

Paliare Roland

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June 20, 2026

VIA EMAIL
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Chaitons LLP
5000 Yonge St., 10th Floor
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Attention: Harvey Chaiton

Dear Counsel:

Re: In the Matter of Toys “R” Us (Canada) Ltd. / Toys “R” Us (Canada) Ltee (“TRU”)

We represent 1322297 Ontario Inc. o/a Everest Wholesale (the "**Everest**") together with certain interests of the Putman family and its principals. Your letter dated June 17, 2026, addressed to Messrs. Aversa and Phoenix, and published to the entire service list in in the TRU CCAA proceedings, has been brought to our attention, together with your "Aide Memoire" dated June 19, 2026, which, in our view, is better characterized as a "Trompe-l'oeil" – an artistic illusion.

As a preliminary matter, we note that it is not apparent to us how the matters complained of by your client (the "**Receiver**") have any bearing on the sale of assets, including choses in action, out of the TRU proceedings. We expect, however, that others more directly involved in those proceedings will address that point and various other problems with the Receiver's assertions in the context of TRU's sale process.

We are writing to make the point that the allegations made by your client in the TRU proceedings based on evidence from TD Bank in the Everest receivership proceedings have, as you know, never been admitted by Everest, are yet to be assessed by the Court or ruled upon, and are still subject to ongoing litigation. As you also know, while Everest did not oppose TD Bank's application to appoint a receiver, Everest never admitted the evidence tendered by TD Bank or acceded to TD Bank's narrative of events. To the contrary, such rights were expressly reserved by the Court.

Justice Osborne (as he then was) expressly noted in his endorsement:

"The Debtor reserves its right to dispute the facts set out in the Bank's record at a later date and does not consent to the appointment of a receiver, but is unopposed to the

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granting of the appointment order. The relief is therefore granted today without prejudice to any future evidentiary or other positions the parties may wish to advance in this or other subsequent litigation and the court today is making no findings in respect of the conduct, knowledge or state of mind of the parties in the course of their dealings.”

Notwithstanding the foregoing direction by Justice Osborne, your letter and Aide Memoire place reliance on TD Bank’s narrative without any finding of fact, without any advance warning to our clients so that they might seek the appropriate declaratory relief in the Everest proceedings, and without even referring to the foregoing reservation of rights. The Receiver’s decision to proceed in this manner is tantamount to a collateral attack on Justice Osborne’s direction, and a breach of the duty of impartiality and even-handedness that the Receiver, as a court appointed officer, owes to our clients.

If the Receiver wishes to rely on disputed evidence of TD Bank that is subject to the reservation of rights in favour of Everest, or if the Receiver wishes to commence litigation against Everest stakeholders and/or its principals, it should do so in proceedings where those issues are squarely before the Court and parties have standing, discovery rights, and can respond. The making of broad, untested, speculative accusations in the TRU CCAA proceedings, based upon evidence that has clearly not been accepted by the Court, even in the Everest proceedings, is wholly inappropriate.

Equally concerning as the Receiver’s reliance on the TD Bank’s evidence, are the Receiver’s thinly veiled, speculative accusations of impropriety in respect of the sale of inventory by Everest to TRU and Famous. As Receiver, you did not advise the parties and the Court in the TRU CCAA proceedings that you were aware that my client has contested your allegations and that much of what you rely on in your letter are untested allegations. For example, you do not reference my clients’ position, including, among other things: the fact that all of the alleged impugned transactions were undertaken in the ordinary course, and were expressly permitted under the applicable TD financing; that much of the invoiced inventory was never delivered or was damaged; that there was no better market for the inventory in question, as demonstrated by the fact that the Receiver declined an offer to return the inventory that had been sold to Famous shortly before the receivership; and, that the Receiver has not taken any steps to collect on those receivables.

Finally, we note that the Receiver made no mention of the extensive third-party resources that Putman’s made available to the Receiver upon its appointment, to facilitate the Receiver’s work, voluntarily and without charge.

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We are instructed to send this letter to the service list, file this letter with the Court, and attend at the hearing scheduled on Monday to address these matters.

Finally, your letter indicates that the Receiver assigned Everest into bankruptcy in October 2025. Our clients have no recollection of having received notice of the bankruptcy. Kindly provide us with a copy of the affidavit of mailing to creditors of notice of the First Meeting of Creditors, and the minutes of that meeting.

Yours very truly,

Paliare Roland Rosenberg Rothstein LLP

A handwritten signature in black ink, appearing to be 'KR' with a stylized flourish.

Ken Rosenberg
KR:MS