

**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 OLD TBS CANADA LIMITED**

**FACTUM OF THE MONITOR  
(STAY EXTENSION ORDER)**

November 14, 2025

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Monitor of Old TBS Canada Limited*

**TO: SERVICE LIST**

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**PART I - NATURE OF THIS MOTION**

1. This factum is filed by Alvarez & Marsal Canada Inc. (“**A&M**”) in its capacity as court appointed monitor (the “**Monitor**”) of Old TBS Canada Limited (f/k/a The Body Shop Canada Limited) (the “**Company**”) in its proceeding under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) in support of the Monitor’s motion for an Order, substantially in the form found at Tab 3 of the Monitor’s Motion Record dated November 11, 2025 (the “**Stay Extension Order**”), among other things, extending the Stay Period (as defined below) to and including October 31, 2026.

**PART II - SUMMARY OF FACTS**

**A. Background**

2. On March 1, 2024, the Company filed a notice of intention (“**NOI**”) to make a proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3, as amended following the sudden and unexpected filing for administration by its parent company in the United Kingdom (the “**UK**”

**Parent**”, and such proceeding, the “**UK Administration Proceeding**”). A&M was appointed as the proposal trustee in the NOI proceeding.<sup>1</sup>

3. On July 5, 2024, the Company obtained: (i) an Initial Order, among other things, continuing the NOI proceeding under the CCAA, appointing A&M as the Monitor and granting a stay of proceedings until October 8, 2024 (the “**Stay Period**”); and (ii) an Order, among other things, terminating the NOI proceeding and discharging and releasing A&M as proposal trustee.<sup>2</sup>

4. Also on July 5, 2024, the Company obtained an Order (the “**Sale Process Order**”), among other things, authorizing the Company and the Monitor to conduct a sale process in respect of the assets and business of the Company (the “**Sale Process**”).<sup>3</sup>

5. On October 4, 2024, the Stay Period was extended to December 31, 2024 pursuant to an Order of the Court.<sup>4</sup>

6. The Company and the Monitor conducted the Sale Process in accordance with the Sale Process Order, which culminated in the Company identifying a value maximizing transaction (the “**Transaction**”) contemplated by an asset purchase agreement dated as of December 6, 2024 with Body and Lotion Inc. (previously 1001072685 Ontario Inc.).<sup>5</sup>

7. On December 13, 2024, the Court granted, among other Orders: (i) an Approval and Vesting Order, among other things, approving the Transaction; and (ii) an Order (the “**Ancillary**

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<sup>1</sup> Fourth Report of the Monitor dated November 11, 2025 at 1.1 – 1.3 [*Fourth Report*].

<sup>2</sup> Fourth Report at 1.7.

<sup>3</sup> Fourth Report at 1.7.

<sup>4</sup> Fourth Report at 1.8.

<sup>5</sup> Third Report of the Monitor dated February 12, 2025 at 1.9 [*Third Report*].

**Order**”), among other things, expanding the Monitor’s powers and granting additional protections in favour of the Monitor and extending the Stay Period to March 31, 2025.<sup>6</sup>

8. The Transaction closed on December 16, 2024.<sup>7</sup>

9. On February 19, 2025, the Monitor obtained a Claims Procedure Order, among other things, authorizing the Monitor to establish and conduct a claims procedure for the identification, quantification and resolution of claims of certain creditors of the Company and the Company’s directors and officers (the “**Claims Procedure**”) and extending the Stay Period.<sup>8</sup>

## **B. Stay Extension**

10. The stay of proceedings currently expires on December 31, 2025. The Monitor is seeking an extension to the Stay Period to and including October 31, 2026.<sup>9</sup>

11. The wind down of the Company remains ongoing and the Monitor requires the proposed extension to:

- (a) complete the administration of the Claims Procedure;
- (b) continue to engage with the UK Administrator regarding an anticipated distribution to the Company from the UK Administration Proceeding commenced in respect of the UK Parent. Based on the Monitor’s discussions with the UK Administrator, the Monitor understands any anticipated distribution is not anticipated to occur in the near term;

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<sup>6</sup> Fourth Report at 1.9.

<sup>7</sup> Third Report at 4.1.

<sup>8</sup> Fourth Report at 1.10.

<sup>9</sup> Fourth Report at 6.1.

- (c) together with the Monitor's legal counsel and the Company's tax advisors, engage with Canada Revenue Agency ("CRA") in respect of potential withholding tax obligations owing by the Company; and
- (d) finalize its administration and winddown of the Company in accordance with the Monitor's powers under the Ancillary Order, including seeking approval of one or more distribution to the Company's creditors.<sup>10</sup>

12. The update on cash flow and the anticipated cash balances included in the Fourth Report demonstrates that the Company will have sufficient liquidity through the proposed Stay Period.<sup>11</sup>

13. The Monitor is not aware of any creditor that would be materially prejudiced by the proposed extension of the Stay Period.<sup>12</sup>

### **PART III - STATEMENT OF ISSUES, LAW & AUTHORITIES**

14. The issue now before this Court is whether this Court should extend the Stay Period up to and including October 31, 2026.

15. The Monitor submits that the answer to that question is "yes".

#### **A. The Stay Period Should be Extended**

16. Pursuant to Section 11.02 of the CCAA, the Court may grant an extension of a stay of proceedings where: (a) circumstances exist that make the order appropriate; and (b) the debtor company satisfies the Court that it has acted, and is acting, in good faith and with due diligence.

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<sup>10</sup> Fourth Report at 6.2.

<sup>11</sup> Fourth Report at 4.3 & 6.3.

<sup>12</sup> Fourth Report at 6.4.

There is no statutory time limit on how long a stay of proceedings can be extended.<sup>13</sup> This Court has regularly granted protracted stay extensions to provide court officers with sufficient time to complete the administration of a debtor company's insolvency.<sup>14</sup>

17. The stay of proceedings currently expires on December 31, 2025. The Monitor requests that the Stay Period be extended up to and including October 31, 2026, for the following reasons:

- (a) an extension of the Stay Period is necessary to allow the Monitor to complete its ongoing activities in the CCAA proceeding, including its administration of the Claims Procedure;<sup>15</sup>
- (b) the proposed extension will provide the Monitor additional time required to pursue a distribution from the UK Administration Proceeding, which is the largest remaining asset and which will be critical to distributions to unsecured creditors. The distribution is not anticipated in the near term, thus necessitating a longer than typical extension to the Stay Period;<sup>16</sup>
- (c) the proposed extension is required to provide the Monitor with an opportunity to work with CRA and reconcile the outstanding tax amounts, including pursuing relief under the tax payer relief provisions of the *Income Tax Act* and pursuing certain refunds;<sup>17</sup>

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<sup>13</sup> *Companies' Creditors Arrangement Act*, [R.S.C. 1985, c. C-36](#) at s. [11.02](#) [CCAA].

<sup>14</sup> See for e.g., *In the Matter of 16323715 Canada Inc.*, (October 7, 2024) ONSC (Commercial List), Court File No. CV-23-00707394 ([CCAA Termination Order](#)) at para 3; *In the Matter of Old MM GP Inc.*, (October 31, 2024) ONSC (Commercial List), Court File No. CV-23-00710259-00CL ([Stay Extension Order](#)) at para 2; *In the Matter of Ted Baker Canada Inc. et al.*, (January 28, 2025) ONSC (Commercial List), Court File No. CV-24-00718993-00CL ([Stay Extension Order](#)) at para 3.

<sup>15</sup> Fourth Report at 5.8, 5.11 & 6.2.

<sup>16</sup> Fourth Report at 4.13, 5.14 & 6.2.

<sup>17</sup> Fourth Report at 4.5, 4.7 & 6.2.

- (d) the Monitor and the Company (at the direction of the Monitor) have acted in good faith and with due diligence throughout this CCAA proceeding, and the proposed extension is in the best interest of the Company and its stakeholders;<sup>18</sup>
- (e) the Monitor believes that the granting of the extension of the Stay Period will not prejudice any creditors of the Company;<sup>19</sup> and
- (f) the cash held by the Monitor on behalf of the Company is sufficient to satisfy the costs that will be incurred during the extended Stay Period.<sup>20</sup>

18. The proposed extension of the Stay Period is in the best interests of the Company's stakeholders and should be approved by the Court.

#### **PART IV - ORDER REQUESTED**

19. For all of the reasons above, the Monitor respectfully requests that the Court grant the Stay Extension Order, approving the relief set out herein.

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<sup>18</sup> Fourth Report at 4.0 – 5.0 & 7.0.

<sup>19</sup> Fourth Report at 6.4.

<sup>20</sup> Fourth Report at 4.3 & 6.3.



**ALL OF WHICH IS RESPECTFULLY SUBMITTED** this 14<sup>th</sup> day of November, 2025.

*Cassels Brock & Blackwell LLP*

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## SCHEDULE “A”

### LIST OF AUTHORITIES

1. *In the Matter of 16323715 Canada Inc.*, (October 7, 2024) ONSC (Commercial List), Court File No. CV-23-00707394 ([CCAA Termination Order](#))
2. *In the Matter of Old MM GP Inc.*, (October 31, 2024) ONSC (Commercial List), Court File No. CV-23-00710259-00CL ([Stay Extension Order](#))
3. *In the Matter of Ted Baker Canada Inc. et al.*, (January 28, 2025) ONSC (Commercial List), Court File No. CV-24-00718993-00CL ([Stay Extension Order](#))

I, Alec Hoy, am satisfied as to the authenticity of every authority cited in this factum, in accordance with Rule 4.06.1(2.1) of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194.

Dated as of November 14, 2025



Alec Hoy

## SCHEDULE “B”

### TEXT OF STATUTES, REGULATIONS & BY - LAWS

*Companies’ Creditors Arrangement Act*, [R.S.C., 1985, c. C-36](#), as amended

#### **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.

[...]

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