THIS IS EXHIBIT "E" TO THE AFFIDAVIT OF RICHARD SEXTON SWORN BEFORE ME THIS 10th DAY OF JUNE, 2009.

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A Commissioner, etc.

ACTUARIAL VALUATION

ON THE

PENSION PLAN FOR EMPLOYEES OF COPPLEY APPAREL GROUP LIMITED

AS AT

DECEMBER 31, 2007

AUGUST 13, 2008
REGISTRATION NUMBER 0439414

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SECTION 1 - INTRODUCTION

1.1 BACKGROUND

We have been engaged by Coppley Apparel Group Limited (the "Company") to perform an actuarial valuation of the defined benefit provisions of the Pension Plan for Employees of Coppley Apparel Group Limited (the "Plan") as at December 31, 2007. The Plan also includes an additional voluntary contribution provision where Members may make voluntary contributions to the Plan that are credited to an account held for the Member. No portion of the assets or liabilities of the additional voluntary contribution provision of the Plan has been included in this valuation.

Our valuation considers the Plan provisions (defined benefit only), Membership, and assets as at December 31, 2007 as presented in Section 3 of this report.

Since the date of the valuation, equity markets and interest rates have continued to be volatile. The impact of these changes has not been considered in this valuation but will be reflected in the next valuation together with other emerging experience gains and losses.

In the course of preparing this valuation, we discovered that 10 members of the International Union of Operating Engineers, Local 772 (the "Union") have accrued benefits under the Plan. While the current Plan document and amendments do not permit unionized employees to become members of the Plan, the Company has decided to make a retroactive amendment to clarify that members of the Union are indeed eligible to become member of the Plan. We note that this amendment will not have a financial impact on the valuation results in this report since the Plan has previously been administered by including the Union members. It is noted that the Company has employees who are members of another union but they are not eligible for benefits under the Plan.

After confirming with representatives of the Company, to the best of our knowledge, there have been no other events subsequent to the valuation date that, in our opinion, would have a material impact on the results of the valuation.

This report has been prepared, and my opinions given, in accordance with accepted actuarial practice. Notwithstanding the foregoing, emerging experience differing from the assumptions that were used in the valuation will result in gains or losses, which will be revealed in future valuations.

The next valuation on the Plan should be performed no later than December 31, 2010.

1.2 HISTORY OF THE PLAN

On November 25, 1981, the plan sponsor established the Plan for its employees. From time to time following its establishment, the Plan has been amended. Effective January 1, 1996, the Plan was amended and restated to incorporate all previous amendments, clarify certain plan provisions for administrative purposes, and to make certain changes to the Plan to comply with legislative requirements. The Plan has subsequently been amended three times, with the latest amendment #3 dated January 25, 2006. Amendment #3, which has been ratified since the last valuation, was of a "housekeeping" nature. As a result, there have been no plan design changes which have a financial impact on the Plan since the previous valuation.

Moreover, as discussed above, the Plan is in the process of being amended to clarify that members of the Union are eligible to become member of the Plan. This amendment will not have a financial impact on the valuation results in this report.

The last valuation of the Plan was performed as at December 31, 2004 by Cowan Wright Beauchamp Limited.

1.3 PURPOSES OF THE VALUATION

The primary purposes of this valuation are:

- to present information on the financial position of the Plan on a going-concern basis;
- to compare actual and expected experience under the Plan on a going-concern basis;
- to present information on the financial position of the Plan on a hypothetical wind-up basis;
- to provide the basis for employer contributions; and
- to provide the information and the actuarial opinion required by the Financial Services Commission of Ontario and Canada Revenue Agency.

The information contained in this report was prepared for Coppley Apparel Group Limited for its internal use and for filing with the Financial Services Commission of Ontario and Canada Revenue Agency. This report should not be used for purposes other than those listed above, distributed to persons other than the intended users, except as required by law, or relied upon by any other person without prior written consent of Actuarial Solutions Inc.

SECTION 2 - EXECUTIVE SUMMARY

At the request of Coppley Apparel Group Limited we have prepared an actuarial valuation of the Plan as at December 31, 2007. The key results of this valuation are summarized below.

2.1 FINANCIAL POSITION

The following is a summary of the financial position of the Plan on a going-concern basis and hypothetical wind-up basis as at December 31, 2007:

	Going Concern	Hypothetical Wind-up
Value of assets	$7,501,700	$7,431,700
Actuarial Liabilities	7,447,400	9,212,800
Surplus / (Deficit)	54,300	($1,781,100)
Funded/Transfer Ratio	101%	81%

The previous valuation revealed a going-concern unfunded actuarial liability of $157,167 as at December 31, 2004. The main sources of the elimination of the going-concern unfunded actuarial liability are the net special payments of $800,500, investment gains of $52,500, and actuarial experience gains of $78,100. These gains were partially offset by an actuarial loss of $782,300 resulting from the change in assumptions.

The hypothetical wind-up position has not changed since December 31, 2004 with the transfer ratio remaining at 81%. While special payments have been made to fund the solvency deficiency revealed in the last valuation, interest rates have continued to decrease resulting in an increase in the solvency liabilities. Furthermore, this valuation reflects the increase in hypothetical wind-up and solvency liabilities resulting from the change in actuarial practice for determining pension commuted values (which became effective on February 1, 2005). As a result, there is a new solvency deficiency of $1,302,500.

2.2 EMPLOYER REQUIRED CONTRIBUTIONS

The following is a summary of the recommended annual contributions for the Plan with effect from December 31, 2007:

Employer Current Service Cost	
Percent of Payroll	5.7%
Estimated Amount	$410,700
Annual Amortization Payments	
Going Concern	$0
Solvency	430,800
	$430,800
2008 Minimum Employer Contribution	$841,500
2008 Maximum Employer Contribution	$2,191,800

Current Service Cost Contributions

Employer required contributions for the period January 1, 2008 to the date of the next actuarial valuation are 5.7% of active member Pensionable Earnings (estimated to be $7,204,300[1]). The employer required current service cost contributions for 2008 are estimated to be $410,700.

Special Payments

This valuation reveals a surplus on a going-concern basis. As a result, the previously scheduled going-concern special payments of $4,444 per month ($53,328 per annum) from January 1, 2001 to December 31, 2015 have been eliminated.

In addition, this valuation reveals a new solvency deficiency and therefore additional solvency special payments of $24,399 per month ($292,788 per annum) are required for the period January 1, 2008 to December 31, 2012.

The following schedule illustrates the existing minimum monthly special payment requirements:

MINIMUM MONTHLY SPECIAL PAYMENTS

Type of payment	Effective Date	Month of last payment	Monthly amortization payment
Solvency	January 1, 2004	December, 2008	$5,162
Solvency	January 1, 2005	December, 2009	6,339
Solvency	January 1, 2008	December, 2012	24,399
Total			$35,900

[1] Which excludes the pensionable earnings for members who are assumed to retire at the valuation date.

SECTION 3 - PLAN SUMMARY

3.1 PLAN PROVISIONS

The following summary provides a brief description of the provisions of the Plan affecting this valuation, based on the Plan document amended and restated on January 1, 1996 and subsequent amendments up to amendment #3 dated January 25, 2006, all provided to us by Coppley Apparel Group Limited.

As discussed in the introduction, the Plan is in the process of being amended to clarify that members of the International Union of Operating Engineers, Local 772 are eligible to become member of the Plan.

This report reflects the terms of the Plan as of the valuation date and does not make any provisions for the possibility that a change or action (retroactive or otherwise) could be imposed by order of a regulatory body or a court.

Earnings

The compensation paid to the Member

Credited Service

The period of membership in the Plan. Credited Service will include a leave of absence due to a work-related injury for a period of 1 year or less and a maternity/paternity/adoption leave for a period not exceeding 1 year (in no event will the periods of leave exceed a total of 5 years plus an additional 3 years in respect of periods of parenting).

Eligibility

A Full-time Employee is eligible to join the Plan on the first day of any month coincident with or next following their date of employment and is required to join after two years of Continuous Employment.

All Part-time Employees are eligible to join the Plan on the first day of the month following 2 years of Continuous Employment provided that they have earned at least 35% of the YMPE, or had 700 hours of employment, in each of the two consecutive calendar years immediately prior to membership in the Plan.

An Employee is defined as a non-union Employee or a member of the International Union of Operating Engineers, Local 772.

Vesting

For Pension Benefits accrued prior to November 25, 1981:

Complete Years of Continuous Membership	Vested Portion
Less than 1 year	0%
Between 1 and 2 years	50%
2 or more years	100%

For Pension Benefits accrued after November 25, 1981 and prior to January 1, 1987:

Years of Continuous Membership	Vested Portion
Less than 5 years	0%
5 or more years	100%

For Pension Benefits accrued after January 1, 1987:

Years of Continuous Membership	Vested Portion
Less than 2 years	0%
2 or more years	100%

Contributions

- **Employee Contributions**
  Members are not required nor permitted to contribute to the Plan.

- **Employer Contributions**
  The Company shall make contributions to the total cost of the Plan.

- **Voluntary Contributions**
  Members may make voluntary contributions to the Plan up to the maximum amount allowable according to the Applicable Legislation. Voluntary contributions will be credited to an account held for the Member.

Retirement Age

Early Retirement Age:	55
Normal Retirement Age:	65
Postponed Retirement Age:	71

Normal Retirement Pensions

For Pension Benefit accrual prior to November 25, 1981, the benefit accrual and upgrades are outlined in the Plan document.

For Pension Benefit accrual on or after November 25, 1981, retirement pensions payable at Normal Retirement are determined as follows:

1.0% of the Member's Earnings in each year of Credited Service.

Form of Pension

Monthly pensions are payable for the lifetime of the Member with a minimum guarantee of 120 monthly payments. Members are allowed to elect optional forms of pension on an actuarially equivalent basis.

Maximum Pension

Each Member's pension, at the date of pension commencement, will be limited for each year of Pensionable Service to the lesser of:

(a) 2% of the Best Average 3-years Earnings, and

(b) $2,000 or such greater amount permitted under the Income Tax Act of Canada

Early Retirement Pension

Each Member who retires on his Early Retirement Date, shall receive the amount of pension payable at normal retirement reduced by ½% for each month that the Member's Early Retirement Date precedes his Normal Retirement Date.

The commuted value of the early retirement pension payable shall be no less than the commuted value of the deferred pension the Member is entitled to at his Normal Retirement Date.

Postponed Retirement Pension

A Member who remains in the employ of the Company beyond his Normal Retirement Date will continue to accrue benefits and will receive a pension commencing on the first day of the month following the earlier of his actual retirement date and the end of the Calendar year in which the Member attained age 71.

Termination Benefits

A terminated Member will receive a deferred pension (in the amount that is vested at his date of termination) at his Normal Retirement date. A terminated member may elect to commence his pension as early as age 55 subject to an actuarial reduction.

In lieu of the deferred pension, a terminated Member may elect to transfer the commuted value of the pension to a locked-in registered retirement savings arrangement as allowed by applicable legislation.

Death Benefits

When a Member dies prior to retirement, the Member's spouse or beneficiary will receive the commuted value of the Member's pension.

Bridge Benefits

There are no bridge benefits under the Plan.

Executive Benefits

There are no Executive benefits under the Plan.

Post-Retirement Pension Increases

There are no post-retirement pension increases under the Plan.

3.2 MEMBERSHIP DATA

The valuation results presented in Section 4, 5 and 6 are based upon the following membership data as at December 31, 2007 provided by Coppley Apparel Group Limited.

SUMMARY OF MEMBERSHIP

	December 31, 2007	December 31, 2004
Active Members:		
▪ Number	137	129
▪ Average age	47.2	46.2
▪ Average credited service	13.2	13.1
▪ Average Annual Accrued Pension	$5,740	$5,623
Deferred Vested Members:		
▪ Number	13	14
▪ Average age	44.4	43.7
▪ Average annual pension	$1,923[1]	$1,803
Disabled Members:		
▪ Number	1	1
▪ Average age	54.7	51.7
▪ Average annual pension	$3,498	$3,498
Retired Members:		
▪ Number	14	7
▪ Average age	66.8	66.7
▪ Average lifetime annual pension	$12,606	$12,552

[1] The average annual pension is for 12 members, as 1 deferred vested member is entitled to a lump-sum transfer.

The membership movement for all categories of membership since the previous actuarial valuation is as follows:

RECONCILIATION OF MEMBERSHIP

	Actives	Deferred Vested	Disabled	Retirees	Total
December 31, 2004	**129**	**14**	**1**	**7**	**151**
New entrants	33	-	-	-	33
Terminations:					
▪ not vested	(11)	-	-	-	(11)
▪ transfers / refunds	(8)	(5)	-	-	(13)
▪ deferred vested	(5)	5	-	-	-
Deaths	-	-	-	-	-
Retirements	(6)	(1)	-	7	-
Data Correction	5	-	-	-	5
December 31, 2007	**137**	**13**	**1**	**14**	**165**

The distribution of the active Members by age and pensionable service as at December 31, 2007, is summarized as follows:

MEMBERSHIP DISTRIBUTION

Active Members by Age Group and Pensionable Service as at December 31, 2007

	Years of Pensionable Service							
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total
Under 20	-	-	-	-	-	-	-	-
20 - 24	2	-	-	-	-	-	-	2
25 - 29	5	2	-	-	-	-	-	7
30 - 34	7	4	-	-	-	-	-	11
35 - 39	5	5	2	2	-	-	-	14
40 - 44	10	6	1	4	5	-	-	26
45 - 49	5	4	2	2	3	2	-	18
50 - 54	-	4	2	8	2	3	4	23
55 - 59	2	4	4	3	1	1	4	19
60 - 64	-	3	1	5	-	3	3	15
65 +	-	-	-	-	-	2	-	2
Total	**36**	**32**	**12**	**24**	**11**	**11**	**11**	**137**

The distribution of the inactive Members by age as at December 31, 2007, is summarized as follows:

Inactive Members by Age Group as at December 31, 2007

	Deferred Vested		Retirees	
Age	Number	Total Annual Pension	Number	Total Annual Lifetime Pension
under 30	1	$765	-	-
30 – 34	3	1,457	-	-
35 - 39	2	2,251	-	-
40 – 44	-	-	-	-
45 - 49	2	735	-	-
50 - 54	2	1,855	-	-
55 - 59	1	11,525	1	$5,142
60 - 64	2	4,493	2	10,505
65 - 69	-	-	8	139,178
70 - 74	-	-	3	21,665
75 - 79	-	-	-	-
80 +	-	-	-	-
Total	**13**	**$23,081**[1]	**14**	**$176,490**

Sufficiency and Reliability of Member Data

To the best of our knowledge, we have been provided with complete data for the purposes of this valuation.

We have made the following tests to determine the reasonableness of the membership data provided:

1. We have confirmed that the data provided contains the number of Members identified in the membership reconciliation.

2. We have confirmed that the benefit payments were made to each terminating Member not electing a deferred pension.

3. We have confirmed that pension payments made since the last valuation reconcile with the retiree group.

[1] The total is for 12 members, as 1 deferred vested member is entitled to a lump-sum transfer.

3.3 DEVELOPMENT OF THE FUND

The following tables, based on the fund's financial statements prepared by Industrial Alliance and the audited financial statements prepared by PricewaterhouseCoopers LLP, show the development of the fund from January 1, 2005, as well as a summary of the assets held at December 31, 2007.

DEVELOPMENT OF THE FUND TO DECEMBER 31, 2007

	2005	2006	2007
Market Value at January 1	**$4,783,448**	**$5,883,679**	**$7,099,000**
Employer Contributions – Current Service	324,427	294,589	347,475
Employer Contributions – Special Payments	410,179	249,434	225,988
Employer Contributions – Transfer Deficiencies	14,848	0	0
Total Contributions	749,454	544,023	573,463
Investment Income	587,575	860,383	15,209
Retiree Payments	(103,955)	(147,030)	(158,425)
Termination Payments	(96,985)	(0)	(22,426)
Death Payments	(0)	(0)	(0)
Fees and Expenses	(35,858)	(42,055)	(48,500)
Total Disbursements	(236,798)	(189,085)	(229,351)
Market Value at December 31	**$5,883,679**	**7,099,000**	**$7,458,321**
Annual Rate of Return (Net of all expenses)	10.9%	13.5%	(0.5%)

SUMMARY OF INVESTMENTS HELD AS AT DECEMBER 31, 2007

	Amount	Percentage
Canadian Bonds	$3,172,771	42.3%
Canadian Equities	1,804,912	24.1%
Foreign Equities	2,480,638	33.1%
Sub-Total	**$7,458,321**	**99.5%**
Contributions Receivable	43,341	0.5%
Total	**$7,501,662**	**100.0%**

Sufficiency and Reliability of Fund Data

We have relied on the fund data provided in the financial statements prepared by Industrial Alliance. We have made general tests to confirm that the total benefit payments are consistent with the membership data provided.

SECTION 4 - GOING-CONCERN VALUATION

4.1 ACTUARIAL VALUATION METHODS

Over time, the real cost of a pension plan is determined by the difference between disbursements (benefits and expenses) and investment earnings. The purpose of an actuarial cost method is to determine the incidence of costs by allocating them to annual time periods.

An actuarial cost method is designed to accumulate assets systematically for a continuing plan and to provide security for the benefits provided under the terms of the Plan in respect of service that has already been rendered, without recourse to the assets of the Company. However, an actuarial cost method does not ensure that, even if assets in the Fund are at least equal to the accrued actuarial liabilities, such assets will necessarily be sufficient in all circumstances to cover the cost of the accrued benefits for a member who terminates employment, or to cover the cost of accrued benefits in the event the Plan is terminated.

Valuation of Liabilities

For this valuation we have used the unit credit actuarial cost method. Under this method, Member benefits are calculated as the benefit a Member has earned at the date of valuation. The actuarial liability is equal to the present value of these benefits. The difference between this actuarial liability and the actuarial value of assets represents the amount of actuarial surplus, or unfunded actuarial liability, as the case may be, at the valuation date.

The current service cost of benefits determined using the unit credit actuarial cost method is highly correlated to the attained age of each Member at the date of the valuation. As time passes, if the weighted-average age of the Membership remains constant, then the current service cost as a percentage of aggregate Member Pensionable Earnings is expected to remain stable. If however, the plan Membership as a whole increases in age as time passes, then the current service cost as a percentage of aggregate Member Pensionable Earnings would be expected to increase.

Benefits Valued

- Active & Disabled Members
  In all cases of retirement, termination or death, the benefits valued were those for which the member would qualify upon such decrements at the age in question, based on service at the date of the valuation.

- Retired Members and Beneficiaries
  For retirees and beneficiaries, we valued the pensions in payment.

- <u>Deferred Vested Members</u>
  For deferred vested members, we valued the accrued pension payable at age 65, or attained age if greater.

Valuation of Assets

Assets have been taken at their market value in the fund, adjusted for any receivables or payables.

4.2 ACTUARIAL ASSUMPTIONS & DISCUSSION

Pension plans are long term financial commitments and the cost of these commitments (or liabilities) must be estimated in order to determine the amount of funds to be set aside to meet them.

To estimate the cost of the future commitments, assumptions must be made about future events and conditions that will affect the cost. These assumptions may be categorized as either economic or demographic assumptions. Economic assumptions pertain to factors such as the rate of inflation and the rate of investment return. Demographic assumptions pertain to events affecting the plan members, such as terminations, mortality, retirement and other assumptions which pertain to conditions that are more plan-specific, such as marital status and the percent of plan members selecting survivors' benefits.

The following summary provides the assumptions that were used in determining the liabilities of the Plan on a funding basis. These assumptions are intended, in aggregate, to be appropriate over the long-term and do not include any margins for adverse deviations. As directed by the Coppley Apparel Group Limited, margins are not included with the understanding that liabilities arising from adverse deviations can be funded through increased employer contributions.

Economic Assumptions

Interest Rate

A long-term interest rate of 6.0% per annum, net of investment expenses, was used.

This is based on an assumed inflation rate of 2.5% per annum plus an assumed real rate of return of 4.0% per annum less a margin of 0.5% for investment expenses. The assumed inflation rate reflects our best estimate of future inflation considering current economic and financial market conditions. This assumed real rate of return is consistent with the Plan's investment policy.

In the last valuation, a long-term interest rate of 6.5% per annum, net of investment expenses, was used.

Expenses

The investment expenses were assumed to be paid from investment income, and the Company has committed to pay administration expenses directly. As a result, no expense provision has been included in the current service cost for administration expenses.

This assumption is based on the expectation that administration expenses will be paid from the fund.

Rate of Salary Increase

We have assumed that the 2007 salaries would increase by 2.0% in 2008.

This assumption reflects the expected increase in salaries from 2007 to 2008 and is only used in the determination of the current service cost.

Escalation of Income Tax Act (Canada) maximum pension limitation

The limit on lifetime pensions under the Income Tax Act was projected to increase by 4.0% per annum from its 2007 value of $2,222.22, 2008 value of $2,333.33 and 2009 value of $2,444.44 times years of service.

This assumption reflects an assumed rate of inflation of 2.5% per annum plus an allowance of 1.5% per annum for the effect of real economic growth and productivity gains in the Canadian economy, which is consistent with historical real economic growth.

Demographic Assumptions

Mortality

Pre-retirement:	Nil
Post-retirement:	Mortality rates were taken from the 1994 Uninsured Pensioners Mortality Table with projection to the year 2015.

In the last valuation, the 1983 Group Annuity Mortality Table was used for both pre-retirement and post-retirement.

Given the nature of the pre-retirement death benefits in the Plan we have selected this assumption as it materially reflects the value of the death benefits. The 1994 Uninsured Pensioners Mortality Table reflects the mortality experience as of 1994 for a large sample of North American pension plans. Applying projection scale AA to 2015 provides allowance for improvements in mortality after 1994 and is generally considered reasonable for projecting mortality experience into the future. This table is commonly used for valuations where the mortality experience of the membership is insufficient to assess plan specific experience and where there is no reason to expect the mortality experience of the plan to differ significantly form that of other pension plans. Both of these are true for this plan and, therefore, the use of this mortality table is considered reasonable.

Withdrawal
We have assumed no rates of termination of employment prior to retirement.

Given the nature of the termination benefits in the Plan, and the relatively small active population, the impact of including a termination assumption would not have a material impact on the valuation results, therefore, no rates were assumed.

Disability incidence/recovery
We have assumed no rates of disability prior to retirement.

Given the nature of the disability benefits in the Plan, and the relatively small active population, the impact of including a disability assumption would not have a material impact on the valuation results, therefore, no rates were assumed.

Retirement
Active members were assumed to retire at age 65, or at their age on the valuation date if greater.

Retirement rates are typically developed taking into account the past experience of the plan. However, the retirement experience relating to specific downsizing events or early retirement programs are not considered appropriate for predicting future rates of retirement. Accordingly, the rates of retirement have been developed as our expectation of the best-estimate rates of retirement based on the plan provisions and our experience with this Plan and other similar plans, with consideration to materiality and simplicity.

Marital Status
The actual marital status of retired members was used in the valuation. The marital status of active, deferred vested, and disabled members is not required.

Member/Spouse Age Difference
Actual dates of birth for the spouses of retirees were used. The member/spouse age difference of active, deferred vested, and disabled members is not required.

Other Assumptions
Reserve
No additional reserves were held.

Discussion

The going-concern assumptions are intended to provide a "target" for the Plan's liabilities. Accepted actuarial practice does not prescribe specific assumptions for the purpose of a going-concern valuation nor are the upper and lower bounds of the range of each assumption codified. Each actuary applies his or her judgment in establishing going-concern assumptions.

In setting the assumptions for the going-concern valuation, we attempt to determine the most appropriate long-term assumption for each separate assumption. However, in some circumstances, a particular assumption may be simplified due to the immaterial nature of the assumption, or the lack of plan experience to support a more complex assumption. Furthermore, we recognize that the goal of creating a stable contribution rate is assisted by limiting the frequency of material changes in the going-concern assumptions.

As a result, our general approach is to establish long-term going-concern assumptions which are defensible in the aggregate and based upon generally accepted wisdom regarding future contingent events.

While going-concern assumptions are focused on the long-term, employer required contributions to the Plan each year are also affected by the results of the hypothetical wind-up/solvency valuations - which are based upon the current economic environment. As a result, in times where the going-concern valuation assumptions diverge from the hypothetical wind-up assumptions, a divergence in the liability target on the two alternate bases occurs.

Greater divergence in these liability targets creates greater volatility in annual employer required contributions when the hypothetical wind-up liability exceeds the going-concern liability, and in the extreme, the going-concern valuation is of no value in setting annual contribution requirements. At the other end of the spectrum, overly conservative going-concern assumptions relative to the hypothetical wind-up/solvency assumptions will lead to significant surplus on wind-up which may not be recovered by the employer either on an ongoing basis or at the time of wind-up.

In recognition of the role of the hypothetical wind-up/solvency valuation in establishing required employer contributions to the Plan, and further recognizing that the current market value of the Plan's assets reflects the current economic environment, we will from time to time modify our long-term going-concern assumptions to limit the divergence from the hypothetical wind-up/solvency assumptions.

Based upon the foregoing, we have established going-concern assumptions that we believe are appropriate, in the aggregate, at the date of the valuation. Nevertheless, another set of assumptions – which would lead to different valuation results – could also be considered appropriate within accepted actuarial practice. Thus, reasonable results differing from those presented in this report could have been developed by selecting different points within the range of appropriate assumptions.

In this valuation, we have made the following changes to the going-concern assumptions:

- **Interest Rate**: We have lowered the interest rate from 6.5% to 6.0%.

- **Mortality**: We have updated the mortality assumption to use a more recent mortality table. As a result, we are now using the 1994 Uninsured Pensioners Mortality Table with projection to the year 2015 as opposed to the 1983 Group Annuity Mortality Table. We have also changed the pre-retirement mortality rates to simplify the valuation, and the impact of this change is not material.

4.3 FINANCIAL POSITION

The going-concern basis is intended to present the financial position of the Pension Plan for Employees of Coppley Apparel Group Limited and assumes that it will continue to exist indefinitely.

The financial position of the Plan as at December 31, 2007 on a going-concern basis is set out below. These results are based upon the Plan summary set out in Section 3 and the methods and assumptions set out in Section 4 of this report.

STATEMENT OF FINANCIAL POSITION

	December 31, 2007	December 31, 2004
Actuarial Value of Assets	$7,501,700	$4,918,951
Actuarial Liability		
Active Members	$5,166,600	$3,987,042
Deferred Vested Members	156,100	126,059
Disabled Members	23,300	17,153
Retired Members	2,101,400	945,864
	$7,447,400	$5,076,118
Actuarial Surplus (Unfunded Actuarial Liability)	$54,300	($157,167)

Comments

- The financial position of the plan on a going-concern basis is determined by comparing the actuarial value of assets to the actuarial liability and is a reflection of the assets available for the benefits accrued in respect of credited service prior to the valuation date assuming the plan continues indefinitely.

4.4 Reconciliation of Financial Position & Discussion

At the last valuation at December 31, 2004, the plan had a going-concern unfunded actuarial liability of $157,167. The following is a reconciliation of the funded position of the plan since the last valuation.

Reconciliation of Financial Position

Actuarial surplus (unfunded actuarial liability) as at December 31, 2004		($157,167)
Application of:		
▪ Actuarial surplus		0
Net special payments:		
▪ Going-concern amortization payments	$160,000	
▪ Solvency amortization payments	625,700	
▪ Transfer deficiency payments	14,800	800,500
Expected interest on:		
▪ Actuarial surplus (unfunded actuarial liability)	($32,700)	
▪ Going-concern amortization payments	16,100	
▪ Solvency amortization payments	63,100	
▪ Transfer deficiency payments	1,500	48,000
Plan experience:		
▪ Investment gains (losses) net of expenses	$52,500	
▪ Liability gains (losses)	78,100	130,600
Change in assumptions		(782,300)
Change in plan provisions		0
Change in legislation		0
Miscellaneous & Data corrections		14,667
Actuarial surplus (unfunded actuarial liability) as at December 31, 2007		$54,300

Discussion

- The main sources of the elimination of the going-concern unfunded actuarial liability (i.e. actuarial gains) are the net special payments of $800,500, investment gains of $52,500, and actuarial experience gains of $78,100.

- This gain was partially offset by an actuarial loss of $782,300 resulting from the change in assumptions.

- An investment gain of $52,500 was experienced as the actual rate of return on the assets over the inter-valuation period (7.6%) was greater than the expected rate of return (6.5%).

- In aggregate, an increase in the unfunded actuarial liability of $78,100 was caused by the plan experience. Detailed gains/(losses) are as follows:

  (1) Gains of $108,000 were realized due to the retirement experience. The actual number of active members who retired since the last valuation was 6, compared with an expected number of 7 (of which 3 did not retire which created actuarial gains).

  (2) Losses of $22,000 were due to inactive member mortality experience. The actual number of inactive members who died was 0, compared with an expected value of 0.3.

  (3) Losses of $7,900 were realized due to the refunds payable to the suspended and terminated vested members.

SECTION 5 - HYPOTHETICAL WIND-UP VALUATION

5.1 ACTUARIAL VALUATION METHODS

A hypothetical wind-up valuation was performed on the Plan as at December 31, 2007 in accordance with the standards prescribed by the Pension Benefits Act. The purpose of the hypothetical wind-up valuation is to present the financial position of the Plan as if it were wound-up on the date of the valuation.

Valuation of Liabilities

Hypothetical wind-up liabilities were determined as if the Plan had been wound up on the valuation date. The benefits valued were those accrued as at December 31, 2007. Retirement was assumed to occur at the age that produced the maximum value.

For this valuation, we have used the unit credit actuarial cost method.

Benefits Valued

- Active & Disabled Members

  The benefits valued in the hypothetical wind-up valuation were the accrued benefits that would be payable to each member in the event of plan termination at December 31, 2007.

  Active members who have attained age 55 were assumed to retire at the valuation date. Active members who have not attained age 55, but who have 55 points at the valuation date, were assumed to retire at the age between 55 and 65 where the benefits are maximized. All other active members were assumed to retire at age 65.

- Retired Members and Beneficiaries

  For retirees and beneficiaries, we valued the pensions in payment.

- Deferred Vested Members

  For deferred vested members, we valued the accrued pension payable at age 65, or attained age if greater.

Valuation of Assets

Assets have been taken at their market value in the fund, adjusted for any receivables or payables. We have not considered any cost associated with the liquidation of plan assets which are illiquid on the wind-up date.

5.2 ACTUARIAL ASSUMPTIONS

The following summary provides the assumptions that were used in determining the liabilities of the Plan on a hypothetical wind-up basis. These assumptions are intended, in aggregate, to be appropriate as if the Plan had been wound up on the valuation date.

For benefits expected to be settled by transfer of commuted values, assumptions are in accordance with the Canadian Institute of Actuaries' Standards of Practice for Pension Commuted Values. For benefits expected to be settled by purchase of annuities, an estimate of the cost of settlement through the purchase of annuities has been made. The estimate of the cost to purchase annuities was established in accordance with the Canadian Institute of Actuaries' *Educational Note – Guidance for 2008 Assumptions for Hypothetical Wind-up and Solvency Valuations with Effective Dates between December 31, 2007 and December 30, 2008.*

Economic Assumptions

Interest Rate

- **Commuted value**
  An interest rate of 4.75% per annum for 10 years and 5.00% per annum thereafter was used. At the previous valuation, an interest rate of 5.50% per annum for 15 years and 6.00% per annum thereafter was used.

  All active and disabled members under age 55 are assumed to be settled by commuted values.

- **Immediate annuity purchase**
  An interest rate of 4.30% per annum was used for immediate annuity purchases. At the previous valuation, an interest rate of 5.25% was used.

  Active and disabled members whose ages were over 55, and deferred vested members whose ages were above 55, as at the valuation date and retired members are assumed to be settled by immediate annuities.

- **Deferred annuity purchase**
  An interest rate of 4.10% per annum was used for deferred annuity purchases. At the previous valuation, an interest rate of 5.25% was used.

  Deferred vested members whose ages were below 55 were assumed to be settled by deferred immediate annuities.

The interest rates for both commuted value and annuity purchase were based on economic conditions in effect at the valuation date.

Expenses
An allowance of $70,000 was made for administration expenses (included actuarial expenses) incurred on plan wind-up. Any possible legal, audit, and other costs have not been considered.

Rate of Salary Increase
Not applicable.

Income Tax Act (Canada) maximum pension limitation
We have assumed that the maximum pension limit (per year of Credited Service) will be $2,222.22 in 2007, $2,333.33 in 2008, $2,444.44 in 2009 and will increase by 3.24% per annum for the first 8 years from 2010 and therefore by 3.34% per annum to the year of pension commencement.

Demographic Assumptions

Mortality
Mortality rates were taken from the 1994 Uninsured Pensioners Mortality Table with projection to the year 2015.

In the previous valuation the 1983 Group Annuity Mortality Table was used in conjunction with the commuted values (however the 1994 Uninsured Pensioners Mortality Table with projection to the year 2015 was used in conjunction with the annuity purchases).

Withdrawal
Not applicable.

Disability incidence/recovery
Not applicable.

Retirement
If an active or disabled member's age plus employment service is equal to at least 55 points as at the valuation date, the retirement age used was the age between 55 and 65 that the benefits are maximized. All other members are assumed to retire at age 65.

Marital Status
The actual marital status of retired members was used in the valuation. The marital status of active, deferred vested, and disabled members is not required.

Member/Spouse Age Difference
Actual date of birth for retiree spouses was used. The member/spouse age difference of active, deferred vested, and disabled members is not required.

Other Assumptions

Reserve

No additional reserves were held.

5.3 HYPOTHETICAL WIND-UP STATUS

The hypothetical wind-up basis is intended to present the financial position of the Pension Plan for Employees of Coppley Apparel Group Limited as if it were to be wound up on December 31, 2007.

The financial position of the Plan as at December 31, 2007 on a hypothetical wind-up basis is set out below. These results are based on the Plan summary set out in Section 3 and the methods and assumptions set out in Section 5 of this report.

HYPOTHETICAL WIND-UP POSITION

	December 31, 2007	December 31, 2004
Net Wind-up Assets		
Market value of assets (solvency assets)	$7,501,700	$4,918,951
Termination expenses	(70,000)	(47,750)
Net wind-up assets	$7,431,700	$4,871,201
Wind-up Liabilities		
Active Members	$6,519,100	$4,676,663
Deferred Vested Members	206,400	146,382
Disabled Members	28,900	20,923
Retired Members	2,458,400	1,019,855
Provision for Purchase of Annuities	*	185,807
	$9,212,800	$5,842,841
Hypothetical Wind-up excess/(deficiency)	($1,781,100)	($1,178,429)
Transfer ratio	0.81	0.81

* The Provision for Purchase of Annuities is included in the member liabilities in the December 31, 2007 results.