

CANADA

PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

No.: 500-11-

**S U P E R I O R C O U R T**

(Commercial Division)

(Sitting as a court designated pursuant to the  
*Bankruptcy and Insolvency Act, 1985, c. B-3*)

**IN THE MATTER OF THE NOTICE OF  
INTENTION TO MAKE A PROPOSAL OF:**

**BENTLEY & CO. LTD. / BENTLEY & CIE  
LTÉE**, a legal person having its registered  
office at 6125 ch. de la Côte-de-Liesse,  
Montréal, Québec, H4T 1C8, Canada

Debtor / Applicant

and

**RAYMOND CHABOT INC.**, a legal person  
having a place of business at 600 de la  
Gauchetière Street West, Suite 2000,  
Montréal (Québec) H3B 4L8

Trustee

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**APPLICATION FOR THE ISSUANCE OF (I) AN ORDER APPROVING AN  
ADMINISTRATION CHARGE, A D&O CHARGE AND EXTENDING THE TIME TO  
FILE A PROPOSAL AND (II) AN APPROVAL AND VESTING ORDER**

(Sections 50.4(9), 64.1, 64.2 and 65.13 of the *Bankruptcy and Insolvency Act*,  
1985, c. B-3)

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**TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN  
COMMERCIAL DIVISION, IN AND FOR THE JUDICIAL DISTRICT OF MONTRÉAL,  
BENTLEY & CO. LTD. / BENTLEY & CIE LTÉE, RESPECTFULLY SUBMITS THE  
FOLLOWING:**

1. **INTRODUCTION**

1. On July 17, 2024, the Applicant, Bentley & Co. Ltd. / Bentley & Cie Ltée (formerly known as, 11580965 Canada Inc., “**Bentley**” or “**Company**”) filed a Notice of Intention to Make a Proposal (the “**NOI**”) under Subsection 50.4(1) of the *Bankruptcy and Insolvency Act* R.S.C., 1985, c. B-3 (the “**BIA**”) and Raymond Chabot Inc. (“**RCI**”) was appointed as trustee thereto (RCI acting in such capacity herein referred to as the “**Trustee**”) as appears from a copy of the certificate of filing communicated herewith as **Exhibit R-1**.
  
2. By way of the present *Application for the Issuance of (i) an Order Approving an Administration Charge, a D&O Charge and Extending the Time To File a Proposal (ii) and Approval and Vesting Order* (the “**Application**”), Bentley seeks the issuance of the following orders:
  - (i) an order (the “**NOI Order**”), substantially in the form of the draft communicated as **Exhibit R-2**, *inter alia*, approving an Administration Charge and a D&O Charge (as such terms are defined below) and extending to time to file a proposal; and
  
  - (ii) an approval and vesting order (the “**AVO**”), substantially in the form of the draft communicated as **Exhibit R-3**, (a) approving sale liquidation guidelines and the sale transaction (the “**Transaction**”) contemplated under the *Offer to Purchase* (the “**Purchase Agreement**”) entered into on July 16, 2024, between Bentley, as vendor, and Mr. Paul Nassar, on behalf of a corporation to be incorporated, as purchaser (the “**Purchaser**”), (b) vesting in the Purchaser the Purchased Property (as defined under the Purchase Agreement) free and clear of any and all encumbrances, and (c) ordering the sealing of the Purchase Agreement, copy of which is communicated herewith, **under seal**, as **Exhibit R-4**.

3. For the reasons set forth hereinafter, Bentley respectfully submits that the orders sought should be approved by this Court, as it will preserve value for creditors and allow for the Transaction to move forward and close, which in turn will allow Bentley to continue to operate as a going concern for the benefit of its stakeholders.
4. The Transaction will allow to preserve employment as well as relations with Bentley's current suppliers in addition to provide for the assumption of various leases.
5. The Trustee and the main secured creditors have been kept informed of the solicitation process undertaken by Bentley which culminated in a modest reception, eliciting a total of three offers.
6. Upon thorough examination, it was determined that the Transaction put forth by the Purchaser was distinctly favorable and stood out as the only one which provided for a continuance of Bentley's business as a going concern, ensuring that its inherent value was preserved and sustained commercial presence.
7. The other two offers received provided for lower valuations and envisioned liquidation scenarios, which led Bentley to retain the offer submitted by the Purchaser and the execution of the Purchase Agreement.
8. The Purchaser, represented by Mr. Paul Nassar, is a well experienced player in the Canadian retail market who owns and operates the Hart stores, a well-known chain in Canada, with approximately 130 locations in, offering a wide range of products, from clothing to household essentials.
9. Mr. Paul Nassar also recently acquired the Korvette chain, another prominent player in the Quebec retail market offering a great variety of products with approximately 60 stores all located in Quebec employing more than 600 employees.

10. The Purchase Price paid by the Purchaser as part of the Transaction – an unrelated party to Bentley with has no common control or affiliation – is both reasonable and fair, reflecting the true market value Bentley’s assets and represents the most advantageous option for all stakeholders as it surpasses all other offers received and will undoubtedly yield higher recovery than under a bankruptcy liquidation scenario.

## 2. **OVERVIEW OF THE COMPANY**

### 2.1. **BACKGROUND AND OPERATIONS**

11. Bentley has its domicile at 6125 ch. de la Côte-de-Liesse, in the City and District of Montréal, Province of Québec, H4T 1C8, as appears from extracts of the Quebec corporate registry (REQ) communicated herewith as **Exhibit R-5**.
12. Bentley is a pioneer retailer in the luggage, handbag, leather goods and related accessories, currently employing more than 700 employees of which approximately 70 are working at the head office.
13. Since the opening of its first store in St. John’s, Newfoundland in 1987, Bentley has expanded across Canada through the combination of opening new stores, and the opportunistic acquisition of various competing retail chains.
14. As of the day of this Application, Bentley operates more than 140 retail stores in various Canadian provinces: Quebec (43), Ontario (47), British-Columbia (15), Alberta (16), Saskatchewan (5), Manitoba (7), Nova Scotia (5), New-Brunswick (3), Newfoundland (2) and Prince Edward Island (1).
15. Bentley (then known as 11580965 Canada Inc.) was incorporated on or about November 26, 2019 under the *Canada Business Corporations Act* (R.S.C., 1985, c. C-44), to acquire Bentley’s business – then operating under the name Bentley Leather Inc. (“**Bentley Leather**”) whose shares were, at the time, owned by

Bentley Leathers Development Corporation Inc. (“**Bentley Development**” ) – in the context of previous NOI proceedings, as more fully detailed below.

16. Further to this acquisition, Bentley is fully owned by HUK 94 Limited (“**HUK 94**”), a company incorporated under the laws of England & Wales (Exhibit R-4) and a subsidiary of Hilco Capital (“**Hilco UK**”).
17. Hilco UK is a prominent financial investor and adviser, working across a broad range of sectors which specialises in combining fast access to capital with hands-on financial and operational support, working with management to deliver successful turnarounds across the United Kingdom, Western Europe, Canada and Australia.

## 2.2. PREVIOUS RESTRUCTURING EFFORTS

18. While Bentley reached a prominent position in the Canadian retail market and built itself a solid reputation, it had to face up several challenges in recent years, which have mainly resulted in two previous restructuring processes in the past.
19. In January 2008, Bentley Leather, initiated restructuring proceedings through the filing of a NOI under the BIA which ultimately led to the approval of a proposal by the majority of its creditors and was subsequently approved by the Court, as it appears from a copy of Copy of the *Plumitifs* of the NOI file bearing No. 500-11-032325-082 communicated herewith as **Exhibit R-6**.
20. In 2013, Bentley’s business was bought by a private equity fund specialized in mid-market buyouts and creating long-term value (the “**Former Owner**”).
21. In early October 2019, the Former Owner advised Bentley Leather, who was facing serious financial constraints at the time, that it would no longer be funding its operations, and that Bentley Leather would have to seek for alternative sources of financing.

22. On November 26, 2019, under these circumstances, Bentley filed an NOI which resulted in a significant corporate transition and by the acquisition of Bentley Leather by Hilco UK, whose intention was to bolster the Company's financial foundation and allow for continued growth and expansion.
23. On December 5, 2019, this Court issued an approval and vesting order approving the transaction pursuant to which substantially all of the assets of Bentley Leather were purchased by 11580965 Canada Inc., copy of which is communicated hereto as **Exhibit R-7**.
24. In addition to the injection of additional liquidity by HUK 94, Bentley who previously operated more than 250 retail stores, closed about 90 underperforming stores in late 2019 (a few weeks before the Covid-19 pandemic struck the world) as part of said restructuring process.
25. Despite the fact that Hilco UK, through HUK 94, has invested heavily in Bentley since its acquisition, sales fell short of expectations in recent years and the business has been facing serious liquidity constraints.

### **2.3. BENTLEY'S CURRENT CHALLENGES AND FINANCIAL DIFFICULTIES**

26. In November 2023, Bentley was the target of a ransomware attack by a group of hackers that infiltrated and compromised its systems.
27. In early 2024, as Bentley was still in the recovery phase from the first attack, it faced another similar ransomware attack which further strained its resources and exacerbated operational and financial difficulties.
28. The compounded impact of these cyber-attacks, in addition to having caused temporary halt in its services and resulting in substantial financial losses, highlighted vulnerabilities in Bentley's framework, prompting it to invest in costly enhancing cybersecurity infrastructure to prevent future occurrences.

29. Furthermore, despite the revenge travel phenomenon characterizing the post COVID-19 period, as people sought to make up for lost time after prolonged periods of lockdowns and travel restrictions, which translated by a surge in travel activity and resulted in growing sales volumes in response to the need to buy travel bags and suitcases, Bentley was not able to maintain profitability over the long term since the Pandemic.
30. In light of worldwide evolving macro-trends, including various changes in consumer preferences, there has been a general shift away from brick-and-mortar to online retail channels, making arduous for Bentley to remain competitive and profitable while operating more than 140 stores across Canada.
31. Increased competition from discount and online retailers has in fact exerted significant downward pressure on pricing and margins and, notwithstanding Bentley's efforts to implement measures to improve its performance and cost-cutting measures, it has not been able to return to its historical profitability.
32. Several other factors have also contributed to Bentley's financial difficulties in its various locations across Canada, including the following:
  - (i) too many stores for the size of the market, particularly, given the continuing trend towards online purchases;
  - (ii) unsustainable occupancy costs, with a high proportion of stores losing money;
  - (iii) outdated digital and online strategy;
  - (v) inefficient warehousing; and
  - (vi) challenging retail environment across Canada.

33. Furthermore, Canadian Imperial Bank of Commerce (“**CIBC**”), the asset based lender that provides a financing facility secured by all of Bentley’s assets (as described below), is no longer in a position to offer sufficient liquidities considering the borrowing base calculation.
34. As a result, Bentley’s current cash position is insufficient to support the daily operations, to purchase goods to supply all the stores and the obligations related to the rent of most of the stores.
35. Considering the foregoing, despite Bentley’s best efforts, the ongoing financial challenges it currently faces have necessitated the filing of the NOI on July 17, 2024.
36. As appears from the latest recent audited financial statements, copy of which is communicated herewith as **Exhibit R-8**, Bentley posted a net loss of almost \$2.2 million for the year that ended on July 29, 2023 which resulted in a deficit exceeding \$7,8 million. Unless otherwise expressly stated, all amounts referred to in the present Application refer to the lawful currency of Canada.
37. Bentley has committed cash obligations and expected levels of expenses over the next year exceeding its committed sources of cash, its net working capital on hand and its current anticipated revenues.
38. Absent the ability to restructure its operations, namely by way of the Transaction contemplated and the liquidity injection by the Purchaser, Bentley’s financial projections for 2025 reflect that its current capital structure will not allow it to continue operations.

### 3. **BENTLEY’S ASSETS, INDEBTEDNESS, EMPLOYEES AND LIABILITIES**

39. Bentley’s main assets and liabilities are more fully described below.



3.1. **ASSETS**

40. As of April 6, 2024, Bentley's balance sheet reflected assets of approximately \$18 million. As of the day of the present Application, the most significant assets are the inventory.
41. Bentley operates exclusively from leased premises and does not own any real estate.

3.2. **SECURED INDEBTEDNESS**

42. As of December 6, 2019, Bentley, as borrower, and CIBC, as lender and as agent, *inter alios*, entered into an amended and restated credit agreement in the aggregate amount of \$12,000,000 in the form of a revolving loan (as amended, replaced, restated be further amended from time to time and collectively referred to as the "**CIBC Loan**"), as it appears from a copy of the CIBC Loan and latest amendment thereto, communicated herewith, *en liasse*, as **Exhibit R-9**.
43. The CIBC Loan is secured, *inter alia*, by moveable hypothecs and general security on the universality of the movable assets of Bentley and HUK 94, as it appears from the security documents, as well as a print out from the *Registre des droits personnels et réels mobiliers* ("**RDPRM**"), communicated herewith *en liasse* as **Exhibit R-10**.
44. Bentley, as of the date hereof, owes an amount of approximately \$1,8 million to CIBC under the CIBC Loan.
45. In addition, in February 26, 2019, Bentley, as borrower, Development, as guarantor, and the Former Owner, as lender, entered into a Funding Agreement as well as various secured notes in order to make available to Bentley a non-revolving loan in the aggregate principal amount of \$3,000,000 (the "**Former**

**Owner Loan**”), as appears from a copy of the Former Owner Loan communicated as **Exhibit R-11**.

46. Bentley’s obligation towards HUK 89 Limited (“**HUK 89**”) pursuant to the Former Owner Loan is secured by moveable hypothecs and general security on the universality of the movable assets of Bentley, as appears from the security documents, as well as a print out from the RDPRM (Exhibit R-10).
47. In addition to the foregoing, between the months of November and December 2019, Bentley, as borrower, and HUK 89 Limited (“**HUK 89**”), as lender and secured creditor, entered into various agreements (as amended from time to time, collectively the “**HUK 89 Agreements**”), pursuant to which (i) a loan facility in the aggregate principal amount of \$5,000,000 was granted by HUK 89 and (ii), various obligations and liabilities of Bentley Leather towards HUK 89 were assumed by Bentley, the whole as appears from a copy of the HUK 89 Agreements communicated herewith, *en liasse*, as **Exhibit R-12**.
48. The obligations of Bentley towards HUK 89 under the HUK 89 Agreements are secured by moveable hypothecs and general security on the universality of the movable assets of Bentley, as appears from the security documents, as well as a print out from the RDPRM (Exhibit R-11).
49. Bentley, as of July 16, 2025 owes an amount of approximately \$9,000,000 to HUK 89 under the HUK 89 Agreements.
50. On or about the April 16, 2024, Bentley, as borrower, and the Business Development Bank of Canada (“**BDC**”), as lender, entered into a loan agreement in the amount of \$750,000 (“**BDC Loan**”).
51. Bentley’s obligation towards BDC pursuant to the BDC Loan is secured by moveable hypothecs and general security on the universality of the movable

assets of Bentley, as appears from the security documents, as well as a print out from the RDPRM (Exhibit R-11).

52. Bentley, as of the date hereof, owes an amount of approximately \$419,000 to BDC under the BDC Loan.

**3.3. OTHER INDEBTEDNESS**

53. Bentley's most important unsecured creditors at the moment are its various landlords given that the rent for the months June and July of has not been paid. Furthermore, some percentage rent for previous has not been paid.

54. An amount of approximately \$3 million is owed by Bentley to its various landlords.

55. Bentley also offers gift cards to its customers. Such commitments represent, according to Bentley's calculation, a potential liability of approximately \$600,000.

56. As of the date hereof, the amounts owed by Bentley to various trade suppliers exceeds \$7 million.

57. All amounts owed to the tax authorities by Bentley are paid in the normal course of conduct.

**3.4. EMPLOYEES**

58. As of the filing, Bentley has over 70 employees working at its head office and more than 700 employees working in its various stores across Canada.

59. Bentley does not maintain any pension or retirement plans.

4. **RESTRUCTURING EFFORTS AND PURCHASE OFFER**

60. As explained above, as of the date hereof, Bentley is indebted towards various creditors in an amount that well exceeds \$22 million, and therefore, is insolvent as it is not able to meet its obligations as they become due given the liquidity crisis.
61. In order to minimize the impact of such financial constraints on its operations, Bentley has taken several cost minimization measures and has had numerous discussions with its most important creditors in the past few months.
62. On July 5, 2019, Bentley and HUK 94 entered into a Forbearance Agreement with CIBC (the “**Forbearance Agreement**”), copy of which is communicated herewith as **Exhibit R-13**.
63. The Forbearance Agreement provides, *inter alia*, that (i) the forbearance period will expire on July 31, 2024 at the latest; and (ii) Bentley is required to solicit offers from potential purchasers for its assets and/or prospective investor in respect of an equity proposal.
64. The Forbearance Agreement also allows Bentley to draw under the CIBC Loan, under certain terms and conditions, including that the Availability Reserves (as defined in the CIBC Loan) shall be increase on a weekly basis by increments of \$250,000.
65. Such condition to increase the Availability Reserves by an amount of \$250,000 on a weekly basis has put significant pressure and constraint on Bentley’s available liquidity and its ability to restructure its operations.

5. **RELIEF SOUGHT**

5.1. **D&O CHARGE**

66. A restructuring of the business of Bentley will only be possible with the continued participation of the Bentley's sole director, namely Mr. Walter Lamothe.
67. Even though Bentley intends to comply with all applicable laws and regulations, Bentley's sole director may nevertheless be concerned about the potential consequences for its personal liability in the context of the present restructuring.
68. Absent the protections sought in the draft NOI Order (Exhibit R-2) Bentley is concerned that its sole director may be advised to resign its post, which would jeopardize the continuation of Bentley's business operations and the implementation and closing of the Transaction, including the liquidation.
69. Accordingly, Bentley requests that the NOI Order includes an indemnification and charge in favour of its sole director, Mr. Lamothe.
70. Bentley's past and present directors currently benefit from directors and officers insurance coverage up to an amount of \$2 million, which coverage may prove insufficient or subject to standard exclusions that could make it difficult to cover all potential liabilities that can arise in the context of an insolvency process, including liabilities for accrued and unpaid or unremitted sales taxes as well as employee wages and vacation.
71. For the reasons set out herein, Bentley, with the approval of the Trustee, seeks a \$500,000 D&O Charge, which shall charge all Bentley's assets, to indemnify the directors in respect of any liability which it may incur in connections with these proceedings, but only to the extent that such claims are not covered by the current insurance coverage in place, the whole as set forth more fully in the NOI Order.

**5.2. ADMINISTRATION CHARGE**

72. Bentley also seeks an Administration Charge in an amount of \$300,000 which shall charge all of the Bentley's assets, the whole as set forth more fully in the NOI Order.
73. Bentley requires the services of its professionals and advisors who need to be paid as the Trustee and Bentley's lawyers are essential to the success of the current NOI proceedings.
74. Given the liquidity constraint and Bentley's financial situation, the granting of the Administration Charge is reasonable, required and should be approved by this Court.

**5.3. EXTENSION OF THE TIME TO FILE A PROPOSAL**

75. Prior to the filing of the NOI, Bentley has communicated with its employees, customers and suppliers in order to stabilize its operations and maintain a continued supply of goods, and dealt with various operational issues.
76. In parallel, Bentley, with the assistance of its advisors, has been working with the view of implementing the liquidation sale of inventory and furnishings, fixtures and equipment.
77. Considering that the NOI was filed on July 17, 2024, the time limit for the filing of a proposal under subsection 50.4(8) of the BIA is currently set to expire on August 16, 2024.
78. While Bentley, the Purchaser, the Trustee are currently considering the various matters with respect to the implementation of the liquidation, it will only be possible to substantially finalize, close and implement the Transaction by the end of August.

79. Bentley therefore requires additional time to finalize the transaction and the liquidation, and implement all ancillary measures related thereto.
80. Accordingly, Bentley respectfully submits that this Court should extend the time period to make a proposal by 45 days to September 6, 2024 (the “**Extension Date**”), pursuant to subsection 50.4(9) of the BIA.
81. As will appear from the Trustee’s report to be filed with the Court on or about prior to the present of this Application, Bentley’s cash flow will be sufficient to continue the operations up to and until the Extension Date based on the assumption that the Purchaser will assume various payments provided for under the Purchase Agreement as part of the Transaction, including, *inter alia*, the reimbursement of some rent payments and amounts paid by Bentley to its employees.

5.4. **APPROVAL OF THE TRANSACTION**

82. As mentioned previously, on or about July 15, 2024, Bentley and the Purchaser entered into the Purchase Agreement (Exhibit R-4) pursuant to the which, the Purchaser has offered to buy substantially all of Bentley’s property, defined therein as the "Purchased Property".
83. The Purchased Property, as further described under the Purchase Agreement, essentially includes:
  - (i) accounts receivable, excluding credit/debit card receivables and funds in transit;
  - (ii) all right, title, and interest in leases for retail store premises listed in the appendix therein;

- (iii) inventory, including raw materials, work in progress, finished goods, supplies, and goods held on consignment, in transit, or production;
  - (iv) tangible property such as machinery, fixtures, equipment, and leasehold improvements;
  - (v) intellectual property rights, including trademarks, trade names, designs, domain names, patents, licenses, trade secrets, software, and more listed in the appendix therein;
  - (vi) permits, licenses, approvals, authorizations, and records; and
  - (vii) prepaid expenses, deposits, goodwill, and going concern value related to Bentley's business.
84. The Purchase Agreement excludes properties other than the Purchased Property and specific agreements and liabilities which are not expressly assumed by the Purchaser.
85. The Purchaser will offer employment to store-level employees at the Target Stores (as defined in the Purchase Agreements) and some head office employees.
86. Purchaser does not assume any other liabilities besides those specified as Assumed Liabilities (as defined in the Purchase Agreement).
87. The Purchase Price (as defined in the Purchase Agreement) for the Purchased Property will be subject to adjustments based on inventory value determined by a third party, and has been deposited to Bentley's attorneys account in trust, to be managed according to the terms set for in the Purchase Agreement, including:
- (i) Payment to the Trustee of the balance of the Purchase Price subject to any adjustments as well as the distribution provided for in the AVO



following occurrence of Closing Conditions (as defined the Purchase Agreement);

- (ii) Deposit return and nullification of the offer if Closing Conditions fail to occur in accordance with the provisions thereunder; and
  - (iii) Liquidated damages of \$750,000 payable by Purchaser which shall be kept as a non-returnable deposit in the event that the Transaction did not closed due to Purchaser's fault, with the remaining deposit returned to Purchaser.
88. The Purchase Price will be allocated among the Purchased Property by the Purchaser at Closing.
89. The Purchase Agreement also provides that the Purchaser will pay the Trustee up to \$150,000 for uncontested and proper claims filed under Section 81.3 of the BIA, subject to the validity of such claims being confirmed by the Trustee.
90. The Purchaser will offer employment to store-level employees at the Target Stores and some head office employees.
91. As contemplated the Purchase Agreement and further reflected in the draft AVO, the Target Leases will be assigned and assumed by the Purchaser, subject to the payment of the Cure Costs in accordance with Section 84.1 of the BIA (with the Purchaser having the right to exclude any Target Leases the relevant Cure Cost will have been disclosed.
92. The Transaction provides for a sale as a going concern, which *inter alia*, will allow for (i) the assumption of approximately 2/3 of the leases to which Bentley is party to, (ii) the retention of several employees and (iii) ongoing relationship with several suppliers, including an important amount of Canadian suppliers. It should be noted that the other letters of interest received did not provide for the sale of

Bentley's assets as a going concern and contemplated a plain and simple liquidation.

93. While the sale and purchase contemplated under the Purchase Agreement is contingent to specific Closing Conditions, including the issuance of the AVO, it shall occur on an "as is / where is" basis, which will facilitate and streamline its closing.
94. Finally, Bentley respectfully submits that the Purchase Agreement should be filed and kept under seal as its contains sensitive financial information which disclosure, would be very prejudicial to Bentley, notably due to the potential use of this information by its competitors and the disruptive effect it could have of the Transaction.
95. Bentley therefore seeks an order declaring that Exhibit R-4 shall be shall kept strictly confidential until further order of the Court.

5.5. **APPROVAL OF THE SALE GUIDELINES**

96. As noted above, as required by the Forbearance Agreement, Bentley undertook a process to solicit offers from potential purchasers, which culminated to the execution of the Purchase Agreement and the Purchaser agreeing to the liquidation sale, which is to be conducted in the Excluded Stores (as defined in the Purchase Agreement), in accordance with a standard set of guidelines which have been agreed upon by Bentley and the Purchaser and have prepared in consultation with the Trustee (the "**Sale Guidelines**"). A copy of the Sale Guidelines are appended as **Schedule "C"** to the draft AVO (Exhibit R-3).
97. The Sale Guidelines are substantially similar to those which have been previously granted in similar liquidation cases and virtually identical to those who were approved by this very Court on November 26, 2019, in the context of

Bentley Leather's NOI proceedings, as appears from a copy of the Liquidation Order communicated herewith as **Exhibit R-14**.

98. The Sale Guidelines, *inter alia*, provide that:
- (i) The Sale must comply with the Court's standard Model Approval Order, the BIA and any additional agreements between Bentley and its landlords;
  - (ii) Sales are conducted according to the terms of the leases for each affected store without imposing substantial additional restrictions;
  - (iii) Excluded Stores will remain open during their normal hours of operation provided for in the respective Leases for the Excluded Stores until the applicable premises vacate date for each Excluded Store in accordance with applicable law (i.e. Sale Termination Date);
  - (iv) Display and on-site advertising must be professional and allow for the use of signs with themes like "store closing" but not "bankruptcy" or "liquidation";
  - (v) Landlords will be notified about proposed signage, with signage packages provided to landlords for approval;
  - (vi) Sign walkers and street signage are to be allowed but must be outside shopping center premises; and
  - (vii) Bentley furniture, fixtures, and equipment (FF&E) can be sold with restrictions on signage and removal procedures and that advance notice is to be given to landlords for FF&E removal.
99. In addition to the foregoing, the Sale Guidelines also provide that disputes regarding sale conduct can be resolved through designated Purchaser contacts or court hearings.

100. The guidelines do not grant additional landlord rights nor imply consent for lease transfers.
101. Amendments to these guidelines require written agreement among Bentley, the Purchaser, and the landlord.
102. In light of the foregoing, Bentley respectfully requests that this Court approves the Transaction and Sale Guidelines Order in the form of the draft AVO submitted in support hereof (Exhibit R-3).

**6. CONCLUSIONS**

103. The filing and presentation of this Application has been approved by the sole director of Bentley.
104. For the reasons explained above, Bentley believes it is both appropriate and necessary that the relief being sought be granted to allow it to restructure its business and affairs, maximize long term value, the whole for the benefit of its secured creditors and stakeholders.
105. Bentley further understands that its principal secured creditors, CIBC and HUK 89 are supportive of the relief sought herein including the appointment of RCI as Trustee.
106. Considering the urgency of the situation, Bentley respectfully submits that the notices given of the presentation of the present motion are proper and sufficient.
107. Bentley respectfully submits that the present Application should be granted in accordance with its conclusions.

**THEREFORE MAY IT PLEASE THIS HONOURABLE COURT TO:**

- a) **GRANT** the present Application;

- b) **ISSUE** an order in the form of the draft NOI Order communicated as Exhibit R-2;
- c) **ISSUE** an order in the form of the draft AVO as Exhibit R-3;
- d) **WITHOUT COSTS**, save and except in case of contestation.

MONTREAL, July 18, 2024

*Davies Ward Phillips & Vineberg LLP*

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**DAVIES WARD PHILLIPS & VINEBERG LLP**  
Attorneys for Bentley & Co. Ltd. / Bentley & Cie  
Ltée

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## AFFIDAVIT OF WALTER LAMOTHE

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I, the undersigned, Walter Lamothe, having my professional address at 6125, chemin de la Côte-de-Liesse, city of Montréal, province of Québec, H4T 1C8, solemnly declare as follows:

1. I am President of Bentley & Co. Ltd. / Bentley & Cie Ltée;
2. All the facts alleged in the *Application for the Issuance of (i) an Order Approving an Administration Charge, a D&O Charge and Extending the Time to File a Proposal and (ii) an Approval and Vesting Order* are true to the best of my knowledge.

AND I HAVE SIGNED:

Signed by:



5B9F9CE306014B7...

Walter Lamothe

SOLEMNLY AFFIRMED before me by  
technology means on July 18, 2024

Signé par :



AC664B66100545F...

Commissioner for Oaths for Québec and  
for outside Québec



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## NOTICE OF PRESENTATION

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**TAKE NOTICE** that the *Application for the Issuance of (i) an Order Approving an Administration Charge, a D&O Charge and Extending the Time to File a Proposal and (ii) an Approval and Vesting Order* will be presented for adjudication before the Honourable Justice David R. Collier of the Superior Court of Québec, sitting in the Commercial Division, in and for the judicial District of Montréal, at the Montréal Courthouse located at 1 Notre-Dame Street, in the City of Montréal, Province of Québec, in a **room 16.04** on **July 23, 2024, at 2:00 PM.**

**DO GOVERN YOURSELVES ACCORDINGLY.**

MONTREAL, July 18, 2024.

*Davies Ward Phillips & Vineberg LLP*

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**DAVIES WARD PHILLIPS & VINEBERG LLP**  
Attorneys for Bentley & Co. Ltd. / Bentley &  
Cie Ltée