

MNP LTD.
RECEIVER OF
RONSONS SHOE STORES LTD

**INVITATION
FOR OFFERS TO PURCHASE**

and

**INVITATION
FOR AUCTION PROPOSALS**

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1.0 INTRODUCTION

This Invitation for Offers to Purchase and Invitation for Auction Proposals (“**Invitation**”) has been compiled by MNP Ltd., in its capacity as Receiver and Manager (the “**Receiver**”) of Ronsons Shoe Stores Ltd. (“**Ronsons**” or the “**Company**”).

The Invitation has been prepared solely for information purposes to assist prospective purchasers and auctioneers (jointly referred to as “**Purchasers**”) in making an evaluation of the Company’s assets (the “**Assets**”). The information provided herein may not contain all of the information Purchasers may require and therefore, Purchasers should conduct their own investigation, analysis and due diligence relating to the Company’s Assets and of the information contained herein.

The Receiver has not independently verified or reviewed any of the information contained herein. The Receiver does not make any representation or warranty as to the accuracy or completeness of the information in this Invitation and shall have no liability for any representations (express or implied) contained in or for any omissions from this Invitation, or for any other written or oral communications transmitted to Purchasers in the course of their evaluation of the Assets.

The Receiver invites potential Purchasers to formulate offers to purchase, and/or make proposals to auction that include a net minimum guarantee (each, an “**Offer**”) for all of the Assets.

The inventory and assets (the “**Assets**”) included in this Invitation are currently stored at a third party warehouse (the “**Warehouse**”), palletized based on the individual stores inventory and largely by brand. Purchasers are provided with the attached listing of inventory and assets.

Please contact Greg Ibbott at Greg.Ibbott@mnp.ca for further information and access to review the various shoe models through the Ronsons database.

There will be no in person viewings of these assets.

The Receiver will only accept Offers from potential Purchasers that include an offer for all of the Assets within each Lot described below.

The deadline for the submission of an Offer is 12:00 pm (Vancouver time) on Friday, June 12, 2020.

The Receiver has formulated specific transaction procedures and additional terms relating to this Invitation that are included in the Terms and Conditions of Sale (See **Appendix B**). The Receiver also reserves the right to:

- Amend or terminate the sales procedure during the sales process;
- Accept an Offer that may not necessarily be the highest bid;
- Negotiate with one or more Purchasers at any time;
- Set a minimum offer price for the Assets;
- Enter into a definitive transaction agreement[s] without prior notice to other Purchasers at any time during the transaction process; and
- Not accept any Offers and market or sell the Assets through another process.

2.0 BACKGROUND INFORMATION

Ronsons is a Lower Mainland based retailer, manufacturer and designer of comfort shoes for work, walking, and weekends. The first store was opened in Kerrisdale in 1988 and the company grew to 18 stores (16 in the Lower Mainland and 1 each in Victoria and Kelowna), a website and also twice yearly massive Warehouse Sales.

3.0 ASSETS INCLUDED IN SALE

Assets – a listing of the Assets is attached as **Appendix A**. The Assets are being offered for sale as two separate lots, which include:

Lot 1:

- Approximately 108,000 pairs of new shoes and 3,000 accessory items;
- Point of sale computers and equipment; and
- Some retail store furniture.

Lot 1 items included as Appendix A -1

Lot 2:

- Website address, brand name, and the trademarks set out in Appendix A - 2.

The Receiver has conducted a review of the Ronsons inventory listing with the assistance of former senior management of the Company. While the Receiver is of the view that descriptions and quantities shown are reasonable, the Receiver has not independently verified any of the quantities, descriptions, or accuracy of the Assets descriptions.

Offers are to be made based on the approximate number of items referenced above. The Top Bidder will be provided limited access to review the approximate number of items, prior to proceeding to Court Approval stage.

Purchasers are to rely entirely on their own investigation as to accuracy and completeness of descriptions and the information provided by the Receiver to the Purchaser.

4.0 PROCEDURE TO SUBMIT AN OFFER

The Receiver will consider Offers that include either outright offers to purchase and/or auction proposals including a net minimum guarantee. The submission of an Offer to the Receiver shall constitute an acknowledgement and an acceptance by the Purchaser of all terms and conditions set out in the Invitation including, but not limited to, the Terms and Conditions of Sale as set out in **Appendix B**.

All Offers must be submitted substantially in the form of offer attached (**Appendix C**).

The Assets must be vacated from their current location within 21 days of court approval of any accepted Offer.

Offers to be accompanied by a 10% deposit as set out in Appendix B.

All auction proposals should include the following information:

1. Auction proposals must include a net minimum guarantee amount which will be payable to the Receiver upon acceptance of the Offer;
2. Commission rates, level of anticipated auction proceeds, and participation level for the benefit of the Receiver;
3. Estimated auction expenses including set-up costs, advertising, garbage disposal, clean-up, utilities, insurance etc. and whether the Purchaser or Receiver are responsible for payment of specified expenses;
4. Whether the Warehouse will be required by the Purchaser and if so, stipulate the period of time required to conduct a sale, including checkout, removal, and clean-up procedures; and
5. Any other relevant terms, conditions or information for the Receiver's consideration.

The deadline for the submission of an Offer is 12:00 pm (Vancouver time) on June 12, 2020. Due to current concerns regarding the timeliness of postal or courier services, ALL Offers must be emailed to Greg.Ibbott@mnp.ca prior to the deadline indicated above. Please contact us at the same email address for directions regarding deposit payments.

Offers must be submitted to MNP Ltd., Attention: Greg Ibbott, RE: "Ronsons – In Receivership" at the address below.

Further information regarding the sales process can be obtained by contacting:

Greg Ibbott
Greg.Ibbott@mnp.ca
Phone: (604) 637-1541