

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	FRIDAY, THE 13th
)	
JUSTICE OSBORNE)	DAY OF DECEMBER, 2024

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

IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF THE BODY SHOP CANADA LIMITED, IN
THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO
(the "**Applicant**")

ASSIGNMENT ORDER

THIS MOTION, made by the Applicant pursuant to the *Companies' Creditors Arrangement Act* (Canada), as amended (the "**CCAA**"), for, among other things, an order assigning to 1001072685 Ontario Inc. (now Body and Lotion Inc.) (the "**Assignee**") all of the rights, title, interest, and obligations of the Applicant under the Material Agreements (defined below), as contemplated by an asset purchase agreement dated as of December 6, 2024 (as may be amended, restated, or supplemented from time to time, the "**APA**") between the Applicant, as seller, and the Assignee, approved by this Court by an approval and vesting order dated December 13, 2024 (the "**AVO**"), was heard this day by videoconference via Zoom.

ON READING the Notice of Motion and Motion Record of the Applicant, including the Affidavit of Jordan Searle sworn December 6, 2024, the Affidavit of Michael Serruya sworn December 7, 2024 and the Second Report (the “**Second Report**”) and the Supplement to the Second Report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed monitor (in such capacity, the “**Monitor**”) of the Applicant, and on hearing the submissions of counsel for the Applicant, the Monitor, the Assignee, and counsel for the other persons listed on the Participant Information Form, no one appearing for any other person on the service list, although properly served.

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used herein but not otherwise defined have the definitions given to them in the APA or AVO, as applicable.

ASSIGNMENT OF MATERIAL AGREEMENTS

3. **THIS COURT ORDERS** that upon delivery of the Monitor’s Certificate:
 - (a) all of the rights and obligations of the Applicant under the contracts set forth in **Schedule “A”**, and the Leases (as defined below) set forth in **Schedule “B”**, including, in each case, all associated or related agreements, schedules, appendices, addenda, amendments, supplements, restatements, or other modifications made or entered into from time to time (each a “**Material Agreement**” and collectively, the “**Material**

Agreements") shall be assigned, conveyed, transferred to and assumed by the Assignee pursuant to section 11.3 of the CCAA;

- (b) with respect to the Material Agreements that are real property leases (each a "**Lease**" and, collectively, the "**Leases**"), the Assignee shall be entitled to all of the rights and benefits and subject to all of the obligations and restrictions as tenant pursuant to the terms of each Lease and registrations thereof and may enter into and upon and hold and have quiet enjoyment of such premises contemplated by each Lease (in each case, without prejudice to the Assignee's right to extend or renew such term) and, if applicable, any renewals thereof, for the Assignee's own use and benefit, all in accordance with the terms of the applicable Lease, without any interruption from the Applicant, the landlords under the Leases, or any person whomsoever claiming through or under any of the Applicant or the landlords under the Leases;
- (c) with respect to the Material Agreements that are not Leases, the Assignee shall be entitled to all of the rights and benefits and subject to all of the obligations and restrictions pursuant to the terms of each Material Agreement;
- (d) the Material Agreements shall remain in full force and effect and each counterparty to Material Agreement shall be prohibited from exercising any rights or remedies under such Material Agreement and shall be forever barred, enjoined, and estopped from taking any such action (including,

without limitation, any right of set off against the Assignee in respect of defaults having occurred before the Closing Time) solely by reason of:

- (i) any defaults arising from the insolvency of the Applicant;
- (ii) the commencement of these CCAA Proceedings;
- (iii) any defaults and/or recapture rights arising from the assignment of the Material Agreements to the Assignee;
- (iv) the Applicant having breached a non-monetary obligation under a Material Agreement, unless, with respect to any Lease: (A) any such non-monetary default arises or continues after the Lease is assigned to the Assignee; (B) such non-monetary default is capable of being cured by the Assignee; and (C) the Assignee has failed to remedy the default after having received notice of such default pursuant to the terms of the applicable Lease (collectively (i) through (iv), the **“Insolvency Defaults”**),

(collectively, the **“Insolvency Defaults”**)

and the counterparties under their respective Material Agreements are hereby deemed to waive the Insolvency Defaults or events of default relating to the Insolvency Defaults and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a Material Agreement shall be deemed to have been rescinded and of no further force or effect. For greater certainty and

without limiting the generality of the foregoing, no counterparty to a Material Agreement shall be permitted to rely on a notice of default or notice of termination sent to the Applicant prior to the filing of the Monitor's Certificate as grounds for terminating or seeking relief or damages against the Assignee under any Material Agreement.

4. **THIS COURT ORDERS** that:

- (a) the assignment of the Material Agreements (except the Leases) shall be subject to the terms of the AVO directing that the Applicant's right, title, and interest in and to the Material Agreements (except the Leases) shall vest absolutely in the Assignee free and clear of all Claims, including any Encumbrances other than the Permitted Encumbrances in accordance with the terms of the AVO; and
- (b) the Applicant's rights in and to the Leases shall vest absolutely in the Assignee as Purchased Assets in accordance with the provisions of the AVO, provided that, except as may otherwise be agreed by the Assignee and the applicable landlord to a Lease, nothing in the AVO shall affect the rights and remedies of such landlord against the Assignee that may exist or arise under or in respect of a Lease.

5. **THIS COURT ORDERS** that the assignment to the Assignee of the rights and obligations of the Applicant under the Material Agreements pursuant to the CCAA and this Order is valid and binding upon all of the counterparties to the Material Agreements notwithstanding any restriction or prohibition contained in any such Material Agreements

relating to the assignment thereof, including, without limitation, any provision relating to change of control or requiring the consent of, or notice for any period in advance of the assignment to, any party to the assignment subject to the satisfaction of all monetary defaults.

6. **THIS COURT ORDERS** that nothing herein shall derogate from the obligations of the Assignee to assume the Material Agreements and to perform the Assignee's obligations under the Material Agreements, and nothing in this Order shall amend or vary, or be deemed to amend or vary, the terms of any of the Material Agreements which are assigned to the Assignee except as expressly set out to the contrary in any agreement among the Applicant, the Assignee and the applicable counterparty under the Material Agreement.

7. **THIS COURT ORDERS** that if a Material Agreement is removed from the Purchased Assets prior to the Closing Date in accordance with the APA, then such contract shall cease to be a Material Agreement for the purposes of this Order on notice to the Applicant and any counterparties to such Material Agreement.

8. **THIS COURT ORDERS** that with respect to all monetary defaults (the "**Monetary Defaults**") in relation to the Material Agreements listed in **Schedules "A"** and **"B"** to this Order, in either case, other than those arising by reason only of the Applicant's insolvency, the commencement of these CCAA Proceedings or the Applicant's failure to perform a non-monetary obligation, no later than seven days after the Closing Date: (i) the Assignee shall pay such Monetary Defaults as set forth in **Schedule "A"** in full and final satisfaction of any and all Monetary Defaults owing to the counterparties to the applicable Material

Agreements; and (ii) the Applicant shall pay the Monetary Defaults owing to the counterparties to the Leases (which the Applicant and the Monitor estimate to be as set forth in **Schedule “B”** and which may be subject to further reconciliation between the counterparties and the Applicant prior to payment as set out above), and in either case, unless the Monetary Defaults are paid as set out herein, no Material Agreement shall be assigned by operation of this Order. Upon payment of the Monetary Defaults, the Applicant shall have no further liability under the Material Agreements.

9. **THIS COURT ORDERS** that notwithstanding:

- (a) the pendency of these CCAA Proceedings and any declaration of insolvency made herein;
- (b) the pendency of any applications for a bankruptcy or receivership now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada), as amended (the “**BIA**”) in respect of the Applicant or its respective property, and any bankruptcy or receivership order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Applicant; and
- (d) the provision of any federal or provincial statute,

the assignment of the Material Agreements to the Assignee in accordance with this Order and the APA shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of the Applicant or their respective property and shall not be void or voidable by the creditors of the Applicant, nor shall it constitute nor

be deemed to be a transfer at undervalue, settlement, fraudulent preference, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

AID & RECOGNITION

10. **THIS COURT ORDERS** that the Applicant, the Monitor, and the Assignee may apply to the Court as necessary to seek further orders and directions to give effect to this Order.

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order.

GENERAL

12. **THIS COURT ORDERS AND DIRECTS** the Applicant to use best efforts to send a copy of this Order to all of the counterparties to the Material Agreements listed in **Schedule “A”** and to the Leases listed in **Schedule “B”** to the last known address or contact.

13. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 am (Toronto time) on the date of this Order without any need for filing or entry.

Schedule “A” – List of Material Agreements, Counterparties, and Cure Costs

#	Description of Agreement	Counterparty	Cure Costs (CAD\$)
1.	Employer Services Master Services Agreement between ADP Canada and The Body Shop Canada Limited, effective June 24, 2010.	ADP Canada	Nil
2.	Master Communications Agreement between Bell Canada and The Body Shop Canada Limited, effective December 8, 2009.	Bell Canada	Nil
3.	Term Pricing Services Agreement between Quality and Compliance Services, Inc. and The Body Shop Canada Limited, effective July 22, 2004.	Quality and Compliance Services, Inc.	Nil
4.	Independent Contractor Agreement between Jennifer Wale and The Body Shop Canada Limited, effective March 15, 2024.	Jennifer Wale	Nil
5.	Independent Contractor Agreement between Susan Mui and The Body Shop Canada Limited, effective March 15, 2024.	Susan Mui	Nil
6.	Independent Contractor Agreement between Marsha Jeffrey and The Body Shop Canada Limited, effective March 14, 2024.	Marsha Jeffrey	Nil
7.	Independent Contractor Agreement between Steven Siminerio and The Body Shop Canada Limited, effective October 15, 2024.	Steven Siminerio	Nil
8.	Independent Contractor Agreement between Claudia Liu and The Body Shop Canada Limited, effective March 15, 2024.	Claudia Liu	Nil
9.	Independent Contractor Agreement between Liam Benson and The Body Shop Canada.	Liam Benson	Nil
10.	Independent Contractor Agreement between Walter Boggs and The Body Shop Canada.	Walter Boggs	Nil
11.	Master Equity Vehicle Lease Agreement between Enterprise Fleet Management Canada, Inc. and The Body Shop Canada Limited, effective March 28, 2013.	Enterprise Fleet Management Canada, Inc.	Nil
12.	Agreement between Lumen Technologies // Colt Technology Services and The Body Shop Canada Limited re: server hosting services.	Lumen Technologies // Colt Technology Services	Nil

13.	Agreement between ABC Security Access Systems and The Body Shop Canada Limited re: security system installation service.	ABC Security Access Systems	Nil
14.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing serial no. 5N1AT2MV9LC775456.	Enterprise Fleet Management Canada, Inc.	Nil
15.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N. N8BT3BB9PW198055.	Enterprise Fleet Management Canada, Inc.	Nil
16.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd re: vehicle bearing serial no. JN8BT3BB8PW199620.	Enterprise Fleet Management Canada, Inc.	Nil
17.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N. YV4ER3XK5R2253723.	Enterprise Fleet Management Canada, Inc.	Nil
18.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N. 5N1AT2MV9LC769009.	Enterprise Fleet Management Canada, Inc.	Nil
19.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N JN8BT3BB2PW198365.	Enterprise Fleet Management Canada, Inc.	Nil
20.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N. JN8BT3BB1PW198454.	Enterprise Fleet Management Canada, Inc.	Nil

Schedule “B” – List of Leases, Counterparties, and Cure Costs

1. Store Leases

Store #	Province	Store Name	Landlord	Cure Costs (CAD\$)
1453	AB	Market Mall	Cadillac Fairview	Nil
1498	AB	Southgate Centre	JLL / Ivanhoe Cambridge	\$16,265
1779	AB	Crossiron Mills	JLL / Ivanhoe Cambridge	\$18,705
1706	AB	Prairie Mall	Morguard	\$7,881
1442	AB	Kingsway Mall	Oxford Properties	Nil
1497	AB	Southcentre	Oxford Properties	Nil
320	AB	St. Albert Centre	Primaris	Nil
1726	AB	Sherwood Park Mall	Primaris	\$6,341
391	AB	Outlet Collection at Edmonton	Simon	Nil
1935	AB	West Edmonton Mall	Triple Five Group / West Edmonton Mall	\$55,678
1469	BC	Pacific Centre	Cadillac Fairview	Nil
1683	BC	Richmond Centre	Cadillac Fairview	Nil
1518	BC	Woodgrove Centre	Central Walk	\$18,558
1400	BC	Mayfair Shopping Centre	Central Walk	\$15,391
1401	BC	Aberdeen Mall	Cushman & Wakefield	\$6,204
1459	BC	Metropolis at Metrotown	JLL / Ivanhoe Cambridge	\$19,292
1942	BC	Guildford Town Centre	JLL / Ivanhoe Cambridge	\$14,336
1648	BC	Mcarthurglen Designer Outlet	McArthur Glen	\$15,458
1421	BC	Coquitlam Centre	Morguard	\$14,665
1476	BC	Pine Centre	Morguard	Nil
1495	BC	Sevenoaks Shopping Centre	Morguard	Nil
1466	BC	Orchard Park	Primaris	Nil
1516	BC	Willowbrook Shopping Centre	Quadreal	\$16,154
1503	MB	St. Vital Centre	BentallGreenOak	\$15,357
1482	MB	Polo Park Shopping Centre	Cadillac Fairview	Nil
350	MB	Outlet Collection at Winnipeg	JLL / Ivanhoe Cambridge	\$8,186
1441	MB	Kildonan Place	Primaris	\$355
1431	NB	Regent Mall	Primaris	\$7,597
1458	NS	Mic Mac Mall	Cushman & Wakefield	\$25
304	NS	Halifax Shopping Centre	Primaris	\$17,006
1428	ON	Fairview Mall	Cadillac Fairview	Nil
1454	ON	Markville Shopping Centre	Cadillac Fairview	\$1,077

1456	ON	Masonville Place	Cadillac Fairview	Nil
1508	ON	Toronto Eaton Centre	Cadillac Fairview	Nil
1404	ON	Bayshore Shopping Centre	Cushman & Wakefield	\$48,197
1427	ON	Erin Mills Town Centre	Cushman & Wakefield	\$15,773
1452	ON	Mapleview Shopping Centre	JLL / Ivanhoe Cambridge	Nil
1467	ON	Oshawa Centre	JLL / Ivanhoe Cambridge	\$18,118
1581	ON	The Outlet Collection at Niagara	JLL / Ivanhoe Cambridge	Nil
1650	ON	Vaughan Mills	JLL / Ivanhoe Cambridge	\$23,832
1409	ON	Bramalea City Centre	Morguard	\$10,592
1501	ON	St. Laurent Centre	Morguard	\$22,061
1438	ON	Hillcrest Mall	Oxford Properties	Nil
1493	ON	Scarborough Town Centre	Oxford Properties	Nil
1500	ON	Square One Shopping Centre	Oxford Properties	Nil
1510	ON	Upper Canada Mall	Oxford Properties	\$547
1876	ON	Yorkdale Shopping Centre	Oxford Properties	Nil
1423	ON	Devonshire Mall	Primaris	\$20,692
1462	ON	New Sudbury Centre	Primaris	Nil
1675	ON	Quinte Mall	Primaris	\$8,887
1815	ON	Conestoga Mall	Primaris	\$8,141
715	ON	Georgian Mall	RioCan	Nil
1465	ON	Oakville Place	RioCan	\$727
1584	ON	Ottawa Outlets	RioCan-Tanger	\$12,761
1585	ON	Cookstown Outlets	RioCan-Tanger	Nil
1475	ON	Pickering Town Centre	Salthill	\$15,712
1968	ON	Toronto Premium Outlets	Simon	\$12,893
1515	ON	White Oaks Mall	Westdell Development Corp.	\$12,884
1499	SK	Southland Mall	Salthill	\$5,678

2. Storage Leases

Store #	Store Name	Landlord	Unit #	Cure Costs (CAD\$)
0715	Georgian Mall	RioCan	S105	Nil
1401	Aberdeen Mall	Cushman & Wakefield	S-028	\$600.42
1409	Bramalea City Centre	Morguard	834A	\$768.40
1421	Coquitlam Centre	Morguard	S2144D	\$1,163.75
1428	Fairview Mall	Cadillac Fairview	S0174	Nil
1441	Kildonan Place	Primaris	S9	\$426.30
1453	Market Mall	Cadillac Fairview	SF05	Nil

1459	Metropolis at Metrotown	JLL / Ivanhoe Cambridge	S15A	Nil
1467	Oshawa Centre	JLL / Ivanhoe Cambridge	ST98	\$863.27
1469	Pacific Centre	Cadillac Fairview	D-402B	Nil
1498	Southgate Centre	JLL / Ivanhoe Cambridge	S24	Nil
1499	Southland Mall	Salthill	169	\$417.60
1500	Square One Shopping Centre	Oxford Properties	S-438	Nil
1501	St. Laurent Centre	Morguard		\$2,693.21
1516	Willowbrook Shopping Centre	Quadreal	S-419	\$761.25
1585	Cookstown Outlets	RioCan-Tanger	B0064	Nil
1648	McArthurGlen Designer Outlet	McArthur Glen	CS09	Nil
1650	Vaughan Mills	JLL / Ivanhoe Cambridge	MS16	\$263.66
1706	Prairie Mall	Morguard		\$918.75
1968	Toronto Premium Outlets	Simon	011	Nil

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AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE BODY SHOP CANADA LIMITED, IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO (the “Applicant”)

Court File No. CV-24-00723586-00CL

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COMMERCIAL LIST**

Proceeding commenced at Toronto

ASSIGNMENT ORDER

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