

**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  
1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C.  
LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608  
B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270  
ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC.,  
AND 2472598 ONTARIO INC.**

**Applicants**

**FACTUM OF THE MONITOR  
(Returnable January 16, 2026)**

January 14, 2026

**BENNETT JONES LLP**  
One First Canadian Place  
Suite 3400, P.O. Box 130  
Toronto, Ontario M5X 1A4

**Sean Zweig** (LSO# 57307I)  
Tel: (416) 777-6254  
Email: zweigs@bennettjones.com

**Preet Gill** (LSO# 55526E)  
Tel: (416) 777-6513  
Email: gillp@bennettjones.com

**Mike Shakra** (LSO# 64604K)  
Tel: (416) 777-3236  
Email: shakram@bennettjones.com

**Thomas Gray** (LSO# 82473H)  
Tel: (416) 777-7924  
Email: grayt@bennettjones.com

Lawyers for the Applicants

**TO: THE SERVICE LIST**

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## PART I - OVERVIEW

1. Alvarez & Marsal Canada Inc. (“**A&M**”), in its capacity as the monitor of 1242939 B.C. Unlimited Liability Company (f/k/a Hudson’s Bay Company ULC Compagnie De La Baie D’Hudson SRI) (“**Hudson’s Bay**”), 1241423 B.C. Ltd., 1330096 B.C. Ltd., 1330094 B.C. Ltd., 1330092 B.C. Unlimited Liability Company, 1329608 B.C. Unlimited Liability Company, 2475263 Ontario Inc., 2745270 Ontario Inc., Snospmis Limited, 2472596 Ontario Inc., and 2472598 Ontario Inc. (collectively, the “**Applicants**”) seeks relief from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) to prevent litigation from being further pursued in Quebec in contravention of Orders granted by this Court in the Applicants’ ongoing proceedings under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**”).
2. Despite repeated clear communications from both counsel to the Applicants and counsel to the Monitor, Glasses Gallery AI Vision Technology Inc. (“**Glasses Gallery**”), an unsecured creditor (and alleged trust claimant) of the Applicants, has insisted on proceeding with a claim in Quebec against A&M, in its capacity as the Monitor of the Applicants, in clear violation of the Stay of Proceedings (as defined below).
3. As such, the Monitor seeks an Order (the “**Stay Confirmation Order**”), among other things:

- (a) confirming and declaring that the Stay of Proceedings applies to the Quebec Proceedings (as defined below) and that Glasses Gallery shall not commence or continue any related claim against the Applicants or the Monitor in accordance with the terms of the Amended and Restated Initial Order granted by this Court on March

21, 2025 (the “**ARIO**”) (i.e., without leave of the Court or the written consent of the Applicants and the Monitor); and

(b) directing Glasses Gallery to forthwith withdraw the Quebec Proceedings, and in any event no later than 3 business days from the date of the Stay Confirmation Order, and provide the Monitor and the Applicants with evidence of such withdrawal immediately thereafter.

4. That the Stay of Proceedings applies to the Quebec Proceedings is clear on the face of the ARIES, and consistent with the spirit and purpose of the CCAA. It is regrettable that this motion is necessary; however, the Monitor was left with no choice but to seek relief from this Court given Glasses Gallery’s refusal to withdraw the Quebec Proceedings with no regard for the Orders granted by this Court.

5. The relief sought will ensure Glasses Gallery complies with the Stay of Proceedings and prevent further expenses being incurred by the Monitor or the Applicants in responding to improper litigation. The Monitor is of the view that the Stay Confirmation Order is in best interests of the Applicants and their stakeholders and is required in order to maintain the integrity of the CCAA Proceedings.

## **PART II - FACTS**

6. The facts underlying this motion are more fully set out in the Twelfth Report of the Monitor dated January 9, 2026 (the “**Twelfth Report**”) and the Supplement to the Twelfth Report of the Monitor dated January 14, 2026 (the “**Supplemental Report**”).<sup>1</sup> All capitalized terms used but

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<sup>1</sup> Twelfth Report of the Monitor dated January 9, 2026 [“**Twelfth Report**”], Monitor’s Motion Record [“**Motion Record**”] dated January 9, 2026 at Tab 2; Supplement to the Twelfth Report of the Monitor dated January 14, 2026 [“**Supplemental Report**”].

not defined herein have the meanings ascribed to them in the Twelfth Report or the Supplemental Report, as applicable.

#### **A. Background on the CCAA Proceedings**

7. The Applicants (among other parties) were granted protection under the CCAA on March 7, 2025, pursuant to the Initial Order granted by this Court. A&M was appointed as Monitor in the CCAA Proceedings under the Initial Order which, among other things, also provided for a broad stay of proceedings (the “**Stay of Proceedings**”) in favour of the Applicants and the Monitor (among others) for an initial ten-day period (the “**Stay Period**”).<sup>2</sup> On March 21, 2025, the Court granted the ARIO, which provided further relief to the Applicants, including an extension of the Stay Period.<sup>3</sup>

8. The CCAA Proceedings are ongoing. Pursuant to an Order granted by the Court on December 11, 2025, the Stay Period was most recently extended to March 31, 2026.<sup>4</sup> The Stay of Proceedings provided for on the terms of the ARIO continues to apply in favour of the Applicants and the Monitor.<sup>5</sup>

#### **B. Initial Communications with Glasses Gallery**

9. Glasses Gallery was listed as a creditor on the initial list of creditors owed more than \$1,000 by the Applicants. It does not dispute that it received notice of the CCAA Proceedings and the Stay of Proceedings pursuant to the notice to creditors mailed by the Monitor on March 11, 2025.<sup>6</sup>

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<sup>2</sup> Twelfth Report, *supra* note 1 at para 1.2, Motion Record at Tab 2.

<sup>3</sup> Twelfth Report, *supra* note 1 at para 1.3, Appendix A, Motion Record at Tab 2.

<sup>4</sup> Twelfth Report, *supra* note 1 at para 1.3, Appendix B, Motion Record at Tab 2.

<sup>5</sup> Twelfth Report, *supra* note 1 at para 1.3, Motion Record at Tab 2.

<sup>6</sup> Twelfth Report, *supra* note 1 at para 2.2, Appendix C, Motion Record at Tab 2.

10. The Monitor was first contacted by Glasses Gallery on March 21, 2025, when it received a physical copy of a letter dated March 20, 2025 (the “**March 20 Letter**”) from François Daigle (“**Mr. Daigle**”) of Daigle & Matte, Avocats Fiscalistes Inc. (“**Daigle & Matte**”), on behalf of Glasses Gallery. The March 20 Letter, which was provided in both French and English, was also sent to the Monitor’s general email inbox for the CCAA Proceedings.<sup>7</sup> Among other things, Daigle & Matte: (a) asserted that the Monitor was holding a total of \$77,991.70 on behalf of Glasses Gallery and that “these sums never became part of HBC’s estate” and must be returned in their entirety; and (b) threatened to “take the necessary steps to collect these sums without further notice or delay” if the amounts were not repaid within ten days.<sup>8</sup>

11. The Monitor promptly replied by email to organize a call with Mr. Daigle. After exchanging emails with Mr. Daigle, on March 22, 2025, the Monitor asked for confirmation that Mr. Daigle was available to speak on March 24, 2025.<sup>9</sup> Mr. Daigle did not respond to this email.<sup>10</sup>

12. On April 16, 2025, Mr. Daigle emailed the Monitor to advise that the Monitor’s email had been caught in his “junk” folder. The Monitor responded on the same day to indicate that a calendar invite would be circulated for Tuesday, April 22, 2025 at 4:30 p.m. EST.<sup>11</sup> Mr. Daigle did not attend that call, but an associate of Daigle & Matte attended in his place. Representatives of the Monitor spoke with Mr. Daigle’s associate and advised him, among other things, that the Monitor and Applicants were of the view that no funds were held in trust for Glasses Gallery, and that in

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<sup>7</sup> Twelfth Report, *supra* note 1 at para 2.3, Appendix D, Motion Record at Tab 2.

<sup>8</sup> Twelfth Report, *supra* note 1 at para 2.3, Appendix D, Motion Record at Tab 2.

<sup>9</sup> Twelfth Report, *supra* note 1 at para 2.4, Appendix E, Motion Record at Tab 2.

<sup>10</sup> Twelfth Report, *supra* note 1 at para 2.4, Appendix E, Motion Record at Tab 2.

<sup>11</sup> Twelfth Report, *supra* note 1 at para 2.5, Appendix F, Motion Record at Tab 2.

any event, the Stay of Proceedings prohibited Glasses Gallery from taking any enforcement steps or commencing any proceedings in connection therewith.<sup>12</sup>

13. The Monitor did not receive any further communication from Glasses Gallery or Daigle & Matte until the service of the Quebec Proceedings, discussed further below.

### **C. Quebec Proceedings and Subsequent Communications**

14. On December 16, 2025, the Monitor received a physical copy of the following French-language court documents filed before the Court of Quebec, District of Trois-Rivières (the “**Court of Quebec**”), each bearing the style of cause “*Glasses Gallery AI Vision Technology Inc. c. Alvarez & Marsal Canada Inc. en sa qualité de contrôleur de Compagnie de la Baie D'Hudson SRI – No: 400-22-011943-251*” (in English, “Glasses Gallery AI Vision Technology Inc. v. Alvarez & Marsal Canada Inc., in its capacity as monitor of the Hudson’s Bay Company ULC”):

- (a) the *Demande introductory d’instance [...] en recouvrement de derniers modifiée en date du 15 décembre 2025* (in English, an Originating Application for Recovery of Funds modified on December 15, 2025) (the “**Modified Originating Application**”); and
- (b) the *Demande du renvoi du dossier par la demanderesse (changement de juridiction)* (in English, the Application by the Plaintiff to Transfer the Case (Change of Jurisdiction)) (the “**Application for Transfer**”, and collectively with the Modified Originating Application, the “**Quebec Proceedings**”).<sup>13</sup>

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<sup>12</sup> Twelfth Report, *supra* note 1 at para 2.6, Motion Record at Tab 2.

<sup>13</sup> Twelfth Report, *supra* note 1 at para 2.7, Motion Record at Tab 2.

15. Daigle & Matte was listed as counsel to Glasses Gallery in the Quebec Proceedings.<sup>14</sup>

16. Following the email exchanges in the spring of 2025, Daigle & Matte had email contact information for several representatives of the Monitor, along with the Monitor's general case email for the CCAA Proceedings. Despite this, it chose to serve the Monitor only by providing a hard copy of the French-language court documents to a receptionist at the Monitor's office.<sup>15</sup> It did not serve counsel to the Monitor, whose contact information is easily accessible on the Monitor's case website.<sup>16</sup>

17. In the Modified Originating Application, Glasses Gallery baldly and incorrectly asserts that A&M, as Monitor, manages Hudson's Bay.<sup>17</sup> It also asserts that: (a) Glasses Gallery is owed \$77,991.70; (b) these funds were collected in trust for Glasses' Gallery's benefit; (c) these funds do not belong to Hudson's Bay; and (d) the Stay of Proceedings therefore does not apply to the claim pled in the Modified Originating Application.<sup>18</sup> Glasses Gallery seeks a finding from the Quebec Court that it is the owner of the disputed funds and that the Stay of Proceedings does not apply, and an Order that the defendant (i.e., the Monitor) pay such funds to Glasses Gallery.<sup>19</sup>

18. In the Application for Transfer, Glasses Gallery seeks to transfer the hearing of the Modified Originating Application from the Court of Quebec to the Superior Court of Quebec. The Application for Transfer also indicated that a hearing would take place before the Court of Quebec on January 7, 2026 at 9:30 a.m. (the "**January 7 Hearing**").<sup>20</sup>

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<sup>14</sup> Twelfth Report, *supra* note 1 at para 2.8, Motion Record at Tab 2.

<sup>15</sup> Twelfth Report, *supra* note 1 at para 2.9, Motion Record at Tab 2.

<sup>16</sup> Twelfth Report, *supra* note 1 at para 2.9, Motion Record at Tab 2.

<sup>17</sup> Twelfth Report, *supra* note 1 at para 2.10, Motion Record at Tab 2.

<sup>18</sup> Twelfth Report, *supra* note 1 at para 2.10, Motion Record at Tab 2.

<sup>19</sup> Twelfth Report, *supra* note 1 at para 2.10, Motion Record at Tab 2.

<sup>20</sup> Twelfth Report, *supra* note 1 at para 2.11, Motion Record at Tab 2.

19. Following receipt on December 16, 2025, the Monitor promptly forwarded the Quebec Proceedings to its counsel and counsel to the Applicants. Following discussions between the Monitor, its counsel, and the Applicants' counsel, the Applicants' counsel sent a letter in French by email to Daigle & Matte on December 23, 2025, among other things:

- (a) informing Glasses Gallery that the ARIO does not provide an exception that allows Glasses Gallery to bring its claim, and that the Stay of Proceedings applies to the Quebec Proceedings;
- (b) noting that the Monitor does not control or manage the Applicants or control the Property of the Applicants;
- (c) providing the Applicants' position that Hudson's Bay did not and does not hold proceeds in trust for Glasses Gallery;
- (d) requesting Daigle & Matte confirm by no later than December 29, 2025 that the Quebec Proceedings would be withdrawn; and
- (e) reserving all rights for the Applicants and the Monitor to seek relief from this Court and to recover any costs incurred in connection with seeking such relief to the extent the Quebec Proceedings were not withdrawn.<sup>21</sup>

20. The Monitor understands that the Applicants' counsel has not received a response to this letter.<sup>22</sup>

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<sup>21</sup> Twelfth Report, *supra* note 1 at para 2.13, Appendices I-J, Motion Record at Tab 2.

<sup>22</sup> Twelfth Report, *supra* note 1 at para 2.14, Motion Record at Tab 2.

21. After calls, voicemails and emails from the Monitor's counsel to Daigle & Matte on December 30 and December 31, 2025 went unanswered, on January 5, 2026, counsel to the Monitor sent a letter, written in French, by email to Daigle & Matte, among other things:

- (a) noting that the Monitor only received service of the Modified Originating Application, and not the originating unmodified application;
- (b) stating that the delay for the Monitor to file an Answer before the Court of Quebec had not, and would not, expire prior to the January 7 Hearing;
- (c) reiterating that: (i) the Stay of Proceedings applies to the Quebec Proceedings; (ii) any litigation in respect of the Applicants and their business or assets would need to be brought before this Court; and (iii) the Monitor does not manage the Applicants and is not the proper party to be named in any claim by Glasses Gallery;
- (d) notifying Daigle & Matte that counsel to the Monitor intended to attend the January 7 Hearing before the Court of Quebec; and
- (e) advising that if Glasses Gallery did not withdraw the Quebec Proceedings, the Applicants or the Monitor may seek costs against Glasses Gallery, Daigle & Matte, and Mr. Daigle personally before this Court.<sup>23</sup>

22. Counsel to the Monitor called Mr. Daigle on the same date and left a voicemail – that call went unanswered, and the voicemail was not returned.<sup>24</sup>

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<sup>23</sup> Twelfth Report, *supra* note 1 at para 2.16, Appendices K-L, Motion Record at Tab 2.

<sup>24</sup> Twelfth Report, *supra* note 1 at para 2.18, Motion Record at Tab 2.

23. On January 6, 2026, Mr. Daigle sent an email marked as privileged and without prejudice to the Monitor's counsel. Two factual points from that email are noted below:

- (a) Mr. Daigle provided proof of service of the originating application (the **"Originating Application"**) on a receptionist at A&M on July 16, 2025; and
- (b) Mr. Daigle also noted that certain hearings had already occurred before the Court of Quebec – the Monitor understands that Daigle & Matte had attended an initial hearing that was adjourned by the Court of Quebec.<sup>25</sup>

24. With respect to the first point, the Monitor does not dispute that service of the Originating Application, which it understands is a court document written wholly in French, occurred. Upon further investigation, the Monitor believes that the Originating Application was received by A&M's general receptionist and provided to another receptionist, who is no longer employed by A&M. However, it appears that the Originating Application was not provided to any employees of the Monitor involved in the CCAA Proceedings.<sup>26</sup>

#### **D. Attendance before the Court of Quebec and Subsequent Steps**

25. Mr. Daigle did not withdraw the Quebec Proceedings before the January 7 hearing, but agreed on the evening of January 6, 2026 to a one-month adjournment. Counsel to the Monitor filed an Answer to the Quebec Proceedings on the evening of January 6, 2026.<sup>27</sup> At the attendance on January 7, the Court of Quebec adjourned the hearing in respect of the relief sought in the Application for Transfer to February 4, 2026.<sup>28</sup>

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<sup>25</sup> Twelfth Report, *supra* note 1 at paras 2.19-2.21, Motion Record at Tab 2.

<sup>26</sup> Twelfth Report, *supra* note 1 at para 2.20, Motion Record at Tab 2.

<sup>27</sup> Twelfth Report, *supra* note 1 at para 2.22, Appendices M-N, Motion Record at Tab 2.

<sup>28</sup> Twelfth Report, *supra* note 1 at para 2.23, Motion Record at Tab 2.

26. The Monitor served its motion materials on January 9, 2026. On January 12, 2026, the Monitor’s counsel spoke with Mr. Daigle to, among other things: (a) confirm that Daigle & Matte had received service of the Monitor’s Motion Record; (b) reiterate that the Monitor was improperly named in the Quebec Proceedings, that the Stay of Proceedings applied, and that the Monitor intended to proceed with its Motion on January 16, 2026 and would seek costs if successful; and (c) ask whether Glasses Gallery was prepared to withdraw the Quebec Proceedings. Mr. Daigle confirmed that the Monitor’s Motion Record was received, but declined to withdraw the Quebec Proceedings.<sup>29</sup>

27. At 4:04 p.m. (EDT) on January 13, 2026, counsel from the Monitor’s Montreal office received electronic service from Daigle & Matte, on behalf of Glasses Gallery, of a “*Demande introductory d’instance [...] en recouvrement de derniers modifiée en date du 13 janvier 2026*” (in English, an “Originating Application for Recovery of Funds modified on January 13, 2026”) (the “**Further Modified Originating Application**”).<sup>30</sup> The Further Modified Originating Application, among other things, modifies the Quebec Proceedings to add Hudson’s Bay as a defendant, while continuing to include the Monitor as a defendant. As now amended, the Quebec Proceedings seek \$77,991.70 against both Hudson’s Bay and the Monitor (individually, and not on a joint and several basis), while also seeking costs against the Monitor.<sup>31</sup>

28. As a result of Daigle & Matte’s refusal to recognize the jurisdiction of this Court and the unambiguous provisions of the ARIO, and in light of its continued intention to bring litigation in Quebec in clear contravention of the Stay of Proceedings (including its expansion of the Quebec Proceedings after receiving service of the Twelfth Report), it is necessary for the Monitor to seek

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<sup>29</sup> Supplemental Report, *supra* note 1 at para 2.2, Motion Record at Tab 2.

<sup>30</sup> Supplemental Report, *supra* note 1 at para 2.3, Motion Record at Tab 2.

<sup>31</sup> Supplemental Report, *supra* note 1 at para 2.3, Appendices B-C, Motion Record at Tab 2.

relief from this Court to uphold the Stay of Proceedings. Given that the Monitor is (improperly and erroneously) named as the defendant in the Quebec Proceedings, the Monitor is the appropriate party to bring this motion before the Court. The Monitor is also explicitly authorized to apply to this Court to supplement the ARIO.<sup>32</sup>

### **PART III - ISSUE**

29. The sole issue to be considered on this motion is whether the Court should grant the Stay Confirmation Order.

### **PART IV - THE LAW & ANALYSIS**

30. The CCAA is a remedial statute.<sup>33</sup> Its key purpose is to allow debtor companies to restructure their affairs for the benefit of their stakeholders – the stay is the “primary tool” that allows the CCAA to achieve its objectives.<sup>34</sup>

31. The CCAA is federal legislation, and orders granted by CCAA courts have national effect.<sup>35</sup> Section 16 of the CCAA explicitly addresses this:

Every order made by the court in any province in the exercise of jurisdiction conferred by this Act in respect of any compromise or arrangement shall have full force and effect in all the other provinces and shall be enforced in the court of each of the other provinces in the same manner in all respects as if the order had been made by the court enforcing it.<sup>36</sup>

32. The ARIO provides that “no proceeding or enforcement process **in any court or tribunal** (each, a “**Proceeding**”) shall be commenced or continued against Hudson’s Bay Canada<sup>37</sup> or the

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<sup>32</sup> Twelfth Report, *supra* note 1 at paras 3.1, 3.4, Appendix A at para 63, Motion Record at Tab 2.

<sup>33</sup> *Century Services Inc. v Canada (Attorney General)*, [2010 SCC 60](#) at para 1 (“*Century Services Inc.*”).

<sup>34</sup> *Montreal (City) v Deloitte Restructuring Inc.*, [2021 SCC 53](#) at para 46 (“*Montreal (City)*”).

<sup>35</sup> See, for example, *Senvion GMBH (Re)*, [2024 ONSC 2683](#) at para 22 (“*Senvion*”).

<sup>36</sup> *Companies’ Creditors Arrangement Act*, [RSC 1985, c C-36, section 16](#) (“*CCAA*”).

<sup>37</sup> Hudson’s Bay Canada includes all of the Applicants.

Monitor...or affecting the Business or the Property, except with the written consent of Hudson's Bay Canada and the Monitor, or with leave of this Court".<sup>38</sup> The Stay Period has been in effect since the CCAA Proceedings were commenced, and continues in effect today.<sup>39</sup>

33. The Quebec Proceedings, which remain before the Court of Quebec, improperly and erroneously name the Monitor as a defendant. The substance of the claim is a claim for funds that Glasses Gallery asserts were required to be held in trust by Hudson's Bay.<sup>40</sup> Subject to an Order from this Court to the contrary, all funds held by the Applicants form part of the "Property" and are protected by the Stay of Proceedings.

34. The language of the ARIQ is clear. The Quebec Proceedings, as amended, violate the Stay of Proceedings by naming the Monitor as the defendant, by naming Hudson's Bay as a defendant, and by affecting the Business and Property of Hudson's Bay. Consent has not been obtained (or even sought) from Hudson's Bay or the Monitor, nor has leave been obtained from this Court. There is no exception in the ARIQ that allows Glasses Gallery to bring the Quebec Proceedings before the Court of Quebec or the Superior Court of Quebec in the face of the Stay of Proceedings.

35. To the extent Glasses Gallery wishes to bring litigation against the Applicants, it is this Court that it must seek relief from. It is well-known that the "single-proceeding" model applies to insolvency proceedings, including the CCAA<sup>41</sup>, and it is the supervising CCAA court that should ensure that the terms of its orders are complied with and adjudicate matters pertaining to the stay.<sup>42</sup>

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<sup>38</sup> Twelfth Report, *supra* note 1, Appendix A at para 18, Motion Record at Tab 2.

<sup>39</sup> Twelfth Report, *supra* note 1 at paras 1.2-1.3, Motion Record at Tab 2.

<sup>40</sup> Twelfth Report, *supra* note 1 at para 2.10, Motion Record at Tab 2.

<sup>41</sup> *Century Services Inc.*, *supra* note 29 at para 22; *Sam Lévy & Associés Inc. v Azco Mining Inc.*, 2001 SCC 92 at paras 26-27; *Arrangement relatif à Bloom Lake*, 2021 QCCS 3402 at paras 52-53.

<sup>42</sup> *Senviron*, *supra* note 31 at para 28.

It is therefore this Court that must oversee any alleged trust claim by Glasses Gallery<sup>43</sup> – to find otherwise would promote the “inefficiency and chaos” that the single-proceeding model avoids.<sup>44</sup>

36. It contravenes the very purpose of the CCAA to allow the Quebec Proceedings to continue. Glasses Gallery cannot be allowed to attempt to recover funds from the Applicants at the expense of their other stakeholders, pursuant to proceedings supervised by another court. The Monitor is therefore of the view that it is in the best interests of the Applicants and their stakeholders that the Stay of Proceedings be upheld and the Quebec Proceedings be ordered to be withdrawn.<sup>45</sup>

37. This Court has the authority to make any Order it considers appropriate in the circumstances pursuant to section 11 of the CCAA. The Monitor respectfully submits that it is necessary and appropriate in the circumstances for this Court to confirm and declare that the Stay of Proceedings expressly applies to the Quebec Proceedings, and to require Glasses Gallery to withdraw the Quebec Proceedings forthwith.

38. First, these are appropriate circumstances for declaratory relief. As recognized by the Supreme Court of Canada, and applied by this Court in the context of proceedings under the CCAA, declaratory relief is granted on a discretionary basis, and may be appropriate where: (a) the court has jurisdiction to hear the issue; (b) the dispute is real and not theoretical; (c) the party raising the issue has a genuine interest in its resolution; and (d) the responding party has an interest in opposing the declaration being sought.<sup>46</sup> All of these factors favour the granting of declaratory

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<sup>43</sup> The Monitor has not provided a view herein on the merits of any alleged trust claim by Glasses Gallery, as it is not necessary or appropriate to do so at this time. The Monitor will provide such a view if and when any motion to lift the Stay of Proceedings in connection with such a claim is properly brought before this Court against the correct party.

<sup>44</sup> *Century Services Inc.*, *supra* note 29 at para 22.

<sup>45</sup> Twelfth Report, *supra* note 1 at para 3.5, Motion Record at Tab 2.

<sup>46</sup> *S.A. v Metro Vancouver Housing Corp.*, [2019 SCC 4](#) at para 60; *In the Matter of the Companies Creditors Arrangement of Shaw-Almex Industries Limited et al*, Toronto, CV-25-00743136-00CL, [Endorsement of Justice Dietrich dated July 18, 2025](#) at para 21 ["Shaw Endorsement"].

relief in the circumstances:

- (a) *Jurisdiction*: this Court has the jurisdiction to grant the Stay Confirmation Order under section 11 of the CCAA, along with section 97 of the *Courts of Justice Act* (Ontario), which provides that the Court has the jurisdiction to make binding declarations of right.<sup>47</sup> CCAA courts have exercised their jurisdiction to declare that the stay applies to particular proceedings in other cases;<sup>48</sup>
- (b) *Dispute is Real*: the Quebec Proceedings are ongoing and have not been withdrawn, despite repeated requests by the Applicants and the Monitor;
- (c) *Interest in Resolution*: the Monitor has a genuine interest in resolving this issue. Glasses Gallery has violated the Stay of Proceedings and improperly named the Monitor as the defendant in the Quebec Proceedings, all of which is causing the Applicants and the Monitor to incur unnecessary costs to the detriment of all other stakeholders; and
- (d) *Responding Party has an Interest in Opposing Declaration*: Glasses Gallery and Daigle & Matte have refused to comply with the Stay of Proceedings, have ignored the jurisdiction of this Court and are attempting to recover amounts from the Applicants (but have improperly named the Monitor as a defendant), despite repeated communications from the Applicants and the Monitor.

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<sup>47</sup> [CCAA](#), *supra* note 32, [section 11](#); *Courts of Justice Act*, [RSO 1990, c C.43](#), [section 97](#); [Shaw Endorsement](#), *ibid* at para 22.

<sup>48</sup> See, for example, *In the Matter of a Plan of Compromise or Arrangement of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation, Toronto*, 09-CL-7950, [Order of Justice Morawetz dated March 9, 2012](#) at paras 2-3; *AbitibiBowater inc. (Arrangement relatif à)*, [2010 QCCS 1261](#) at para 309; *In the Matter of a Plan of Compromise or Arrangement of Sino-Forest Corporation, Toronto*, CV-12-9667-00CL, [Order of Justice Morawetz dated May 8, 2012](#) at para 2.

39. Further, it is appropriate and necessary not just to declare that the Stay of Proceedings applies, but to direct that Glasses Gallery withdraw the Quebec Proceedings. Glasses Gallery has already shown that it is willing to disregard Orders of this Court – the Monitor and the Applicants must receive evidence that the Quebec Proceedings have been withdrawn to ensure this matter is settled and that no further expenses are incurred. Directing the withdrawal of the Quebec Proceedings is therefore consistent with the Stay of Proceedings and the objectives of the CCAA.

#### **PART V - RELIEF REQUESTED**

40. For the reasons set out herein, the Monitor respectfully submits that the relief sought on the within motion is appropriate in the circumstances, and respectfully requests that the proposed form of Stay Confirmation Order be granted.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 14<sup>th</sup> DAY OF JANUARY, 2026.**

*Bennett Jones LLP*  
\_\_\_\_\_  
**BENNETT JONES LLP**

## **SCHEDULE A – LIST OF AUTHORITIES**

### ***Cases Cited***

1. *AbitibiBowater inc. (Arrangement relatif à)*, [2010 QCCS 1261](#).
2. *Arrangement relatif à Bloom Lake*, [2021 QCCS 3402](#).
3. *Century Services Inc. v Canada (Attorney General)*, [2010 SCC 60](#).
4. *Montreal (City) v Deloitte Restructuring Inc.*, [2021 SCC 53](#).
5. *S.A. v. Metro Vancouver Housing Corp.*, [2019 SCC 4](#).
6. *Sam Lévy & Associés Inc. v Azco Mining Inc.*, [2001 SCC 92](#).
7. *Senvion GMBH (Re)*, [2024 ONSC 2683](#).

### ***Orders and Endorsements Cited***

1. *In the Matter of a Plan of Compromise or Arrangement of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation*, Toronto, 09-CL-7950, [Order of Justice Morawetz dated March 9, 2012](#).
2. *In the Matter of a Plan of Compromise or Arrangement of Sino-Forest Corporation*, Toronto, CV-12-9667-00CL, [Order of Justice Morawetz dated May 8, 2012](#).
3. *In the Matter of the Companies Creditors Arrangement of Shaw-Almex Industries Limited et al*, Toronto, CV-25-00743136-00CL, [Endorsement of Justice Dietrich dated July 18, 2025](#).

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

Dated: January 14, 2026

*Thomas Gray*

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**THOMAS GRAY**

## **SCHEDULE B – STATUTES RELIED ON**

### ***Companies Creditors Arrangement Act, RSC 1985, c C-36***

#### **Section 11**

##### **General power of court**

Despite anything in the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act*, if an application is made under this Act in respect of a debtor company, the court, on the application of any person interested in the matter, may, subject to the restrictions set out in this Act, on notice to any other person or without notice as it may see fit, make any order that it considers appropriate in the circumstances.

#### **Section 16**

##### **Order of court of one province**

Every order made by the court in any province in the exercise of jurisdiction conferred by this Act in respect of any compromise or arrangement shall have full force and effect in all the other provinces and shall be enforced in the court of each of the other provinces in the same manner in all respects as if the order had been made by the court enforcing it.

### ***Courts of Justice Act, RSO 1990, c C.43***

#### **Section 97**

##### **Declaratory orders**

The Court of Appeal and the Superior Court of Justice, exclusive of the Small Claims Court, may make binding declarations of right, whether or not any consequential relief is or could be claimed.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED, AND IN THE MATTER OF 1242939 B.C.  
Unlimited Liability Company et al.

Court File No.: CV-25-00738613-00CL

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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
Proceeding commenced at Toronto

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**FACTUM OF THE MONITOR**

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**BENNETT JONES LLP**  
One First Canadian Place  
Suite 3400, P.O. Box 130  
Toronto, ON M5X 1A4

**Sean Zweig (LSO# 573071)**  
Tel: (416) 777-6254  
Email: [ZweigS@bennettjones.com](mailto:ZweigS@bennettjones.com)

**Preet Gill (LSO# 55526E)**  
Tel: (416) 777-6513  
Email: [GillP@bennettjones.com](mailto:GillP@bennettjones.com)

**Mike Shakra (LSO# 64604K)**  
Tel: (416) 777-3236  
Email: [ShakraM@bennettjones.com](mailto:ShakraM@bennettjones.com)

**Thomas Gray (LSO# 82473H)**  
Tel: (416) 777-7924  
Email: [GrayT@bennettjones.com](mailto:GrayT@bennettjones.com)

Counsel for Alvarez & Marsal Canada Inc., solely in its  
capacity as Monitor and not in its personal or corporate  
capacity