: 416.865.7960  Fax: 416.865.7380  Email: lcassey@torys.com</p>
<p><i>Counsel for Mythel Holdings Ltd.</i>  <b>WATSON GOEPEL MALEDY LLP</b>  1700 - 1075 West Georgia Street  Vancouver, BC V6E 3C9  <b>Attn: Shael E. Smith</b></p> <p>Direct: 604.642.4555  Fax: 604.688.8193  Email: ssmith@wgmlaw.com</p>	<p><i>Counsel for Vanprop Investments Ltd.</i>  <b>BULL HOUSSER TUPPER LLP</b>  3000 - 1055 West Georgia Street  Vancouver, BC V6E 3R3  <b>Attn: Decatur Howe</b></p> <p>Direct: 604.641.4838  Fax: 604.646.2633  Email: cdh@bht.com</p>

**Schedule "B"**

**No. S117081  
Vancouver Registry**

**IN THE SUPREME COURT OF BRITISH COLUMBIA**  
**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.**  
**1985, c. C-36**

**AND**

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**AND**

**IN THE MATTER OF STERLING SHOES INC. and STERLING SHOES GP INC.**

**PETITIONERS**

**ORDER MADE AFTER APPLICATION**

BEFORE	)		)	
	)	THE HONOURABLE	)	Thursday, the 11 <sup>th</sup> day of
	)	MR. JUSTICE PEARLMAN	)	October, 2012
	)		)	

ON THE APPLICATION of the Petitioners coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on the 11<sup>th</sup> day of October, 2012, AND ON HEARING Peter L. Rubin on behalf of the Petitioners, and those counsel listed on Schedule "A";

THIS COURT ORDERS that:

1. The stay of proceedings provided in the Order of this Court made herein on October 21, 2011 (the "**Initial Order**"), as extended by Orders dated November 18, 2011, April 2, 2012 and June 14, 2012 is hereby extended to January 11, 2013 or such other date as this Court may subsequently order.

2. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioners, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

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Signature of

☐ party ☒ lawyer for the Petitioners

Peter L. Rubin

BY THE COURT.

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Registrar

**Schedule "A"**

**List of Counsel**

Name of Counsel	Party
	The Monitor, Alvarez & Marsal Canada Inc.