Court File No. CL-26-00000042-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	WEDNESDAY, THE 8TH
JUSTICE J. DIETRICH	)	DAY OF JULY 2026

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TOYS "R" US (CANADA) LTD. / TOYS "R" US (CANADA) LTEE (the "Applicant")

DISTRIBUTION ORDER

THIS MOTION made by the Applicant pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order approving certain distributions from the proceeds of the sale transaction contemplated by an asset purchase agreement between the Applicant, as vendor, and Ad Populum, LLC, as purchaser, dated June 4, 2026 (the "**AP Transaction**") was heard this day by judicial videoconference via Zoom.

ON READING the Affidavit of Neil Taylor, sworn June 11, 2026, the Supplementary Affidavit of Neil Taylor, sworn June 17, 2026, the Third Report of Alvarez & Marsal Canada Inc. dated June 12, 2026 and appendices and confidential appendices thereto (the "**Third Report**"), the Report of the Monitor on Related Party Transactions dated June 12, 2026, the Aide-Memoire of 1001485743 Ontario Inc. ("**1001 Ontario**") dated July 5, 2026, and the Aide-Memoire of Allied World Specialty Insurance Company ("**Allied**") dated July 5, 2026, and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for 1001 Ontario, counsel for Allied and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavits of Matilda Lici sworn June 11, 2026 and June 17, 2026, filed,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Applicant's 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 all capitalized terms not otherwise defined herein shall be as defined in the Third Report or the Amended and Restated Initial Order dated February 13, 2026, as applicable.

APPROVAL OF DISTRIBUTION

3. **THIS COURT ORDERS** that the Monitor and the Applicant are hereby authorized and directed to distribute the balance of the proceeds of sale from the AP Transaction to 1001 Ontario, after making the distributions contemplated by paragraph 4 of Stay and Distribution Order of this Court dated June 22, 2026, by way of (i) a distribution of the remaining cash portion of the proceeds to 1001 Ontario by the Monitor; and (ii) the assignment of the promissory note portion of the proceeds to 1001 Ontario by the Applicant.

4. **THIS COURT ORDERS** that the Monitor and the Applicant are hereby authorized to take all necessary steps and actions to effect the distribution set out in paragraph 3 above in accordance with the provisions of this Order from time to time, and shall not incur any liability as a result of making such distribution.

5. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of this proceeding;

(b) any application for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* ("**BIA**") in respect of the Applicant and any bankruptcy order issued pursuant to any such application; and

(c) any assignment in bankruptcy made in respect of the Applicant,

any distributions made pursuant to this Order are final and irreversible and shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of such entity, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation (each, a "**Reviewable Transaction**"), nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation. For greater certainty, nothing in this paragraph affects any claim that a trustee in bankruptcy may have in respect of the proceeds arising from a Reviewable Transaction or trust claim unrelated to any distributions made pursuant to this Order.

GENERAL

6. **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 to 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.

7. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable without the need for entry and filing.

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Proceedings commenced at Toronto

DISTRIBUTION ORDER

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