

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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 **NORDSTROM CANADA RETAIL,
INC., NORDSTROM CANADA HOLDINGS, LLC** and
NORDSTROM CANADA HOLDINGS II, LLC

APPLICANTS

**FACTUM OF THE APPLICANTS
(CCAA TERMINATION)**

December 10, 2025

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PART I - OVERVIEW

1. The Applicants obtained relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “CCAA”) pursuant to the Initial Order of this Court dated March 2, 2023. Since that time, they have worked diligently to facilitate the Liquidation Sale, resolve all Claims in the Claims Process, and achieve a high recovery for Affected Creditors through the implementation of the Plan, all in pursuit of the controlled and orderly exit of the Nordstrom Canada Entities from the Canadian market.

2. Now that the Nordstrom Canada Entities have successfully achieved the purpose of these CCAA proceedings and resolved the final Claims in the Claims Process, they are prepared to terminate these CCAA proceedings and conclude their orderly wind-down. The Nordstrom Canada Entities accordingly seek an order (the “**CCAA Termination Order**”), among other things:

- (a) terminating these CCAA proceedings and discharging the Monitor and ERC (as defined below) as of the CCAA Termination Time (as defined below), subject to the completion of any ancillary matters post-termination;
- (b) approving certain reports of the Monitor filed in these CCAA proceedings and the activities and conduct of the Monitor described therein;
- (c) approving the fees and disbursements of the Monitor and the Monitor’s legal counsel;
- (d) authorizing the assignment into bankruptcy and/or dissolution or wind-down under applicable corporate or insolvency law of each of the Nordstrom Canada Entities;

- (e) extending the Plan Releases in favour of the Released Parties (as defined in the Plan) up to and including the CCAA Termination Time; and
- (f) extending the Stay Period (as defined in paragraph 15 of the Amended and Restated Initial Order) until and including the earlier of (i) the CCAA Termination Time and (ii) such other date as this Court may order.

3. These CCAA proceedings have served their purpose. Throughout the course of these CCAA proceedings, the Nordstrom Canada Entities have acted in good faith and with due diligence to achieve an orderly wind-down of their business. Their implementation of the Plan has resulted in significant, timely recoveries for Affected Creditors, which with the Final Distribution will aggregate approximately 80% of their Proven Claims. This Court should now grant the CCAA Termination Order to achieve an orderly and efficient conclusion to these CCAA proceedings, proving certainty and finality for all stakeholders.

PART II - FACTS

4. The facts underlying this motion are more fully set out in the Affidavit of Misti Heckel sworn December 3, 2025 (the “**Twelfth Heckel Affidavit**”). Capitalized terms used but not defined herein have the meanings ascribed to them in the Twelfth Heckel Affidavit.

A. Background

5. The Applicants obtained the Initial Order on March 2, 2023, which, among other things, granted an initial stay of proceedings, approved the creation of an Employee Trust, and appointed

Ursel Phillips Fellows Hopkinson LLP (“UPFH”) as Employee Representative Counsel (“ERC”).¹

6. This Court subsequently granted an Amended and Restated Initial Order on March 10, 2023.² The Stay Period has been extended on a number of occasions, most recently to December 19, 2025, by order of this Court dated June 25, 2025 (the “**June Stay Extension Order**”).³

7. On March 20, 2023, the Court granted the Sale Approval Order that approved a Consulting Agreement and Sale Guidelines for the Liquidation Sale.⁴

8. On May 30, 2023, the Court granted the Claims Procedure Order, which established a claims process for the identification, quantification, and resolution of Claims (as defined in the Claims Procedure Order) as against the Nordstrom Canada Entities and their directors and officers.⁵

9. On July 17, 2023, the Court granted two Approval and Vesting Orders, which approved the transactions contemplated by an Assignment and Assumption of Leases between Canada Leasing LP and Winners LP with respect to the Deerfoot Meadows and Vaughan Mills Nordstrom

¹ Twelfth Heckel Affidavit at paras. 6, 8(d). This Court later approved the wind-up and termination of the Employee Trust by order dated September 27, 2023: Twelfth Heckel Affidavit at para. 15.

² Twelfth Heckel Affidavit at para. 10.

³ Twelfth Heckel Affidavit at paras. 10-22.

⁴ Twelfth Heckel Affidavit at para. 11.

⁵ Twelfth Heckel Affidavit at para. 13.

Rack Leases, and an Assignment and Assumption of Lease between Canada Leasing LP and G2MC Inc. with respect to the Heartland Nordstrom Rack Lease.⁶

10. On December 20, 2023, the Court granted the Meeting Order that accepted the filing of the Plan and authorized the Nordstrom Canada Entities to call and hold the Creditors' Meeting.⁷ The Creditors' Meeting to vote on the Plan was held on March 1, 2024. According to the Monitor's tabulation, the Affected Creditors holding Proven Claims that were present in person or by proxy and voted (or were deemed to vote) at the Creditors' Meeting voted unanimously to approve the Resolution in favour of the Plan.⁸

11. On March 19, 2024, this Court granted the Sanction and Vesting Order, which sanctioned the Plan and authorized the Nordstrom Canada Entities and the Monitor to implement it.⁹ On April 25, 2024, following its receipt of notice from the Nordstrom Canada Entities that all conditions precedent to Plan implementation had been fulfilled, the Monitor caused the Monitor's Plan Implementation Date Certificate to be provided to the Nordstrom Canada Entities, served on the Service List, filed with the Court, and posted on the Monitor's Website.¹⁰

⁶ Twelfth Heckel Affidavit at para. 14.

⁷ Twelfth Heckel Affidavit at para. 16.

⁸ Twelfth Heckel Affidavit at para. 17.

⁹ Twelfth Heckel Affidavit at para. 18.

¹⁰ Twelfth Heckel Affidavit at para. 19.

B. Progress of the CCAA proceedings

(a) Termination of the Employee Trust

12. In connection with the Employee Trust, an application for a clearance certificate and closure of the business number was submitted to the CRA on January 29, 2025. As of April 30, 2025, the Monitor's trust account for the Employee Trust held a balance of approximately \$327,000. The clearance certificate was issued by the CRA on June 26, 2025, and the remaining balance in the Employee Trust was returned to Nordstrom US in accordance with the order of this Court dated September 27, 2023.¹¹

(b) Lease monetization transactions

13. The transactions for the Vaughan Mills and Deerfoot Meadows Nordstrom Rack Leases closed on February 1, 2024. The Monitor delivered the Monitor's Certificate confirming the completion of the transactions. Withholding taxes in the amount of \$175,000 were withheld by counsel to Winners LP. The withheld amounts were paid by the CRA to Canada Leasing LP and were subsequently contributed to the Consolidated Cash Pool Account. They will be distributed to Affected Creditors as part of the Final Distribution.¹²

(c) Claims Process and other Plan matters

14. The Nordstrom Canada Entities and the Monitor have now resolved all remaining Claims in the Claims Process.¹³

¹¹ Twelfth Heckel Affidavit at para. 24.

¹² Twelfth Heckel Affidavit at para. 25.

¹³ Twelfth Heckel Affidavit at para. 26.

15. After June 16, 2025, the Nordstrom Canada Entities filed with the CRA all required income tax returns for fiscal year-end 2025 and the pro-forma tax returns to cover the period of the current taxation year through to the completion of the wind-down for review by the CRA.¹⁴

16. As of June 16, 2025, the CRA Marker Claim and post-filing Canadian federal income tax and HST matters were the principal remaining matters to be resolved in these CCAA proceedings. Since that time, the Nordstrom Canada Entities, in consultation with the Monitor, continued to work cooperatively with the CRA, and the Department of Justice on behalf of the CRA. The parties have now agreed on all pre- and post-filing amounts owed with respect to the Marker Claim filed by the CRA by the Nordstrom Canada Entities and all refunds owed to the Nordstrom Canada Entities. The CRA and the Nordstrom Canada Entities, in consultation with the Monitor, have also agreed on the resolution of all ancillary matters related to these CCAA proceedings for the purpose of facilitating the Final Distribution to Affected Creditors.¹⁵

17. After the resolution of the CRA Marker Claim and all other remaining Claims, the remaining balance of the Disputed Claims Reserve – which contained approximately \$5.1 million as of June 16, 2025 – was transferred to the Consolidated Cash Pool Account. As these were the final remaining Claims to be resolved in these CCAA proceedings, the Nordstrom Canada Entities were then able to commence the process to proceed with the Final Distribution.¹⁶

¹⁴ Twelfth Heckel Affidavit at para. 27.

¹⁵ Twelfth Heckel Affidavit at para. 28.

¹⁶ Twelfth Heckel Affidavit at para. 29.

(d) Final Distribution and updated recovery analysis

18. The Plan Implementation Date occurred on April 25, 2024, and the Initial Distribution Date on May 15, 2024. The initial distribution was in the amount of approximately 72% of Proven Claims of Affected Creditors (other than Other Priority Claim Creditors, Convenience Class Creditors and Supporting Rack Landlords).¹⁷

19. A second distribution subsequently became appropriate in light of the advanced status of the Claims Process and these CCAA proceedings, and the fact that there was approximately \$13.9 million in aggregate in the Administrative Reserve Account, Disputed Claims Reserve Account, and Consolidated Cash Pool Account as of June 16, 2025. The Nordstrom Canada Entities and the Monitor therefore made the Second Distribution to Affected Creditors with Proven Claims in the amount of \$10.5 million on August 22, 2025, resulting in an incremental 6% recovery for Affected Creditors with Proven Claims (and an aggregate recovery at that time of 78%).¹⁸

20. As at November 28, 2025, approximately 16 Creditors with Claims totaling approximately \$117,000 had not cashed their distribution cheques from the Second Distribution. Under the Plan, all claims by Creditors for undeliverable or uncashed distributions in respect of Proven Claims will be forever discharged and barred if they are made later than four months following the Initial Distribution Date. The Monitor has made a number of attempts to contact the applicable Creditors in advance of the December 22, 2025 deadline to cash the cheques from the Second Distribution.¹⁹

¹⁷ Twelfth Heckel Affidavit at para. 30.

¹⁸ Twelfth Heckel Affidavit at para. 31.

¹⁹ Twelfth Heckel Affidavit at para. 32.

21. The procedure for the Final Distribution is set out under the Plan: on the Final Distribution Date, once there are no remaining Disputed Claims and any Cash remaining in the Administrative Reserve Account (after the payment or reservation for any final Administrative Reserve Costs) and the Disputed Claims Reserve Account is transferred to the Consolidated Cash Pool Account, Nordstrom Canada, on behalf of itself and each of the other Nordstrom Canada Entities, shall distribute to the Affected Creditors with Proven Claims an amount equal to each such Affected Creditor's respective Pro Rata Share of any Cash in the Consolidated Cash Pool Account, in full and final settlement, satisfaction, and extinguishment of each such Affected Creditor's Proven Claim.²⁰

22. The Nordstrom Canada Entities anticipate that a small number of distribution cheques from the Second Distribution and Final Distribution will likely not be cashed or will otherwise be deemed undeliverable distributions. The proposed CCAA Termination Order therefore provides that any undeliverable distributions and any amounts remaining in the Nordstrom Canada Entities' estates after payment of final Administrative Reserve Costs shall be distributed to Big Brothers Big Sisters of Canada.²¹

23. As of December 3, 2025, the Nordstrom Canada Entities, with the assistance of the Monitor, have commenced the process to make the Final Distribution. It is anticipated that the Final Distribution will take two to three weeks, and all distributions will be initiated prior to December 31, 2025. The Final Distribution is projected to be in the amount of approximately \$3.2 million, and will result in an incremental 1.8% recovery for Affected Creditors with Proven Claims

²⁰ Twelfth Heckel Affidavit at para. 33.

²¹ Twelfth Heckel Affidavit at para. 34.

(and a total recovery of approximately 80%). The total recovery for Affected Creditors is therefore expected to materially exceed the expected 72% to 75% recovery anticipated at the time of swearing the Sanction Order Affidavit.²²

PART III - THE ISSUES

24. The issues on this motion are whether this Court should:

- (a) authorize the termination of these CCAA proceedings and the discharge of the Monitor and ERC at the CCAA Termination Time;
- (b) extend the Plan Releases;
- (c) approve certain reports and activities of the Monitor;
- (d) approve the accounts of the Monitor and its counsel; and
- (e) extend the Stay of Proceedings.

PART IV - THE LAW

A. These CCAA proceedings should be terminated

25. Now that the Final Distribution is underway, all material matters to be attended to in connection with the Plan and these CCAA proceedings are complete. The Nordstrom Canada Entities have successfully achieved their stated purpose of these proceedings, namely to conduct an orderly wind-down of the Nordstrom Canada Entities' business in a responsible manner and maximize recoveries for the benefit of all stakeholders.²³

²² Twelfth Heckel Affidavit at para. 35.

²³ Twelfth Heckel Affidavit at para. 36.

26. The proposed CCAA Termination Order accordingly provides that, upon service by the Monitor of the Monitor's Certificate, these CCAA proceedings shall be terminated without any further act or formality (the "**CCAA Termination Time**").²⁴ Effective as of the CCAA Termination Time: (i) the Administration Charge and Directors' Charge shall be terminated; (ii) A&M shall be discharged as the Monitor; and (iii) UPFH shall be discharged from its duties as ERC (in the case of A&M and UPFH, subject to the completion of any ancillary matters post-termination).²⁵

27. Despite its discharge, ERC is specifically authorized under the proposed CCAA Termination Order to assist Represented Employees with matters relating to the *Wage Earner Protection Program Act* ("**WEPPA**").²⁶ The Nordstrom Canada Entities and the Monitor will be requesting that the proposed Trustee in Bankruptcy of Nordstrom Canada make the necessary application under WEPPA for the approximately nine former employees who may be eligible,²⁷ as eligibility for payments under the WEPPA will be triggered by the bankruptcy filing.²⁸

²⁴ The Monitor is authorized, pursuant to the proposed CCAA Termination Order, to issue the Monitor's Certificate following the filing of the Monitor's Plan Completion Certificate and the completion of any other matters necessary to complete these CCAA proceedings: Twelfth Heckel Affidavit at para. 37.

²⁵ Twelfth Heckel Affidavit at para. 38.

²⁶ Twelfth Heckel Affidavit at para. 43. A portion of the amounts reserved for any final Administrative Reserve Costs will be used for this purpose.

²⁷ These nine former employees are those whose termination entitlements were governed by the Known Employee Claims Methodology (as defined in the Affidavit of Misti Heckel sworn May 19, 2023) and thus were not fully satisfied by the Employee Trust (which covered statutory termination claims) and/or the notice and payments already provided to Represented Employees. The Nordstrom Canada Entities, with the support of ERC and the Monitor, had chosen not to pursue a WEPPA declaration during the CCAA proceedings to maximize recovery for Represented Employees: Twelfth Heckel Affidavit at para. 43.

²⁸ Twelfth Heckel Affidavit at para. 43.

28. In order to facilitate an orderly and efficient wind-up of the Nordstrom Canada Entities' estates, the proposed CCAA Termination Order also authorizes the Nordstrom Canada Entities to make an assignment in bankruptcy or take steps to effect the dissolution and/or wind-down under applicable corporate or insolvency law on or after the CCAA Termination Time.²⁹ It is currently anticipated that assignments into bankruptcy will be filed in respect of each of the Nordstrom Canada Entities as soon as practicable after the filing of the Monitor's Certificate.³⁰

29. Finally, the proposed CCAA Termination Order provides that any undeliverable distributions and any amounts remaining in the Nordstrom Canada Entities' estates after payment of final Administrative Reserve Costs shall be distributed to Big Brothers Big Sisters of Canada, to which the Nordstrom Canada Entities were unable to fully satisfy a pre-filing charitable commitment as a result of the initiation of the CCAA proceedings. The alternative approach – which would require another distribution to Affected Creditors in mid-2026 once the extent of uncashed distributions from the Final Distribution is known – would materially delay the completion of these CCAA proceedings and result in costs to the estate that would be disproportionate to the amounts that would otherwise be distributed to Affected Creditors in connection with an additional distribution.³¹

30. It is well-established that this Court may grant an order terminating proceedings under the CCAA on terms similar to those sought in the proposed CCAA Termination Order, including provisions explicitly:

²⁹ Twelfth Heckel Affidavit at para. 39.

³⁰ Twelfth Heckel Affidavit at para. 40.

³¹ Twelfth Heckel Affidavit at para. 34.

- (a) terminating the CCAA proceedings upon service of an executed certificate by the monitor certifying that, to the knowledge of the monitor, all matters necessary to complete the CCAA proceeding have been completed;³²
- (b) terminating, releasing, and discharging any charges connected to the CCAA proceedings at the termination time;³³
- (c) discharging the monitor from all duties, obligations, and responsibilities, while authorizing the monitor, notwithstanding its discharge, to address any matters that are ancillary or incidental to the CCAA proceedings;³⁴
- (d) discharging the law firm appointed as representative counsel for employees from its duties as employee representative counsel;³⁵
- (e) authorizing the debtor to make an assignment in bankruptcy;³⁶ and

³² See, e.g., *Forever XXI ULC (Re)* (28 September 2022), Toronto CV-19-00628233-00CL (ONSC) ([CCAA Termination Order](#)) at para. 8 and Schedule “A” [*Forever XXI Termination Order*]. See also *2688182 Alberta Inc. (Re)* (15 May 2025), Toronto CV-25-00734339-00CL ([Expansion of Monitor’s Powers and CCAA Termination Order](#)) at para. 11 [*Comark Termination Order*]; *BZAM Holdings Inc.* (15 May 2025), Toronto CV-24-00715773-00CL (ONSC) ([CCAA Termination Order](#)) at para. 9 [*BZAM Termination Order*].

³³ *Target Canada Co. (Re)* (18 October 2019), Toronto CV-15-10832-00CL (ONSC) ([Discharge Order](#)) at para. 12 [*Target Termination Order*]; *Forever XXI Termination Order* at para. 9; *Express Fashion Apparel Canada Inc. (Re)*, (8 December 2017), Toronto CV-17-11785-00CL (ONSC) ([Stay Extension & Discharge & Termination Order](#)) at para. 6 [*Express Termination Order*]; *Comark Termination Order* at para. 13.

³⁴ *Target Termination Order* at paras. 6, 8; *Forever XXI Termination Order* at para. 12; *Comark Termination Order* at para. 14; *BZAM Termination Order* at para. 11.

³⁵ *Target Canada Co. (Re)* (13 September 2017), Toronto CV-15-10832-00CL (ONSC) ([Order Extending the Stay Period and Discharging Employee Representative Counsel](#)) at para. 4.

³⁶ *Forever XXI Termination Order* at para. 14; *BZAM Termination Order* at para. 14.

- (f) distributing to a charitable organization any undeliverable distributions and other amounts remaining after payment of final administrative costs.³⁷

31. The proposed CCAA Termination Order is appropriate in the circumstances and provides for an effective and appropriate process for the termination of these CCAA proceedings.

B. The Plan Releases should be extended to the CCAA Termination Time

32. The Sanction and Vesting Order provides that the compromises and releases set out in Article 7 of the Plan are approved and shall be binding and effective against all Affected Creditors and all other Persons as at the Plan Implementation Date. In order to provide certainty and finality to these CCAA proceedings and the Released Parties under the Plan, the proposed CCAA Termination Order provides that the Plan Releases in favour of the Released Parties (as defined in the Plan) shall be extended and apply up to and including the CCAA Termination Time and any matters undertaken pursuant to the proposed CCAA Termination Order (the “**Extended Release**”).³⁸

33. The factors courts consider when granting third-party releases in CCAA proceedings are well-established: (i) whether the parties to be released were necessary and essential to the restructuring of the debtor; (ii) whether the claims to be released are rationally connected to the purpose of the restructuring and necessary for it; (iii) whether the restructuring could succeed

³⁷ *Target Termination Order* at para. 10(b).

³⁸ Twelfth Heckel Affidavit at para. 44.

without the releases; (iv) whether the parties being released contributed to the restructuring; and (v) whether the releases benefit the debtors as well as the creditors generally.³⁹

34. This Court previously determined that these factors were satisfied and that it was appropriate to approve the Plan Releases pursuant to the Sanction and Vesting Order. The proposed Extended Release continues to satisfy these factors. The proposed Extended Release is rationally connected to the Nordstrom Canada Entities' objective of completing an orderly, timely wind-down, providing finality and certainty to the conclusion of these CCAA proceedings with respect to the actions taken by the Released Parties since the Plan Implementation Date. Further, the Monitor supports the extension of the Plan Releases to the CCAA Termination Time,⁴⁰ and believes that it is appropriate given the contributions of the Released Parties during the period from the Plan Implementation Date to the CCAA Termination Time.⁴¹

35. Each of the Released Parties has made substantial contributions to these CCAA proceedings, including by working to achieve a high recovery for Affected Creditors through implementation of the Plan (which was approved by 100% of the Affected Creditors voting in person or by proxy at the Creditors' Meeting), resolving all Claims in the Claims Process (including in relation to the CRA Marker Claim), facilitating the Liquidation Sale, and ensuring the controlled and orderly exit of the Nordstrom Canada Entities from the Canadian market. As

³⁹ *Lydian International Limited (Re)*, [2020 ONSC 4006](#) at para. 54.

⁴⁰ Twelfth Heckel Affidavit at para. 48.

⁴¹ Thirteenth Report of the Monitor dated December 10, 2025 (the "**Thirteenth Report**") at para. 6.6.

these contributions have continued since the Court's granting of the Sanction and Vesting Order, it is appropriate to seek the extension of the Plan releases to cover that time.⁴²

36. The Plan Sponsor in particular has materially contributed to the orderly wind-down of the Nordstrom Canada Entities' business, including by engaging in significant negotiations with the Nordstrom Canada Entities and the Monitor to resolve the CCAA Lease Claims without litigation, not recovering on over \$300 million worth of Claims against the Nordstrom Canada Entities, and funding the Employee Trust in the amount of \$15.2 million.⁴³ Since the Plan Implementation Date, the Plan Sponsor has continued to make a significant and material contribution to these CCAA proceedings by providing the necessary shared services and back-office assistance to resolve the final Claims in the Claims Process (including the CRA Marker Claim), make distributions to Affected Creditors, and complete all ancillary matters necessary under the Plan to allow the Nordstrom Canada Entities to seek the proposed CCAA Termination Order. Extending the release of the Plan Sponsor to the CCAA Termination Time is appropriate, as its contributions to these CCAA proceedings contributed to materially higher and significantly accelerated recoveries for Affected Creditors.⁴⁴

37. The Extended Release is a logical and natural extension of the Plan Releases. They are identical in scope, except for the incremental extension necessary to account for the period between the Plan Implementation Date to the CCAA Termination Time: the Extended Release would simply extend the Plan Release "up to and including the CCAA Termination Time and any matters

⁴² Twelfth Heckel Affidavit at para. 45.

⁴³ Twelfth Heckel Affidavit at para. 46.

⁴⁴ Twelfth Heckel Affidavit at para. 47; Thirteenth Report at para. 6.6.

undertaken pursuant to this Order.”⁴⁵ Further, the Sanction and Vesting Order had communicated the Applicants’ intention to return to Court to seek the Extended Release.⁴⁶

38. Just as this Court approved the Plan Releases, it should grant the Extended Release. In granting the Sanction and Vesting Order, the Court noted that “[a]ll Affected Creditors received full notice of the terms of the Plan and the releases contained therein, including through the Letter to Creditors distributed pursuant to the Meeting Order.”⁴⁷ The Court concluded that the “proposed releases in the Plan are fair and reasonable and are not excessive in scope” and in particular was “satisfied that the Plan Sponsor’s economic contributions have demonstrably increased the available recoveries for Affected Creditors.”⁴⁸ These conclusions apply equally to the Extended Release and the period to which it relates, and weigh in favour of its approval.

C. The Monitor’s Reports and activities should be approved

39. The proposed CCAA Termination Order would approve the Eleventh Report of the Monitor dated December 4, 2024, the Twelfth Report of the Monitor dated June 19, 2025, the Thirteenth Report, and the activities and conduct of the Monitor described therein.⁴⁹

⁴⁵ Draft CCAA Termination Order at para. 13, at Tab 3 to the Motion Record of the Applicants (Motion for CCAA Termination) dated December 3, 2025 (the “**Draft CCAA Termination Order**”).

⁴⁶ *Nordstrom Canada Retail, Inc. (Re)* (19 March 2024), Toronto CV-23-00695619-00CL (ONSC) ([Sanction and Vesting Order](#)) at para. 37.

⁴⁷ *Nordstrom Canada Retail, Inc.*, [2024 ONSC 1622](#) at para. 33 [*Sanction and Vesting Order Endorsement*].

⁴⁸ *Sanction and Vesting Order Endorsement* at paras. 32-34, 37.

⁴⁹ Draft CCAA Termination Order at para. 3.

40. This Court has noted that requests to approve a monitor's reports and activities are "not unusual," and there are "good policy and practical reasons" for the court to do so, including:⁵⁰

- (a) allowing the monitor to move forward with next steps in the CCAA proceeding;
- (b) allowing the monitor to bring its activities before the court;
- (c) enabling the court to satisfy itself that a monitor's activities have been conducted in a prudent and diligent manner;
- (d) providing protection for a monitor not otherwise provided by the CCAA; and
- (e) protecting creditors from delay that may be caused by re-litigation of steps.

41. Such approval is commonly granted as part of CCAA termination orders.⁵¹ The Monitor's reports and activities should be approved, as the Monitor has acted reasonably and in good faith throughout these CCAA proceedings. Further, the proposed CCAA Termination Order provides that only the Monitor is entitled to rely upon such approval.⁵² Granting this relief would help facilitate the orderly termination of these CCAA proceedings.

D. The accounts of the Monitor and its counsel should be approved

42. The proposed CCAA Termination Order would also approve the fees and disbursements of the Monitor for the period from June 2, 2024 to December 6, 2025, the fees of the Monitor's

⁵⁰ *Laurentian University of Sudbury*, [2022 ONSC 2927](#) at paras. 13-14, citing *Target Canada Co. (Re)*, [2015 ONSC 7574](#) at paras. 2, 12, 22 [*Target*].

⁵¹ See, e.g., *BZAM Termination Order* at para. 4; *Comark Termination Order* at para. 17; *Forever XXI Termination Order* at paras. 3-4.

⁵² Draft CCAA Termination Order at para. 3. This Court has recognized the appropriateness of including such language to limit the effect of the approval: see *Target* at paras. 7, 22-26.

counsel from for the period from May 8, 2024 to December 6, 2025, and an estimate of fees to be incurred by the Monitor and its counsel through to the completion of activities in connection with these CCAA Proceedings.⁵³

43. Court approval of the Monitor's fees is contemplated by the Amended and Restated Initial Order, which provides that (a) the Monitor and its counsel shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Nordstrom Canada Entities as part of the costs of these proceedings; and (b) the Monitor and its counsel shall pass their accounts from time to time before the Court. This Court has previously approved the fees and disbursements of the Monitor through the period ended June 1, 2024 and the Monitor's counsel through the period ended May 7, 2024 pursuant to orders dated July 17, 2023 and June 26, 2024.⁵⁴

44. In considering whether to approve fees and disbursements, a court has regard to the "overriding principle of reasonableness," and does not engage in a docket-by-docket or line-by-line assessment of the accounts.⁵⁵ The following factors assist a court in assessing the reasonableness of the Monitor's fees: (a) the nature, extent and value of the assets being handled; (b) the complications and difficulties encountered; (c) the degree of assistance provided by the company, its officers or its employees; (d) the time spent; (e) the Monitor's knowledge, experience and skill; (f) the diligence and thoroughness displayed; (g) the responsibilities assumed; (h) the

⁵³ Thirteenth Report at para. 1.8(c)(iii).

⁵⁴ Thirteenth Report at paras. 5.1, 5.2.

⁵⁵ *Nortel Networks Inc.*, [2022 ONSC 6680](#) at para. 10 [*Nortel*].

results achieved; and (i) the cost of comparable services when performed in a prudent and economical manner.⁵⁶

45. Fee approvals are routinely given as part of CCAA termination orders,⁵⁷ and should be granted in this case. The approval of the fees and disbursements of the Monitor and its legal counsel is just and appropriate and would help facilitate the completion of these CCAA proceedings. These fees and disbursements are fair and appropriate based on the complexity of the case and the results achieved.

E. The Stay of Proceedings should be extended

46. This Court has the authority to extend a CCAA stay pursuant to section 11.02(2) of the CCAA, provided that the two considerations outlined in section 11.02(3) are satisfied. These are: (a) circumstances exist that make the order appropriate; and (b) the applicant has acted, and is acting, in good faith and with due diligence. Both of the section 11.02(3) factors are satisfied here.

47. The current Stay Period will expire on December 19, 2025.⁵⁸ The Applicants are seeking to extend the Stay Period until and including the earlier of (i) the CCAA Termination Time and (ii) such other date as this Court may order.⁵⁹

48. The requested short stay extension to facilitate the completion of these CCAA proceeding is appropriate and necessary in the circumstances to permit the Nordstrom Canada Entities to

⁵⁶ *Nortel* at para. 11.

⁵⁷ See, e.g., *Comark Termination Order* at paras. 18-20; *Forever XXI Termination Order* at paras. 5-7; *BZAM Termination Order* at paras. 5-7.

⁵⁸ Twelfth Heckel Affidavit at para. 22.

⁵⁹ Twelfth Heckel Affidavit at para. 3(h).

attend to termination matters and exit these CCAA proceedings in an orderly fashion. The Monitor is of the view that no party will suffer material prejudice as a result of the extension of the Stay Period.⁶⁰ Throughout the course of these CCAA proceedings, the Nordstrom Canada Entities have acted in good faith and with due diligence to achieve an orderly wind-down of the Nordstrom Canada Entities' business and implement the Plan.⁶¹ Since the granting of the June Stay Extension Order, the Nordstrom Canada Entities have continued to make progress in these CCAA Proceedings, including by working to resolve the CRA Marker Claim and prepare for the Final Distribution.⁶²

PART V - RELIEF REQUESTED

49. For the reasons set out above, this Court should grant the proposed CCAA Termination Order.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 10th day of December, 2025.



OSLER, HOSKIN & HARCOURT, LLP
per Hannah Davis

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Lawyers for the Applicants

⁶⁰ Thirteenth Report at para. 6.2.

⁶¹ Twelfth Heckel Affidavit at para. 23.

⁶² Twelfth Heckel Affidavit at paras. 28-29, 35.

SCHEDULE "A"

LIST OF AUTHORITIES

1. *2688182 Alberta Inc. (Re)* (15 May 2025), Toronto CV-25-00734339-00CL ([Expansion of Monitor's Powers and CCAA Termination Order](#))
2. *BZAM Holdings Inc.* (15 May 2025), Toronto CV-24-00715773-00CL (ONSC) ([CCAA Termination Order](#))
3. *Express Fashion Apparel Canada Inc. (Re)*, (8 December 2017), Toronto CV-17-11785-00CL (ONSC) ([Stay Extension & Discharge & Termination Order](#))
4. *Forever XXI ULC (Re)* (28 September 2022), Toronto CV-19-00628233-00CL (ONSC) ([CCAA Termination Order](#))
5. *Laurentian University of Sudbury*, [2022 ONSC 2927](#)
6. *Lydian International Limited (Re)*, [2020 ONSC 4006](#)
7. *Nordstrom Canada Retail, Inc. (Re)* (19 March 2024), Toronto CV-23-00695619-00CL (ONSC) ([Sanction and Vesting Order](#))
8. *Nordstrom Canada Retail, Inc.*, [2024 ONSC 1622](#)
9. *Nortel Networks Inc.*, [2022 ONSC 6680](#)
10. *Target Canada Co. (Re)*, [2015 ONSC 7574](#)
11. *Target Canada Co. (Re)* (18 October 2019), Toronto CV-15-10832-00CL (ONSC) ([Discharge Order](#))
12. *Target Canada Co. (Re)* (13 September 2017), Toronto CV-15-10832-00CL (ONSC) ([Order Extending the Stay Period and Discharging Employee Representative Counsel](#))

I certify that I am satisfied as to the authenticity of every authority.

Date December 10, 2025



Signature

SCHEDULE “B”
TEXT OF STATUTES, REGULATIONS & BY-LAWS

Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36

Stays, etc. — other than initial application

11.02 (2) A court may, on an application in respect of a debtor company other than an initial application, make an order, on any terms that it may impose,

- (a) staying, until otherwise ordered by the court, for any period that the court considers necessary, all proceedings taken or that might be taken in respect of the company under an Act referred to in paragraph (1)(a);
- (b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and
- (c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

Burden of proof on application

11.02 (3) The court shall not make the order unless

- (a) the applicant satisfies the court that circumstances exist that make the order appropriate; and
- (b) in the case of an order under subsection (2), the applicant also satisfies the court that the applicant has acted, and is acting, in good faith and with due diligence.

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

Court File No.: CV-23-00695619-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NORDSTROM
CANADA RETAIL, INC., NORDSTROM CANADA HOLDINGS, LLC AND NORDSTROM
CANADA HOLDINGS II, LLC

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

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