



For Immediate Release

Stern Partners Inc. announces the closing of its acquisition of Comark Inc.'s retail business and assets

New owner looks forward to growing Comark's retail operations

Vancouver, August 20, 2015 – Pacific West Commercial Corporation, an affiliate of Vancouver-based Stern Partners Inc., is pleased to announce the closing of the previously announced acquisition of the business and assets of Comark Inc. Comark, a leading Canadian specialty fashion retailer serving customers through its 300 stores operating under the *Ricki's*, *Bootlegger* and *cleo* banners, had sales of approximately \$344 million in its fiscal year ended 2015. As a result of the acquisition, Comark's retail banners will carry on business as separate affiliates of Stern Partners. The new owners have offered jobs to nearly all of Comark's more than 3,000 employees.

Terms were not disclosed by the private parties.

"We are excited about the future prospects of *Ricki's*, *Bootlegger* and *cleo* and the specialty retail fashion market in Canada," said Ronald N. Stern, President of Stern Partners. "We are confident in the underlying business and believe that, with Comark's liquidity issues behind it, the business is poised for success. We are excited about growing the business with the companies' valued employees, customers and suppliers across Canada. We also wish to welcome the employees to our group. The strong employee talent pool represents one of the key elements that attracted us to this acquisition."

Stern Partners has significant retail experience with controlling interests in two national retailers, Warehouse One and Urban Barn. Additional information about Warehouse One and Urban Barn can be found at www.warehouseone.com and www.urbanbarn.com.

Comark President and CEO Gerry Bachynski said: "I'm pleased that the purchase means almost all of the *Ricki's*, *Bootlegger* and *cleo* stores across Canada are remaining open, and I'm equally pleased that substantially all of our dedicated employees continue to have the opportunity to work with the new Canadian owners." Bachynski will continue in a senior leadership position with the business. "I wish to again thank our loyal employees, customers and suppliers for continuing to support us as we exit the restructuring process. I believe Stern Partners will be a great owner for this business due to its significant retail experience, its Canadian heritage and its commitment to building growth and value with a long-term investment horizon."

A portion of the cash proceeds received by the Company on closing of the acquisition will be used to satisfy amounts owing to the Company's secured lender, Salus Capital Partners. The remainder of those proceeds are being held by Alvarez & Marsal Canada Inc., the *Companies' Creditors Arrangement Act* ("CCAA") Court-appointed monitor. Any remaining proceeds, after customary adjustments for working capital and other items, would be available for unsecured creditors.

Pacific West's legal and financial advisors included Fasken Martineau DuMoulin LLP, Lawson Lundell LLP, and PricewaterhouseCoopers. In addition to Alvarez & Marsal, Comark's legal and financial advisors included Osler, Hoskin, Hoskin & Harcourt LLP, Houlihan Lockey and KPMG. Goodmans LLP acted as legal counsel to Alvarez & Marsal and Aird & Berlis LLP acted as legal counsel to Salus.

Additional information regarding the Company's CCAA proceedings, including court materials, is publicly available on the Monitor's website at www.alvarezandmarsal.com/comark-inc.

About Comark Inc.

Comark is one of Canada's leading specialty apparel retailers. Established in 1976, the Company today has approximately 300 stores operating under three divisions: *Ricki's*, *Bootlegger* and *cleo*. Comark stores are located in shopping malls, big box power centres and strategic suburban plazas across Canada. The Company's long history throughout the country has fostered tremendous customer loyalty within each division's target market. Each of the divisions targets a segment of Comark's clearly defined customer base, ranging from young adults to the New50 Woman, with a mix of exclusive private-label and nationally branded products. Information about Comark can be found at www.comark.ca.

About Stern Partners

Stern Partners is the lead investor in a diverse range of operating companies across a variety of industries, including multi-location retailing, manufacturing, distribution, packaging, publishing and printing, environmental services, real estate and other investments. Stern's current investments include over 14 stand-alone businesses with annual revenues ranging from \$20 million to \$300mm. The group has significant retail investing experience in Canada with interests in two national retailers, Warehouse One and Urban Barn. Information about the Stern group and its operating companies can be found at www.sternpartners.com.

For more information:

Media contact (for Stern Partners):

Ann Gibbon
Ann Gibbon Communications
(604) 263-0634 (T)
(778) 999-0064 (C)
info@anngibboncommunications.com

Media Contact (for Alvarez & Marsal):

Joel Shaffer
Longview Communications
(416) 649-8006
jshaffer@longviewcomms.ca