Court File No. CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

APPLICANTS

MOTION RECORD
(Motion for Stay Extension returnable January 23, 2026)

January 16, 2026

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn T. Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.4204
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

TO: THE SERVICE LIST

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B E T W E E N:

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

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APPLICANTS

SERVICE LIST
(as of January 16, 2026)

Party	Contact Method
OSLER, HOSKIN & HARCOURT LLP 1 First Canadian Place, 100 King Street West Suite 6200 Toronto, Ontario M5X 1B8 **Attention: Tracy Sandler, Shawn Irving, Blair McRadu, Marleigh Dick** Counsel to the Applicants	tsandler@osler.com sirving@osler.com bmcradu@osler.com mdick@osler.com
COLE SCHOTZ P.C. Court Plaza North 25 Main Street Hackensack, NJ 07601 1325 Avenue of the Americas 19th Floor New York, NY 10019 **Attention: Warren A. Usatine, Felice Yudkin, Mark Tsukerman, Jonathan Friedman** U.S. Counsel to the Applicants	wusatine@coleschotz.com Fyudkin@coleschotz.com Mtsukerman@coleschotz.com Jfriedman@coleschotz.com

Party	Contact Method
ALVAREZ & MARSAL INC. Royal Bank Plaza, South Tower 200 Bay Street, Suite 3501 Toronto ON M5J 2J1 **Attention: Josh Nevsky, Greg Karpel, Nate Fennema, Conor Good, Stephen Moore** Monitor	jnevsky@alvarezandmarsal.com gkarpel@alvarezandmarsal.com nfennema@alvarezandmarsal.com cgood@alvarezandmarsal.com smoore@alvarezandmarsal.com
BENNETT JONES LLP 3400 One First Canadian Place P.O. Box 130 Toronto, Ontario M5X 1A4 Canada **Attention: Sean Zweig, Jesse Mighton, Shawn Kirkland** Counsel to the Monitor	zweigs@bennettjones.com mightonj@bennettjones.com kirkmans@bennettjones.com
BLAKE, CASSELS & GRAYDON LLP 199 Bay Street Suite 4000, Commerce Court West Toronto, Ontario, M5L 1A9 **Attention: Aryo Shalviri, Milly Chow** Counsel for Canadian Imperial Bank of Commerce	aryo.shalviri@blakes.com milly.chow@blakes.com
McCARTHY TÉTRAULT LLP 66 Wellington Street West Suite 5300, TD Bank Tower Box 48 Toronto ON M5K 1E6 **Attention: Jamey Gage, Saneea Tanvir** Counsel for OSL Retail Services Inc.	jgage@mccarthy.ca stanvir@mccarthy.ca

Party	Contact Method
WINSTON & STRAWN LLP 200 Park Avenue New York, NY 10166-4193 35 W. Wacker Drive Chicago, IL 60601-9703 **Attention: Brad Vaiana and Marty Geagan** U.S. Counsel for OSL Retail Services Inc.	Bvaiana@winston.com Mgeagan@winston.com
AUTHENTIC BRANDS GROUPS, LLC 1411 Broadway, 21st Floor New York, NY 10018 **Attention: Legal Department** Licensor	legaldept@authentic.com
THORNTON GROUT FINNIGAN LLP Suite 3200, 100 Wellington Street West Toronto, ON M5K 1K7 **Attention: D.J. Miller** Counsel for Yorkdale Shopping Centre Holdings Inc., OPGI Management GP Inc. and OPGI Management Limited Partnership	DJMiller@tgf.ca
GOODMANS LLP Bay Adelaide Centre 333 Bay Street, Suite 3400 Toronto, ON M5H 2S7 **Attention: Chris Armstrong and Andrew Harmes** Counsel for Authentic Brands Group	carmstrong@goodmans.ca aharmes@goodmans.ca

Party	Contact Method
CASSELS BROCK & BLACKWELL LLP Suite 3200, Bay Adelaide Centre – North Tower 40 Temperance Street Toronto, ON M5H 0B4 **Attention: Jane Dietrich and Monique Sassi** Counsel for Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC	msassi@cassels.com
TORYS LLP Box 270, TD South Tower 79 Wellington St. W. Toronto, ON M5K 1N2 **Attention: David Bish** Counsel for Cadillac Fairview	dbish@torys.com
CAMELINO GALESSIERE LLP 65 Queen St W Suite 440 Toronto, ON M5H 2M5 **Attention: Linda Galessiere and Gustavo F. Camelino** Counsel for Ivanhoe Cambridge II Inc. and its agent/managers Jones Lang LaSalle Real Estate Services, Inc. and RiocAn Management, Inc. as agent and manager for the landlords of the Shopping Centre known as Tanger Outlets	lgalessiere@cglegal.ca gcamelino@cglegal.ca
CUSHMAN & WAKEFIELD ASSET SERVICES ULC 61 Bay St. Suite 1500 Toronto, ON M5J 2S1 **Attention: Eve Renaud**	eve.renaud@cushwake.com

Party	Contact Method
CAMMERON CORPORATION 10180 111 St NW Edmonton, AB T5K 1K6 **Attention: Tony Rota**	tony@camdevcorp.com
CBRE GROUP INC. 145 King St W Suite 1100 Toronto, ON M5H 1J8 **Attention: Alex Edmison**	alex.edmison@cbre.com
CENTRAL WALK TSAWWASSEN MILLS INC. **Attention: Valen Tam**	valen.tam@centralwalk.ca
SIMON PROPERTY GROUP Simon Property Group 225 West Washington Street Indianapolis, Indiana 46204	Bankruptcy@simon.com
NORTON ROSE FULLBRIGHT 510 W Georgia St #1800 Vancouver, BC V6B 0M3 **Attention: Janet Derbawka** Counsel to MacArthurGlen Group	janet.derbawka@nortonrosefulbright.com cc: robert.thurlow@mcarthurglen.com matthew.jamieson@mcarthurglen.com
RIOCAN MANAGEMENT, INC. 300 Yonge St Suite 2200 Toronto, ON M4P 1E4 **Attention: Moshe Batalion**	mbatalion@riocan.com
YM INC. (SALES) 50 Dufflaw Rd, North York ON M6A 2W1 **Attention: Erik Grundy and Robert Morris**	egrundy@yminc.ca rmorris@yminc.ca

Party	Contact Method
BERMAN FINK VAN HORN P.C. 3475 Piedmont Road NE, Suite 1640 Atlanta, Georgia 30305 **Attention: Lydia M. Hilton** Counsel to Future Forwarding Company	lhilton@bfvlaw.com
CANADA REVENUE AGENCY 1 Front Street West Toronto, ON M5J 2X6 **Attention: Pat Confalone**	Pat.confalone@cra.gc.ca
MINISTRY OF FINANCE (ONTARIO) Legal Services Branch 33 King Street West, 6th Floor Oshawa, ON L1H	insolvency.unit@ontario.ca
MINISTRY OF JUSTICE AND SOLICITOR GENERAL (ALBERTA) Legal Services 2nd Floor, Peace Hills Trust Tower 1101-109 Street Edmonton, AB T5J 3S8	ministryofjustice@gov.ab.ca
MANITOBA JUSTICE Civil Legal Services 301-310 Broadway Avenue Winnipeg, MB R3C JL6 **Attention: Shelly Haner**	shelley.haner@gov.mb.ca
QUEBEC REVENUE AGENCY 3800 De Marly Street Sector 5-2-8, QC, G1X4A5 **Attention: Larivière Meunier and Daniel Cantin**	danielcantin@revenuquebec.ca notif-montreal@revenuquebec.ca

Party	Contact Method
HUDSON'S BAY COMPANY 401 Bay Street Toronto, ON M5H 2Y4 **Attention: Roxanne Serra**	roxanne.serra@hbc.com
VICTORIA UNIVERSITY 73 Queen's Park Crescent Toronto, ON M5S 1K7 **Attention: Ken Chan**	vicu.bursaroffice@utoronto.ca anthonykm.yeung@utoronto.ca
McCarthy Tétrault LLP Bureau MZ400 1000, rue De La Gauchetière Ouest Montréal, QC H3B 0A2 **Attention: Gabriel Faure and Alain N. Tardif** Observers	gfaure@mccarthy.ca atardif@mccarthy.ca
ATTORNEY GENERAL OF CANADA Department of Justice Canada Ontario Regional Office National Litigation Sector 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1 **Attention: Edward Park and Tessania Lawrence** Counsel to the Canada Revenue Agency	edward.park@justice.gc.ca Tessania.Lawrence@justice.gc.ca AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca
MODINT CREDIT & FINANCE Westervoortsedijk 73 KB gebouw 6827 AV, Arnhem Netherlands **Attention: Charrel van den Bovenkamp**	vandenBovenkamp@crdt.eu

Party	Contact Method
FEDERAL EXPRESS CANADA 5985 Explorer Drive Mississauga, ON L4W 5K6 **Attention: Kevin Szeto and Michael Siedband**	kevin.szeto@fedex.com
THORNTON GROUT FINNIGAN LLP Suite 3200, 100 Wellington Street West Toronto, ON M5K 1K7 **Attention: D.J. Miller and Divi Dev** Counsel for Maestro Knitting Bulgaria Ltd. and Knit Insight Hong Kong	DJMiller@tgf.ca ddev@tgf.ca
BUCHALTER NEMER FIELDS & YOUNGER P.C. 18400 Von Karman Avenue Suite 800 Irvine, California 92612-0514 **Attention: Caroline Djang** Counsel for South Coast Plaza and CJ Segerstrom	cdjang@buchalter.com
KAGAN SHASTRI DEMELO WINER PARK LLP 188 Avenue Road Toronto ON M5R 2J1 **Attention: Rahul Shastri and Jeremy Ruffolo** Counsel for 5421 Equities LLC	rshastri@ksllp.ca jruffolo@ksllp.ca
STIKEMAN ELLIOTT LLP 5300 Commerce Court West, 199 Bay St. Toronto, ON M5L 1B9 **Attention: Maria Konyukhova** Counsel for 595 Fifth Avenue, Inc.	MKonyukhova@stikeman.com

Party	Contact Method
COZEN O'CONNOR LLP Bay Adelaide Centre – North Tower 40 Temperance Street – Suite 2700 Toronto, ON M5H 0B **Attention: Steven J. Weisz and Robert Sottile** *Lawyers for Granite Telecommunications, LLC*	sweisz@cozen.com rsottile@cozen.com

E-Service List

tsandler@osler.com; sirving@osler.com; bmcradu@osler.com; mdick@osler.com; wusatine@coleschotz.com; FYudkin@coleschotz.com; MTsukerman@coleschotz.com; JFriedman@coleschotz.com; jnevsky@alvarezandmarsal.com; gkarpel@alvarezandmarsal.com; nfennema@alvarezandmarsal.com; cgood@alvarezandmarsal.com; smoore@alvarezandmarsal.com; zweigs@bennettjones.com; mightonj@bennettjones.com; kirkmans@bennettjones.com; aryo.shalviri@blakes.com; milly.chow@blakes.com; jgage@mccarthy.ca; BVaiana@winston.com; MGeagan@winston.com; legaldept@authentic.com; DJMiller@tgf.ca; singhcheemam@bennettjones.com; stanvir@mccarthy.ca; carmstrong@goodmans.ca; aharmes@goodmans.ca; msassi@cassels.com; dbish@torys.com; lgalessiere@cglegal.ca; eve.renaud@cushwake.com; tony@camdevcorp.com; alex.edmison@cbre.com; valen.tam@centralwalk.ca; bcole@simon.com; mbatalion@riocan.com; egrundy@yminc.ca; rmorris@yminc.ca; receivables@usffcl.com; Pat.confalone@cra.gc.ca; insolvency.unit@ontario.ca; ministryofjustice@gov.ab.ca; shelley.haner@gov.mb.ca; danielcantin@revenuquebec.ca; notif-montreal@revenuquebec.ca; roxanne.serra@hbc.com; janet.derbawka@nortonrosefulbright.com; robert.thurlow@mcarthurglen.com; matthew.jamieson@mcarthurglen.com; vicu.bursaroffice@utoronto.ca; anthonykm.yeung@utoronto.ca; gfaure@mccarthy.ca; atardif@mccarthy.ca; lhilton@bfvlaw.com; Edward.Park@justice.gc.ca; Tessania.Lawrence@justice.gc.ca; AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca; vandenBovenkamp@crdt.eu; gcamelino@cglegal.ca; kevin.szeto@fedex.com; michael.siedband@fedex.com; ddev@tgf.ca; cdjang@buchalter.com; Bankruptcy@simon.com; rshastri@ksllp.ca; jruffolo@ksllp.ca; mkonyukhova@stikeman.com; sweisz@cozen.com; rsottile@cozen.com

Court File No. CV-24-00718993-00CL

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC. and OSL FASHION SERVICES, INC.

APPLICANTS

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APPLICANTS

NOTICE OF MOTION
(Motion for Stay Extension returnable January 23, 2026)

The Applicants will make a Motion to a Judge presiding over the Commercial List on January 23, 2026 at 10:00 a.m., or as soon after that time as the Motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard:

[ ] In writing under subrule 37.12.1(1) because it is;

[ ] In writing as an opposed motion under subrule 37.12.1(4);

[ ] In person;

[ ] By telephone conference;

[X] By video conference

at the following location:

https://ca01web.zoom.us/j/61804264297?pwd=MEpzRUtlUVB0UGc4eStsVGNtYmkxUT09#success

THE MOTION IS FOR:

1. An Order, substantially in the form of the draft order included in the Motion Record, among other things:

   (a) abridging the time for, and validating service of, this Notice of Motion and supporting materials such that the motion is properly returnable on January 23, 2026 and dispensing with further service thereof;

   (b) extending the Stay Period (defined below) to and including January 29, 2027; and

2. Such further and other Relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:[1]

Background and Update on these CCAA Proceedings

1. On April 24, 2024, the Applicants were granted protection under the *Companies' Creditors Arrangement Act*, RSC 1985 c C-36 (the "**CCAA**") pursuant to an Initial Order (the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**");

2. The Initial Order, among other things: (i) appointed Alvarez & Marsal Canada Inc. as monitor within these CCAA proceedings (the "**Monitor**"); (ii) granted a stay of proceedings

[1] Capitalized terms not otherwise defined have the meanings given to them in the Affidavit of Antoine Adams sworn January 16, 2026.

against the Applicants, the Monitor, and their respective employees, directors, advisors, officers and representatives acting in such capacities for an initial 10-day Stay Period; (iii) authorized Ted Baker Canada and Ted Baker Limited to continue to borrow from CIBC, under the Applicants' Existing Credit Facility in an amount not to exceed USD $7 million, subject to the requirements in the Initial Order; (iv) authorized the Applicants to pay certain pre-filing amounts with the consent of the Monitor and the Interim Lender to key participants in the Applicants' distribution network, and to other critical suppliers, if determined to be necessary; (v) granted the following Charges, in order of priority: an Administration Charge in the maximum amount of USD $750,000; an Interim Lender's Charge; security granted with respect to the Existing Credit Facility (excluding the Interim Borrowings); and a Directors' Charge in the maximum amount of USD $2.5 million;

3. The Initial Order also authorized Ted Baker Canada: (i) to act as the foreign representative of the Applicants for the purpose of having these CCAA proceedings recognized and approved in a jurisdiction outside of Canada; and (ii) to apply for foreign recognition and approval of these CCAA proceedings and related relief, including provisional relief, as necessary, in the United States Bankruptcy Court for the Southern District of New York (the "**US Court**") pursuant to Chapter 15 of Title 11 of the United States Bankruptcy Code;

4. Immediately following the granting of the Initial Order, the Applicants initiated a case under Chapter 15 of the US Bankruptcy Code seeking an order to recognize and enforce these CCAA proceedings in the United States, including seeking an order from the US Court for certain provisional relief, including application of the automatic stay under section 362 of the US Bankruptcy Code pending the US Court's consideration of the petition to recognize these CCAA proceedings in the United States (the "**Chapter 15 Case**"). On April 26, 2024, the US Court

entered an order granting the Applicants certain provisional relief, including, among other things, application of the automatic stay under section 362 of the US Bankruptcy Code to the Applicants and their property within the territorial jurisdiction of the United States and authorization to continue to borrow from the Interim Lender under the Existing Credit Facility subject to and secured by the Interim Lender's Charge and apply the Initial Lender's Charge to the Applicants' assets in the United States;

5. On May 3, 2024, the Court granted an Amended and Restated Initial Order, which, among other things: (i) extended the stay of proceedings granted pursuant to the Initial Order to August 2, 2024 (the "**Stay Period**"); (ii) approved a KERP and granted the KERP Charge as security for payments under the KERP, and granted a sealing order in relation to the KERP; (iii) authorized the Applicants to enter into the DIP Term Sheet and borrow under the DIP Facility in the maximum principal amount of USD $28 million, and granted the DIP Lender's Charge; and (iv) increased the Administration Charge from USD $750,000 to USD $1.5 million and the Directors' Charge from USD $2.5 million to USD $5 million;

6. On the same day, the Court also granted a Realization Process Approval Order (the "**Realization Process Approval Order**"), which, among other things, (i) approved a consulting agreement between Ted Baker Canada and Ted Baker Limited (together, the "**Merchant**") and Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC (together, the "**Consultant**") dated as of April 30, 2024 (as may be amended and restated in accordance with the terms of the Realization Process Approval Order, the "**Consulting Agreement**"); (ii) approved the Sale Guidelines for the orderly realization of the Merchandise and FF&E at concession locations in Canada or the United States or at the Merchant's Stores and as located at the Warehouses

through sales in accordance with the terms of the Sale Guidelines (the "**Liquidation Sale**"); and (iii) authorized the Merchant, with the assistance of the Consultant, to undertake the Liquidation Sale in accordance with the terms of the Realization Process Approval Order, the Consulting Agreement and the Sale Guidelines;

7. On May 17, 2024, the US Court granted: (i) the Final Order Recognizing and Enforcing the Realization Process Approval Order and Granting Related Relief; and (ii) the Modified Order Recognizing the Foreign Main Proceedings and Granting Additional Relief;

8. Since the Stay Period was last extended on January 28, 2025, the Applicants, working with the Monitor, have continued to advance these CCAA proceedings, including by:

(a) continuing to pursue the ERC Tax Refunds (described below);

(b) communicating with counterparties to the Applicants' remaining letters of credit to reconcile and close related customs accounts, in order to have the funds released to the Applicants, net of any amounts paid;

(c) collecting remaining accounts receivable; and

(d) communicating with the Applicants' stakeholders regarding other matters related to these CCAA proceedings and the Chapter 15 Case;

ERC Tax Refunds

9. Prior to these CCAA proceedings, Ted Baker Limited had identified USD $6,162,972.24 in potential tax refunds (the "**ERC Tax Refunds**") to which it may be entitled in the United States

related to the Employee Retention Credit ("**ERC**") program administered by the Internal Revenue Service ("**IRS**");

10. On July 29, 2025, Ted Baker Limited received approximately USD $4.7 million from the IRS on account of two of the three ERC Tax Refund claims filed;

11. With respect to the third ERC Tax Refund claim filed (estimated to be in excess of USD $2 million), on or around December 10, 2025, the Applicants' Tax Advisor received a notice from the IRS, advising that the ERC Tax Refund claim had been denied on the basis that it was received by the IRS after the deadline;

12. On December 23, 2025, the Tax Advisor filed an appeal with the IRS on behalf of Ted Baker Limited on the basis that the ERC Tax Refund was filed before the deadline, even if it was received by the IRS thereafter;

13. The Tax Advisor has advised the Applicants that it may take up to nine (9) months for the IRS to review and decide on the appeal;

Stay Extension

14. The Second Stay Extension Order extended the Stay Period to January 31, 2026. The Applicants are seeking to further extend the Stay Period to January 29, 2027;

15. A one-year extension of the Stay Period is necessary to continue to allow the Applicants, with the assistance of the Monitor, to continue their efforts to pursue the final ERC Tax Refunds and complete certain tax returns, as part of the orderly wind-down of the business of the Applicants in both Canada and the US;

16. The funds held by the Applicants and the Monitor are expected to be sufficient to cover the remaining costs that will be incurred during the remainder of these CCAA proceedings, including restructuring professional fees and the cost of the third-party consultants engaged to assist in the wind-down. The estate is not expected to incur any material costs during the extended Stay Period in connection with the pursuit of the outstanding ERC Tax Refund;

17. The Applicants have acted, and continue to act, in good faith and with due diligence in these CCAA proceedings;

18. The proposed extension of the Stay Period is in the best interests of the Applicants and their stakeholders;

19. The Monitor supports the request to extend the Stay Period;

Other Grounds

20. The provisions of the CCAA, including section 11.02, and the inherent and equitable jurisdiction of this Honourable Court;

21. Rules 1.04, 1.05, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and section 106 and 137 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended; and

22. Such further and other grounds as the lawyers may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

1. The Affidavit of Antoine Adams, sworn January 16, 2026;

2. The Fourth Report of the Monitor, to be filed; and

3. Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

January 16, 2026

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn T. Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.4204
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Fax: 416.862.6666

Lawyers for the Applicants

TO: **THE SERVICE LIST**

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

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PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION
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OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn T. Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.4204
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

Court File No. CV-24-00718993-00CL

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APPLICANTS

AFFIDAVIT OF ANTOINE ADAMS
(sworn January 16, 2026)

I, Antoine Adams, of the City of Toronto, in the Province of Ontario MAKE OATH AND SAY:

1. I am a director and Corporate Secretary of Ted Baker Canada Inc. ("**Ted Baker Canada**"), Ted Baker Limited, OSL Fashion Services Canada Inc., and OSL Fashion Services, Inc. (together, the "**Applicants**"). I am also the Chief Operating Officer of OSL Retail Services Inc. ("**OSL Retail**"), an affiliate of the Applicants that, among other things, provides certain executive and operational leadership, strategy, M&A, financial decision approvals, and IT services to the Applicants. As such, I have knowledge of the matters contained in this Affidavit. Where I have relied on other sources of information, I have so stated, and I believe them to be true.

2. I swear this affidavit in support of a motion by the Applicants for an order, among other things, extending the Stay Period (defined below) to and including January 29, 2027.

3. All capitalized terms not otherwise defined in this affidavit have the meanings given to them in the Second Adams Affidavit, the Third Adams Affidavit and the Fourth Adams Affidavit (all as hereinafter defined), including by reference therein.

A. Background and Update on the CCAA Proceedings

4. On April 24, 2024 (the "**Filing Date**"), the Applicants were granted protection under the *Companies' Creditors Arrangement Act*, RSC 1985 c C-36 (the "**CCAA**") pursuant to an Initial Order (the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). A copy of the Initial Order is attached hereto as **Exhibit "A"**. A copy of the Endorsement of Justice Black issued in connection with the Initial Order is attached hereto as **Exhibit "B"**.

5. The Initial Order, among other things: (i) appointed Alvarez & Marsal Canada Inc. as monitor within these CCAA proceedings (the "**Monitor**"); (ii) granted a stay of proceedings against the Applicants, the Monitor, and their respective employees, directors, advisors, officers and representatives acting in such capacities for an initial 10-day Stay Period; (iii) authorized Ted Baker Canada and Ted Baker Limited to continue to borrow from the then Interim Lender, being Canadian Imperial Bank of Commerce ("**CIBC**"), under the Applicants' Existing Credit Facility in an amount not to exceed USD $7 million, subject to the requirements in the Initial Order; (iv) authorized the Applicants to pay certain pre-filing amounts with the consent of the Monitor and the Interim Lender to key participants in the Applicants' distribution network, and to other critical suppliers, if determined to be necessary; (v) granted the following Charges (as defined in the Initial Order), in order of priority: an Administration Charge in the maximum amount of USD $750,000;

an Interim Lender's Charge; security granted with respect to the Existing Credit Facility (excluding the Interim Borrowings); and a Directors' Charge in the maximum amount of USD $2.5 million.

6. The Initial Order also authorized Ted Baker Canada: (i) to act as the foreign representative of the Applicants for the purpose of having these CCAA proceedings recognized and approved in a jurisdiction outside of Canada; and (ii) to apply for foreign recognition and approval of these CCAA proceedings and related relief, including provisional relief, as necessary, in the United States Bankruptcy Court for the Southern District of New York (the "**US Court**") pursuant to Chapter 15 of Title 11 of the United States Bankruptcy Code (the "**US Bankruptcy Code**"), 11 U.S.C. §§ 101-1532.

7. Immediately following the granting of the Initial Order, the Applicants initiated a case under Chapter 15 of the US Bankruptcy Code seeking an order to recognize and enforce these CCAA proceedings in the United States, including seeking an order from the US Court for certain provisional relief, including application of the automatic stay under section 362 of the US Bankruptcy Code pending the US Court's consideration of the petition to recognize these CCAA proceedings in the United States (the "**Chapter 15 Case**"). On April 26, 2024, the US Court entered an order granting the Applicants certain provisional relief, including, among other things, application of the automatic stay under section 362 of the US Bankruptcy Code to the Applicants and their property within the territorial jurisdiction of the United States and authorization to continue to borrow from the Interim Lender under the Existing Credit Facility subject to and secured by the Interim Lender's Charge and apply the Initial Lender's Charge to the Applicants' assets in the United States.

8. On May 3, 2024, the Court granted an Amended and Restated Initial Order ("**ARIO**"), which, among other things: (i) extended the stay of proceedings granted pursuant to the Initial Order to August 2, 2024 (the "**Stay Period**"); (ii) approved a key employee retention plan (the "**KERP**") and granted a Court-ordered charge as security for payments under the KERP, and granted a sealing order in relation to the KERP; (iii) authorized the Applicants to enter into the DIP Term Sheet with CIBC, as lender (in such capacity, the "**DIP Lender**") and borrow under the DIP Facility in the maximum principal amount of USD $28 million, and granted the DIP Lender's Charge; and (iv) increased the Administration Charge from USD $750,000 to USD $1.5 million and the Directors' Charge from USD $2.5 million to USD $5 million. A copy of the ARIO is attached hereto as **Exhibit "C"**.

9. On the same day, the Court also granted a Realization Process Approval Order (the "**Realization Process Approval Order**"), which, among other things, (i) approved a consulting agreement between Ted Baker Canada and Ted Baker Limited (together, the "**Merchant**") and Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC (together, the "**Consultant**") dated as of April 30, 2024 (as may be amended and restated in accordance with the terms of the Realization Process Approval Order, the "**Consulting Agreement**"); (ii) approved the proposed Canadian sale guidelines and the US sale guidelines (together, the "**Sale Guidelines**") for the orderly realization of the Merchandise and FF&E at concession locations in Canada or the United States or at the Merchant's Stores and as located at the Warehouses through sales in accordance with the terms of the Sale Guidelines (the "**Liquidation Sale**"); and (iii) authorized the Merchant, with the assistance of the Consultant, to undertake the Liquidation Sale in accordance with the terms of the Realization Process Approval Order, the Consulting Agreement and the Sale Guidelines. A copy of the Realization Process Approval Order is attached hereto as

Exhibit "D". A copy of the Endorsement of Justice Black issued in connection with the ARIO and the Realization Process Approval Order is attached hereto as **Exhibit "E"**.

10. On May 17, 2024, the US Court granted: (i) the Final Order Recognizing and Enforcing the Realization Process Approval Order and Granting Related Relief; and (ii) the Modified Order Recognizing the Foreign Main Proceedings and Granting Additional Relief.

11. I swore an affidavit dated May 1, 2024 in support of the ARIO and the Realization Process Approval Order, providing an update on the Applicants' activities after the granting of the Initial Order (the "**Second Adams Affidavit**"). A copy of the Second Adams Affidavit (without exhibits), together with the affidavits I subsequently swore on July 26, 2024 (the "**Third Adams Affidavit**") and January 22, 2025 (the "**Fourth Adams Affidavit**"), in support of the motions for orders to extend the Stay Period to January 31, 2025 (the "**First Stay Extension Order**") and January 31, 2026 (the "**Second Stay Extension Order**"), respectively, are attached hereto as **Exhibits "F"**, **"G"** and **"H"**.

12. Since the Stay Period was last extended on January 28, 2025, the Applicants, working with the Monitor, have continued to advance these CCAA proceedings, including by:

(a) continuing to pursue the ERC Tax Refunds (defined below);

(b) communicating with counterparties to the Applicants' remaining letters of credit to reconcile and close related customs accounts, in order to have the funds released to the Applicants, net of any amounts paid;

(c) collecting remaining accounts receivable; and

(d) communicating with the Applicants' stakeholders regarding other matters related to these CCAA proceedings and the Chapter 15 Case.

13. The Applicants are seeking an extension of the Stay Period to January 29, 2027 in order to continue pursuing the collection of the ERC Tax Refunds and conclude the orderly wind-down of the business of the Applicants in both Canada and the United States, including the completion of certain tax returns.

(a) ERC Tax Refunds

14. As described in the Fourth Adams Affidavit, prior to these CCAA proceedings, Ted Baker Limited had identified USD $6,162,972.24 in potential tax refunds to which it may be entitled in the United States related to the Employee Retention Credit ("**ERC**") program administered by the Internal Revenue Service ("**IRS**"). The identified tax refunds (the "**ERC Tax Refunds**") are based upon federal laws that allow an eligible employer to obtain a refundable employment tax credit under Section 2301 of the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act), as amended by *the Taxpayer Certainty and Disaster Tax Relief Act of 2020* (Relief Act), enacted December 27, 2020, the *American Rescue Plan Act of 2021* (ARP Act), enacted March 11, 2021, and the *Infrastructure Investment and Jobs Act* (Infrastructure Act), enacted November 15, 2021, if they experienced a significant decline in gross receipts or more than a nominal portion of their business operations were suspended by a governmental order. Ted Baker Limited submitted an application asserting its entitlement to the ERC Tax Refunds under the ERC program.

15. Prior to the granting of the First Stay Extension Order, the Applicants' tax consultant, Ryan, LLC (the "**Tax Advisor**") advised that the IRS had temporarily paused the ERC program through which these tax refunds were processed and had stopped processing new applications.

After the First Stay Extension Order was granted, the Tax Advisor advised that the US government had resumed processing tax recoveries and therefore, the Applicants continued to pursue the ERC Tax Refunds with the assistance of the Tax Advisor.

16. On July 29, 2025, Ted Baker Limited received approximately USD $4.7 million from the IRS on account of two of the three ERC Tax Refund claims filed (and retained approximately USD $3.5 million, net of a commission fee payable to the Tax Advisor).

17. At the time of the Fourth Adams Affidavit, approximately USD $2.3 million of secured debt remained outstanding. Following receipt of these two ERC Refund claims, the Applicants made a payment to the Guarantor (who, as described in the Fourth Adams Affidavit, succeeded CIBC as the Applicants' sole secured creditor) in full and final satisfaction of all secured debt amounts, including accrued interest.

18. With respect to the outstanding ERC Tax Refund claim filed (estimated to be in excess of USD $2 million), on or around December 10, 2025, the Tax Advisor received a notice from the IRS, advising that the ERC Tax Refund claim had been denied on the basis that it was received by the IRS after the deadline. On December 23, 2025, the Tax Advisor filed an appeal with the IRS on behalf of Ted Baker Limited on the basis that the ERC Tax Refund was filed before the deadline, even if it was received by the IRS thereafter. The Tax Advisor has advised the Applicants that it may take up to nine months for the IRS to review and decide on the appeal.

(b) Distribution to OSL Retail

19. Historically, OSL Retail, a non-Applicant affiliate, provided the Applicants with: (a) critical management, operational, financial and legal services (the "**Management Services**"); and

(b) information technology services, in the form of software licenses, technology platforms and administration in connection with certain enterprise resource planning assets (the "**IT Services**", and together with the Management Services, the "**Management and IT Services**"). The Applicants historically incurred a monthly management fee to OSL Retail, in an amount of approximately USD $108,000 (or USD $1.3 million per year), in respect of the Management Services, and further reimbursed OSL Retail for the IT Services and other out-of-pocket costs incurred by OSL Retail for the benefit of the Applicants.

20. Following the commencement of these CCAA Proceedings, OSL Retail continued to provide the Management and IT Services to the Applicants in support of the Applicant's business and, following the completion of the Liquidation Sale in August 2024, in support of their remaining operational and wind-down activities, including but not limited to: (i) providing cash management and accounting services; (ii) continuing to pursue the ERC Tax Refunds and engaging with the Tax Advisor; (iii) assisting with the final reconciliations and reporting required in connection with the letters of credit, the Liquidation Sale, and reconciling payments due in respect of remaining post-filing lease obligations to a large number of real property landlords; (iv) preparing financial statements and required tax filings for the Applicants; and (v) providing IT services and access to the information technology platform.

21. However, during these CCAA proceedings, the Management and IT fees historically charged to the Applicants for such services were not paid to OSL Retail post-filing, pursuant to and in accordance with an agreement with the DIP Lender. Instead, the DIP Lender agreed that fees in the amount of USD $325,000 per month for the IT Services could be paid to OSL Retail for the months of May, June and July 2024 (the "**Agreed OSL Retail Fees**"), with the balance of fees to be accrued but not paid. The Agreed OSL Retail Fee payments ceased at the end of July

2024. The Agreed OSL Retail Fees did not include fees related to the Management Services provided to the Applicants by OSL Retail, and those costs continued to be accrued but not paid during these CCAA proceedings.

22. The wind-down of the Applicants' estate during these proceedings would not have been possible without the Management and IT Services provided by OSL Retail. Therefore, the Applicants, with the support of the Monitor, have determined that it is appropriate to pay OSL Retail for Management Services rendered by OSL Retail to the Applicants from the Filing Date to January 2025 (in the aggregate amount of USD $975,000[1]), and for the Technology Services provided from August 2024 to January 2025 (in the aggregate amount of USD $1.95 million[2]) subject to certain cash reserves as may be determined by the Applicants, in consultation with the Monitor.

23. For the period after January 2025, fewer activities have taken place in connection with the wind-down of the Applicants' business and these CCAA proceedings. The Applicants and OSL Retail, with the support of the Monitor, have since engaged the services of third-party consultants to assist with the completion of the limited remaining wind-down activities, for which the Applicants will bear the cost.

24. I understand that the Monitor will address in its report filed in support of this motion that the Applicants will have sufficient liquidity available to complete these CCAA proceedings.

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1 Calculated at the USD 1.3 million per year per-filing amount, divided by 12 months, multiplied by 9 months during the applicable period.

2 Calculated at USD $325,000 per month for a 6-month period.

B. Extension of the Stay Period

25. The Second Stay Extension Order extended the Stay Period to January 31, 2026. The Applicants are seeking to further extend the Stay Period to January 29, 2027.

26. A one-year extension of the Stay Period is necessary to continue to allow the Applicants, with the assistance of the Monitor, to continue their efforts to pursue the final ERC Tax Refunds and complete certain tax returns, as part of the orderly wind-down of the business of the Applicants in both Canada and the US.

27. As will be set out in more detail in the Monitor's Report to be filed, the funds held by the Applicants and the Monitor are expected to be sufficient to cover the remaining costs that will be incurred during the remainder of these CCAA proceedings, including restructuring professional fees and the cost of the third-party consultants engaged to assist in the wind-down. The estate is not expected to incur any material costs during the extended Stay Period in connection with the pursuit of the outstanding ERC Tax Refund.

28. I believe that the Applicants have acted, and continue to act, in good faith and with due diligence in these CCAA proceedings. I believe that the proposed extension of the Stay Period is in the best interests of the Applicants and their stakeholders. I am also informed by the Monitor that it supports the request to extend the Stay Period.

SWORN BEFORE ME over videoconference this 16th day of January, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely. The affiant is located in the City of Toronto, in the Province of Ontario and the commissioner is located in the City of Toronto, in the Province of Ontario.

Commissioner for Taking Affidavits
(or as may be)

MARLEIGH ERYN DICK
LSO# 79390S

ANTOINE ADAMS

This is Exhibit "A" referred to in the Affidavit of Antoine Adams sworn by Antoine Adams at the City of Toronto, in the Province of Ontario, before me on January 16, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

MARLEIGH ERYN DICK

LSO# 79390S

Court File No. CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	WEDNESDAY, THE 24th
	)	
MR. JUSTICE BLACK	)	DAY OF APRIL, 2024

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

INITIAL ORDER

THIS APPLICATION, made by Ted Baker Canada Inc. ("**Ted Baker Canada**"), Ted Baker Limited, OSL Fashion Services Canada Inc. ("**Fashion Canada**"), and OSL Fashion Services, Inc. ("**Fashion US**" and collectively with Ted Baker Canada, Ted Baker Limited, and Fashion Canada, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Antoine Adams sworn April 24, 2024, and the Exhibits thereto (the "**Adams Affidavit**"), and the pre-filing report dated April 24, 2024, of Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as proposed monitor of the Applicants, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel to the Applicants, A&M, and such other counsel present, and on reading the consent of A&M to act as monitor (in such capacity, the "**Monitor**").

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms have the meanings given to them in the Adams Affidavit.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their respective current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants shall each be authorized and empowered to continue to retain and employ the employees, independent contractors, advisors, consultants, agents, experts, appraisers, valuators, brokers, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to use the central cash management systems currently in place as described in the Adams Affidavit, including, without limitation, the Blocked Accounts Arrangement, or, with the consent of the Monitor and the Interim Lender, replace them with other substantially similar central cash management systems (together, the "**Cash Management System**") and that any present or future bank providing the Cash Management System, including the Canadian Imperial Bank of Commerce, HSBC Bank

USA, National Association, and American Savings Bank, shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any plan of compromise or arrangement ("**Plan**") with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order to the extent that such expenses are incurred and payable by the Applicants:

(a) all outstanding and future wages, salaries, employee benefits (including, without limitation, employee medical, dental, registered retirement savings plan contributions and similar benefit plans or arrangements), vacation pay and expenses, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing and servicing expenses;

(b) all outstanding and future amounts invoiced to any of the Applicants from any independent contractors retained by any of the Applicants, payable prior to, on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing payment arrangements;

(c) all outstanding or future amounts related to honouring customer obligations, including customer pre-payments, deposits, gift cards, programs and other customer loyalty programs, offers and benefits, in each case incurred in the ordinary course of business and consistent with existing policies and procedures;

(d) the fees and disbursements of any Assistants retained or employed by the Applicants at their standard rates and charges;

(e) with the consent of the Monitor, and the Interim Lender, amounts owing for goods or services supplied to the Applicants prior to the date of this Order by:

(i) warehouse providers, logistics or supply chain providers, including transportation providers, customs brokers, freight forwarders and security and armoured truck carriers, and including amounts payable in respect of customs and duties for goods;

(ii) providers of information, internet, telecommunications and other technology, including e-commerce providers and related services;

(iii) providers of payment, credit, debit and gift card processing related services; and

(iv) other third-party suppliers or service providers if, in the opinion of the Applicants following consultation with the Monitor, such supplier or service provider is critical to the Business and ongoing operations of the Applicants and the Property (as hereinafter defined).

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by them in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order and any other Order of this Court, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicants following the date of this Order.

8. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from the Applicants' employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services taxes, harmonized sales taxes or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business, workers' compensation or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

9. **THIS COURT ORDERS** that, until a real property lease, including a sublease and related documentation (each, a "**Lease**") to which any Applicant is a party is disclaimed or resiliated in accordance with the CCAA or otherwise consensually terminated, such Applicant shall pay, without duplication, all amounts constituting rent or payable as rent under such Lease (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the applicable landlord (each, a "**Landlord**") under such Lease, but for greater certainty, excluding accelerated rent or penalties, fees or other charges arising as a result of the insolvency of the Applicants or the making of this Order) or as otherwise may be negotiated between such Applicant and the Landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such

payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by any one of the Applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business or pursuant to this Order or any other Order of the Court.

RESTRUCTURING

11. **THIS COURT ORDERS** that the Applicants shall, subject to such requirements as are imposed by the CCAA, have the right to:

(a) terminate the employment of such of its employees or temporarily lay off such of its employees as the applicable Applicant deems appropriate;

(b) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor and the Interim Lender or further Order of the Court, any of their arrangements or agreements of any nature whatsoever and with whomsoever, whether oral or written, as the Applicants deem appropriate, in accordance with section 32 of the CCAA; and

(c) in consultation with, and with the oversight of the Monitor and in consultation with the Interim Lender, (i) engage in discussions with, and solicit proposals and agreements from, third parties in respect of the liquidation of the inventory, furniture, equipment and fixtures and other property located in and/or forming part of the Property (the "**Liquidation Solicitation Process**"), and return to Court for the approval of any such agreement, and (ii) with the assistance of any real estate advisor or other Assistants as may be desirable, pursue all avenues and offers for the sale, transfer or assignment of the Leases to third parties, in whole or in part, and return to Court for approval of any such sale, transfer or assignment,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. **THIS COURT ORDERS** that each Applicant shall provide each of the relevant landlords with notice of such Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes an Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the applicable Applicant, or by further Order of this Court upon application by such Applicant on at least two (2) days notice to such landlord and any such secured creditors. If an Applicant disclaims or resiliates the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to such Applicant's claim to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the applicable Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

STAY OF PROCEEDINGS

14. **THIS COURT ORDERS** that until and including May 3, 2024, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or any of their respective employees, directors, advisors, officers and representatives acting in such capacities, or affecting the Business or the Property, except with the prior written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants, or their employees,

directors, officers or representatives acting in such capacities, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

15. **THIS COURT ORDERS** that, to the extent any prescription, time or limitation period relating to any Proceeding against or in respect of any Applicant that is stayed pursuant to this Order may expire, the term of such prescription, time or limitation period shall hereby be deemed to be extended by a period equal to the Stay Period.

NO EXERCISE OF RIGHTS OR REMEDIES

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants or the Monitor, or their respective employees, directors, officers, advisors and representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the prior written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Applicants to carry on any business which they are not lawfully entitled to carry on; (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (c) prevent the filing of any registration to preserve or perfect a security interest; or (d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, concession arrangement, licence or permit in favour of or held by the Applicants, except with the prior written consent of the Applicants and the Monitor, or leave of this Court. Without limiting the foregoing, no right, option, remedy, and/or exemption in favour of the relevant Applicants shall be or shall be deemed to be negated, suspended, waived and/or terminated as a result of the insolvency of the Applicants, the commencement of the within proceedings or any related recognition proceedings or this Order.

NO PRE-FILING VS POST-FILING SET-OFF

18. **THIS COURT ORDERS** that, no Person shall be entitled to set off any amounts that: (a) are or may become due to the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due from the Applicants in respect of obligations arising on or after the date of this Order; or (b) are or may become due from the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due to the Applicants in respect of obligations arising on or after the date of this Order, in each case without the consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall prejudice any arguments any Person may want to make in seeking leave of the Court or following the granting of such leave.

CONTINUATION OF SERVICES

19. **THIS COURT ORDERS** that during the Stay Period,

(a) all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply or license of goods, intellectual property and/or services, including without limitation all computer software, trademarks, communication and other data services, centralized banking services, cash management services, payment processing services, payroll and benefit services, insurance, freight services, transportation services, customs clearing, warehouse and logistics services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply or license of such goods or services as may be required by the Applicants;

(b) that all Persons who receive or collect proceeds from the sale of the Applicants' inventory for or on behalf of the Applicants, shall promptly remit such proceeds to the Applicants monthly, in accordance with existing arrangements without any additional set-off or deduction whatsoever; and

(c) that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case, that the normal prices or charges for all such goods or services received

after the date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and the applicable Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

20. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration, in each case, provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

21. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

22. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

23. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of USD $2,500,000, as security for the indemnity

provided in paragraph 22 of this Order. The Directors' Charge shall have the priority set out in paragraphs 40 and 42 herein.

24. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 22 of this Order.

APPOINTMENT OF MONITOR

25. **THIS COURT ORDERS** that A&M is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, partners, members, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

26. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicants' receipts and disbursements;

(b) assist the Applicants with the Restructuring;

(c) assist the Applicants, to the extent required by the Applicants or the Interim Lender, in their dissemination to the Interim Lender and its counsel and financial advisor of financial and other information as agreed to between the Applicants and the Interim Lender, which may be used in these proceedings, including reporting on a basis to be agreed with the Interim Lender;

(d) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(e) advise the Applicants in their preparation of the Applicants' cash flow statements and the dissemination of other financial information;

(f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;

(g) liaise and consult with any Assistants and any liquidator selected through the Liquidation Selection Process, to the extent required, with respect to all matters relating to the Property, the Business and such other matters as may be relevant to the proceedings herein;

(h) be at liberty to engage independent legal counsel, advisors or such other persons, or utilize the services of employees of its affiliates, as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

(i) assist the Applicants, to the extent required by the Applicants, with any matters relating to any foreign proceeding commenced in relation to any of the Applicants; and

(j) perform such other duties as are required by this Order or by this Court from time to time.

27. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

28. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively,

"**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, the Ontario *Occupational Health and Safety Act,* the British Columbia *Environmental Management Act*, the British Columbia *Riparian Areas Protection Act,* the British Columbia *Workers Compensation Act, the Alberta Environmental Protection and Enhancement Act,* the Alberta *Water Act*, the Alberta *Occupational Health and Safety Act*, the Manitoba *Environment Act*, the Manitoba *Contaminated Sites Remeditation Act*, the *Manitoba Workplace Safety and Health Act*, the Quebec *Environmental Quality Act*, and the Quebec *Act Respecting Occupation Health and Safety*, and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

29. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

30. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

31. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, counsel to the Applicants, counsel to the Interim Lender and financial advisor thereto, shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and, counsel to the Applicants, counsel to the Interim Lender and financial advisor thereto, on such terms as such parties may agree and are hereby authorized to pay to the Monitor, counsel to the Monitor and counsel to the Applicants, retainers, *nunc pro tunc*, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

32. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

ADMINISTRATION CHARGE

33. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of USD $750,000, as security for their professional fees and disbursements incurred at their standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 40 and 42 hereof.

INTERIM FINANCING

34. **THIS COURT ORDERS** that on or after the date of this Order and until May 8, 2024, Ted Baker Canada and Ted Baker Limited are hereby authorized and empowered to continue to borrow from Canadian Imperial Bank of Commerce (the "**Interim Lender**") under the existing credit facility (the "**Existing Credit Facility**") pursuant to the Credit Agreement dated as of March 14, 2023 (as amended by a consent and first amendment agreement dated as of August 3, 2023, and as further amended by a second amendment agreement dated as of April 23, 2024, the "**Existing Credit Agreement**") in order to finance the Applicants' working capital requirements

and other general corporate purposes, capital expenditures and costs of these proceedings (each, an "**Interim Borrowing**" and collectively, the "**Interim Borrowings**"), provided that (i) such Interim Borrowings are to fund obligations which the Applicants, with the consent of the Monitor and the Interim Lender, deem to be necessary for the preservation of the Property or the Business, (ii) such Interim Borrowings shall not, individually or in the aggregate, exceed USD $7,000,000, (iii) such Interim Borrowings under the Existing Credit Facility shall accrue interest at the default rates set out in the Existing Credit Agreement, (iv) Fashion Canada and Fashion US shall be deemed to (a) guarantee and secure the Interim Borrowings, together with all interest accrued thereon and costs and expenses incurred in connection therewith, in the same manner as the other Obligations (as defined in the Existing Credit Agreement) that they have guaranteed and secured under the Existing Credit Agreement and the loan and security documents provided by them in connection therewith, and (b) ratify and acknowledge the guarantees and security they have provided in connection with the Existing Credit Agreement and the loan and security documents provided by them in connection therewith, in each case, without the need for any further guarantee, security or documentation from Fashion Canada or Fashion US, and (v) unless the Interim Lender provides its written waiver, the United States Bankruptcy Court shall have granted an Order pursuant to the *United States Bankruptcy Code*, 11 U.S.C., §§ 101 – 1532, as amended (the "**Bankruptcy Code**"): (a) provisionally recognizing, ordering and giving effect to this Order and the Interim Lender's Charge in the United States, and (b) granting such other provisional relief that is sought by the Applicants, at the request of the Interim Lender.

35. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such amendments to the Existing Credit Agreement or other documents, if any, as may be reasonably required by the Interim Lender to facilitate any Interim Borrowings, provided that failure to execute any such documentation does not invalidate any Interim Borrowings or the validity or priority of the Interim Lender's Charge.

36. **THIS COURT ORDERS** that the Interim Borrowings shall mature on May 8, 2024 and be payable in full by the Applicants on such date, together with all interest accrued thereon and costs or expenses incurred in connection therewith.

37. **THIS COURT ORDERS** that the Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property of each of the

Applicants, which Interim Lender's Charge shall, for greater certainty, not secure any obligation that exists before this Order is made. The Interim Lender's Charge shall have the priority set out in paragraphs 40 and 42 hereof.

38. **THIS COURT ORDERS** in the event the Applicants fail to make the payment to the Interim Lender required by paragraph 36 herein, then upon three (3) business days' notice to the Applicants and the Monitor, the Interim Lender may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the Existing Credit Agreement and the Interim Lender's Charge, including without limitation, to cease making advances to the Applicants and, subject to further Order of the Court, set off and/or consolidate any amounts owing by the Interim Lender to any of the Applicants against the obligations of the Applicants to the Interim Lender under the Existing Credit Agreement, this Order or the Interim Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants or the Property and for the appointment of a trustee in bankruptcy of the Applicants.

39. **THIS COURT ORDERS** that the Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the *Bankruptcy and Insolvency Act* of Canada with respect to any Interim Borrowings.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

40. **THIS COURT ORDERS** that the priorities of the security interests granted by the Administration Charge, Interim Lender's Charge and the Directors' Charge (collectively, the "**Charges**"), and the Applicants to CIBC, as among them, shall be as follows:

(a) First – Administration Charge (to the maximum amount of USD $750,000);

(b) Second – Interim Lender's Charge;

(c) Third – Security granted with respect to the Existing Credit Facility (excluding the Interim Borrowings); and

(d) Fourth - Directors' Charge (to the maximum amount of USD $2,500,000).

41. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

42. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts (including deemed or constructive trusts), liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, except for any Person who is a "secured creditor" as defined in the CCAA that has not been served with the Notice of Application for this Order. The Applicants shall be entitled, at the Comeback Hearing (as hereinafter defined), on notice to those Persons likely to be affected thereby, to seek priority of the Charges ahead of any Encumbrance over which the Charges may not have obtained priority pursuant to this Order.

43. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or pari passu with, any of the Charges unless the Applicants also obtain the prior written consent of the Monitor, the Interim Lender and the other beneficiaries of the Charges (collectively, the "**Chargees**"), or further Order of this Court.

44. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) or receivership order(s) issued pursuant to the BIA or otherwise, or any bankruptcy order or receivership order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution or delivery of any amendment or document pursuant to paragraph 35 hereof shall create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party;

(b) None of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, the Interim Borrowings or the execution or delivery of any amendment or document pursuant to paragraph 35 hereof; and

(c) the payments made by the Applicants pursuant to this Order, including with respect to the Existing Credit Facility or in respect of the Interim Borrowings and the granting of the Charges do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

45. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interests in such real property leases.

SERVICE AND NOTICE

46. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the Globe & Mail a notice containing the information prescribed under the CCAA; and (b) within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, or cause to be sent, in the prescribed manner (including by electronic message to the e-mail addresses as last shown in the Applicants' books and records), a notice to all known creditors having a claim against the Applicants of more than $1,000, and (iii) prepare a list showing the names and addresses of such creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available, unless otherwise ordered by the Court.

47. **THIS COURT ORDERS** that any employee of any of the Applicants who is sent a notice of termination of employment or any other communication by the Applicants after the date hereof shall be deemed to have received such communication by no later than 8:00 a.m. Eastern

Standard/Daylight Time on the fourth (4th) day following the date any such notice is sent, if such notice is sent by ordinary mail, expedited parcel or registered mail to the individual's address as reflected in the Applicants' books and records; provided, however, that any communication that is sent to an employee of the Applicants by electronic message to the individual's corporate email address and/or the individual's personal email address as last shown in the Applicants' books and records shall be deemed to have been received twenty-four (24) hours after the time such electronic message was sent, notwithstanding that any such notices of termination of employment or other employee communication was sent pursuant to any other means.

48. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca//scj/practice/practice-directions/toronto/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a case website shall be established in accordance with the Protocol with the following URL: www.alvarezandmarsal.com/TBRetail (the "**Monitor's Website**").

49. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol or the CCAA and the regulations thereunder is not practicable, the Applicants and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or electronic message to the Applicants' creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Applicants and that any such service or distribution shall be deemed to be received on the earlier of (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Standard/Daylight Time (or on the next business day following the date of forwarding thereof if sent on a non-business day); (b) the next business day following the date of forwarding thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. Eastern Standard/Daylight Time;

or (c) on the third (3rd) business day following the date of forwarding thereof, if sent by ordinary mail.

50. **THIS COURT ORDERS** that the Applicants and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding copies thereof by electronic message to the Applicants' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

COMEBACK HEARING

51. **THIS COURT ORDERS** that the comeback motion in these CCAA proceedings shall be heard on May 3, 2024 (the "**Comeback Hearing**").

GENERAL

52. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their respective powers and duties hereunder.

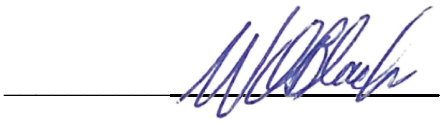
53. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Foreign Representative (as defined below), the Monitor and their respective 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 Applicants, to the Foreign Representative and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Foreign Representative and the Monitor and their respective agents in carrying out the terms of this Order.

54. **THIS COURT ORDERS** that the Applicants and the Monitor be at liberty and are hereby authorized and empowered to seek any relief deemed appropriate by them from the United States

Bankruptcy Court and apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that Ted Baker Canada is hereby authorized and empowered to act as the foreign representative (the "**Foreign Representative**") in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as a foreign representative of the Applicants to apply to the United States Bankruptcy Court for relief pursuant to chapter 15 of the Bankruptcy Code.

55. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order at the Comeback Hearing on not less than five (5) calendar days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

56. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.



Black J.

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

Applicants

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

INITIAL ORDER

OSLER, HOSKIN & HARCOURT LLP
1 First Canadian Place, P.O. Box 50
Toronto, ON M5X 1B8
Fax: 416.862.6666

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.6665
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

This is Exhibit “B” referred to in the Affidavit of Antoine Adams sworn by Antoine Adams at the City of Toronto, in the Province of Ontario, before me on January 16, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

MARLEIGH ERYN DICK

LSO# 79390S

SUPERIOR COURT OF JUSTICE

COUNSEL SLIP

COURT FILE NO.: CV-24-718993-00CL **DATE:** April 26, 2024

NO. ON LIST: 3

TITLE OF PROCEEDING: **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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC. and OSL FASHION SERVICES INC.

BEFORE JUSTICE: **W.D. BLACK**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Shawn Irving	Lawyer for the Applicant	sirving@osler.com
Marleigh Dick	Lawyer for the Applicant	mdick@osler.com
Tracy Sandler	Lawyer for the Applicant	tsandler@osler.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Sean Zweig	Lawyer for the Proposed Monitor	zweigs@bennettjones.com
Jesse Mighton	Lawyer for the Proposed Monitor	Mightonj@bennettjones.com
Aryo Shalviri	Lawyer for the CIBC	Aryo.shalviri@blakes.com
Milly Chow	Lawyer for the CIBC	Milly.chow@blakes.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

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ENDORSEMENT OF JUSTICE BLACK:

Overview

[1] This is an application by Ted Baker Canada Inc. ("Ted Baker Canada"), Ted Baker Limited (together with Ted Baker Canada, "Ted Baker NA"), OSL Fashion Services Canada Inc. ("Fashion Canada"), and OSL Fashion Services Inc. ("Fashion Services", and together with Fashion Canada, "Fashion", and collectively, the "Applicants"), seeking an initial order (the "Initial Order") and related relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"). The factual references in this endorsement come from the materials filed in support of the application, and I will at times used defined terms from those materials.

[2] The Applicants operate a clothing business, with retail, wholesale and e-commerce components, under the name Ted Baker in Canada and the U.S., and under the Brooks Brothers and Lucky Brand banners in Canada.

[3] In March of 2023, Fashion Canada and Fashion Services acquired from No Ordinary Design Label ("NODL"), a subsidiary of Authentic Brands Group ("ABG"), the equity interests of Ted Baker Canada and Ted Baker Limited.

[4] Concurrently, Ted Baker Canada and Ted Baker Limited entered into a license agreement with NODL in which NODL granted to them an exclusive license to used Ted Baker marks and sell Ted Baker branded merchandise in Canada and the U.S.

[5] In August of 2023, Ted Baker Canada acquired certain assets in Canada relating to the Lucky Brand and Brooks Brothers brands, including licensed inventory and an exclusive license to use the Lucky Brand and Brooks Brothers marks and to sell licensed merchandise in Canada.

Summary of Financial Difficulties

[6] Since commencing operations in March of 2023, the Applicants have experienced operational and financial difficulties, and their consolidated business has failed to generate positive cash flows.

[7] The Applicants attribute these difficulties to a combination of factors. Their evidence is that these include a failure of certain of ABG's operating partners to make timely payments in respect of Ted Baker NA's supply chain, impacting Ted Baker NA's inventory of merchandise, and, as a result of NODL's insolvency in the UK, suppliers of Ted Baker NA accelerating payment terms.

[8] The Applicants also explain that they have experienced problems and delays resulting from the tech transition of the Ted Baker NA business from NODL to the Applicants, which have further disrupted the Applicants' operations and exacerbated the supply chain issues. In addition, the transition of the Ted Baker website URL to "tedbaker.us" is said to have significantly disrupted sales, and relationships with the Applicants' online customer base.

[9] The Applicants have made efforts to reduce costs and improve sales performance, but in recent months the Applicants' financial position has continued to decline. The Applicants are currently in an over advance position on the borrowing base under their Existing Credit Agreement (as defined in the Applicants' materials), and in significant arrears with a number of key vendors.

[10] The CIBC, the Applicants' Senior Lender, has recently advised the Applicants that it will not permit any further draws under the Existing Credit Facility outside of a CCAA proceeding.

[11] The Applicants have also recently received notices of default under certain license agreements as a result of missed royalty payments which, if not cured within five days, may entitle ABG to terminate those agreements. Efforts to negotiate a resolution of these issues with ABG have not been successful.

Relevant Details of the Applicants' Operation

[12] All or substantially all of the Applicants' key operational and strategic corporate decision-making is performed by and through Fashion's head office in Mississauga, Ontario. This includes executive, M&A and strategic corporate functions, and the approval of material financial decisions for all of the Applicants (while Ted Baker Limited has its own executive leadership team in New York, this team ultimately reports to Canadian employees based in Mississauga).

[13] Leadership for IT functions are also performed in Mississauga (by an affiliate based out of the head office in Mississauga ("Retail")).

[14] As of April 19, 2024, Ted Baker Canada employed 58 full-time and 72 part-time employees in Canada, and Ted Baker Limited employed 251 full-time and 97 part-time employees in the U.S. In addition, 19 full-time and 43 part-time employees service the Lucky Brand business, and 32 full-time and 52 part-time employees work for the Brooks Brothers business (all of whom are based in Canada and employed by Ted Baker Canada).

[15] With respect to their retail operations, the Applicants operate 14 full-line, and 11 outlet stores in Canada, along with 24 full-line and 10 outlet stores in the U.S.

[16] In terms of wholesale, Ted Baker Canada and Ted Baker Limited are parties to agreements with certain wholesale customers, including major department stores (such as Hudson's Bay, Bloomingdales and Nordstroms), pursuant to which Ted Baker NA sells branded products in bulk.

[17] In addition, Ted Baker Canada operates six concession locations inside Hudson's Bay in Canada, and Ted Baker Limited operates 31 concession locations inside Bloomingdales stores, and one concession inside a Macy's store in the U.S., subject, respectively, to specific agreements with the relevant department store companies.

[18] The Ted Baker e-commerce business is conducted through the tedbaker.ca URL in Canada, and the tedbaker.us URL in the U.S.

[19] All of the Applicants' full-line and outlet retail operations are conducted in leased facilities, with various third-party landlords.

[20] Sourcing and purchasing of merchandise for both Ted Baker Canada and Ted Baker Limited is centralized, and conducted through Ted Baker NA's team in the New York office. All purchase orders are submitted to PDS Limited ("PDS"), an operating partner of the Applicants that is globally responsible for design, procurement and maintaining relationships with suppliers and manufacturers for the Ted Baker brand.

[21] Ted Baker NA also has a centralize distribution system. Once manufactured, goods are delivered to Ted Baker NA's primary distribution center in Atlanta, which is managed and operated by Future Forwarding Company, ("Future Forwarding") pursuant to a Warehousing, Storage and Logistics Agreement.

[22] For the Brooks Brothers and Lucky Brand businesses, all or most of the merchandise is sourced from SPARC Group LLC, and distributed through a third-party logistics provider.

Details of Indebtedness

[23] Ted Baker Canada and Ted Baker Limited, as borrowers, and Fashion Canada and Fashion Services as guarantors are parties to the Existing Credit Agreement with CIBC. Pursuant to the Existing Credit Agreement, CIBC has provided revolving loans to the borrowers of up to U.S. $36.5 million. As of April 23, 2024, the outstanding balance under the Existing Credit Facility is $28,789,728.37.

[24] Under the terms of the Existing Credit Agreement, the borrowers and guarantors executed a number of security instruments in favour of CIBC, such that the relevant obligations are secured against a continuing security interest in all their present and after-acquired personal property.

[25] Fashion Canada is also indebted to Retail under a secured promissory note, pursuant to which, on demand, Fashion Canada has promised to pay U.S. $10 million, secured by a security interest in all of Fashion Canada's present and after-acquired undertakings and property. This debt is, by agreement, subordinated and postponed to the indebtedness of the Ted Baker borrowers to CIBC.

Decision to Seek CCAA Protection

[26] In the circumstances summarized above, absent CCAA protection, the Applicants risk critical vendors taking potentially damaging enforcement steps, including possible termination of agreements that are critical to the Applicants' continued operation. As a result, after consulting with experts (including KPMG as financial advisor, and Alvarez & Marsal Canada Inc. ("A&M"), the proposed monitor, and in light of the imminent expiry of the cure period under the License Agreements and the word from CIBC that it will not permit further draws under the Existing Credit Facility outside of a CCAA proceeding, the Applicants have determined that commencing these CCAA proceedings is in the best interests of the Applicants and their stakeholders, and that the stay of proceedings is the only practical means of providing the breathing room required to determine appropriate next steps, including potentially a liquidation and orderly wind-down of their operations, or other alternatives to maximize value.

Consideration of Factors Relative to an Initial Order

[27] The CCAA applies to a "debtor company" if the total claims against it exceed $5 million. The Applicants are insolvent, and the claims against them, collectively, substantially exceed the $5 million statutory threshold. As such, the Applicants meet the debtor company definition (including under the expanded concept of insolvency adopted by this Court in *Stelco Inc.* (Re) 2004 CarswellOnt 1211).

[28] Under section 9 of the CCAA, a debtor company may bring an application under the CCAA in the province within which its head office or chief place of business is situated. The Applicants maintain their head office and much of their business activities in Ontario. I am satisfied that this court is the appropriate forum. Canadian courts have accepted that a multinational enterprise such as the Applicants' business must be restructured as a global unit, even where operating units are located in foreign jurisdictions (see *Chalice Brands Ltd.* (Re), 2023 ONSC 3174).

[29] The court may grant a stay of proceedings of up to 10 days on an initial application, provided that a stay is appropriate and that the Applicant has acted in good faith and with due diligence. This threshold for an initial stay is relatively low, and a debtor company need only satisfy the court that a stay would "usefully further" its efforts to reorganize (*Century Services Inc. v. Canada (Attorney General)*, 2010 SCC 60).

[30] I am satisfied that the stay of proceedings sought by the Applicants is necessary for the Applicants to determine appropriate next steps. As noted by Morawetz C.J. in *Lydian International Limited (Re)*, 2019 ONSC 7473, the initial stay period preserves the status quo and allows for operations to be stabilized and for negotiations to occur, followed by requests for expanded relief on proper notice to affected parties at the full comeback hearing.

[31] CIBC, counsel for which attended at this hearing, is prepared to permit Ted Baker Canada and Ted Baker Limited to continue to borrow under the Existing Credit Facility during the initial stay period, up to a maximum of $7 million, subject to the proviso that draw requests must have the consent of CIBC.

[32] The Applicants seek and I approve an interim financing charge to secure the interim borrowings, to be secured by all of the present and future assets, property and undertaking of the Applicants, to rank behind the Administrative Charge and ahead of all other security interests, charges and liens.

[33] The Applicants' cash flow projections demonstrate the clear need for the interim financing, in order to provide a measure of stability and to fund operations during the initial stay period, and the evidence before me is that the interim borrowings are expected to provide sufficient liquidity to allow the Applicants to continue their business operations during this initial stay. The Interim Lender's Charge, in turn is required as a condition of CIBC advancing the interim funding.

Authorization for Payment of Pre-Filing Obligations

[34] The Applicants also seek authorization, with the consent of the Monitor A&M and CIBC, to make payments of pre-filing debts to certain critical third parties, including, critically, Future Forwarding and SDR (the entity that provides third-party logistics services to Ted Baker Canada in respect of the Brooks Brothers and Lucky Brand businesses). The circumstances in which this authorization is sought here meet the factors outlined in *Index Energy Mills Road Corporation (Re)*, 2017 ONSC 4944, and I grant the authorization sought to make these payments.

[35] Given that the Applicants have operations, assets and important relationships in the U.S., CIBC requires, as another pre-condition to permitting interim draws, that the relief contemplated under the initial order here be sought and recognized contemporaneously in the U.S. I was advised that, assuming I issue the order sought, Ted Baker Canada intends to initiate a proceeding under Chapter 15 of Title 11 of the Bankruptcy Code to seek an order to recognize and enforce the CCAA proceedings in the U.S.

[36] The Applicants therefore seek, under s. 56 of the CCAA, an order allowing Ted Baker Canada to act as a foreign representative in respect of this proceeding for the purpose of having orders issued in the course of this proceeding recognized in jurisdictions outside of Canada, including in particular in the Chapter 15 proceedings. I find this to be appropriate, and I grant this relief.

[37] I also grant, pursuant to s. 11.52 of the CCAA, the Administrative Charge in favour of the Monitor in the amount of $750,000.00. This charge was developed in consultation with the Monitor and is to be secured

by the Property (as defined) and to have first priority over all other charges and security interests. The Administrative Charge satisfies the factors originally established by *Pepall J. in Canwest Publishing (Re)* 2010 ONSC 222.

[38] The Applicants also seek, and I grant, a directors and officers charge of $2.5 million for the initial stay period. This charge is also to be secured by the Property, and to rank behind the Administrative Charge, the interim lender's charge and the Existing Facility. I am satisfied that the continued involvement of the directors and officers in this proceeding requires the directors and officers charge, and that a successful restructuring of the Applicants will only be possible with the continued participation of their directors, officers, management and employees.

Conclusion: Initial Order Granted

[39] Accordingly, I grant the Order sought.

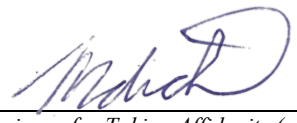
Comeback Hearing on May 3, 2024

[40] The comeback hearing is scheduled before me on May 3, 2024 at 9:30 a.m., for 90 minutes.

W.D. BLACK J.

DATE: April 29, 2024

This is Exhibit "C" referred to in the Affidavit of Antoine Adams sworn by Antoine Adams at the City of Toronto, in the Province of Ontario, before me on January 16, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

MARLEIGH ERYN DICK

LSO# 79390S

Court File No. CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 3rd
	)	
JUSTICE BLACK	)	DAY OF MAY, 2024

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

AMENDED AND RESTATED INITIAL ORDER
(amending the Initial Order dated April 24, 2024)

THIS APPLICATION, made by Ted Baker Canada Inc. ("**Ted Baker Canada**"), Ted Baker Limited, OSL Fashion Services Canada Inc. ("**Fashion Canada**"), and OSL Fashion Services, Inc. ("**Fashion US**" and collectively with Ted Baker Canada, Ted Baker Limited, and Fashion Canada, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the affidavit of Antoine Adams sworn April 24, 2024, and the Exhibits thereto (the "**Initial Adams Affidavit**"), the affidavit of Antoine Adams sworn May 1, 2024 and the Exhibits thereto (the "**Second Adams Affidavit**"), the pre-filing report dated April 24, 2024, of Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as proposed monitor of the Applicants, and the first report dated May 1, 2024 (the "**First Report**"), of A&M, in its capacity as monitor of the Applicants (in such capacity, the "**Monitor**"), and the confidential supplement to the First Report, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the

submissions of counsel to the Applicants, the Monitor, the Interim Lender (as defined below), the DIP Lender (as defined below), and such other counsel present, and on reading the consent of A&M to act as Monitor.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms have the meanings given to them in the Initial Adams Affidavit and the Second Adams Affidavit, as applicable.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their respective current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants shall each be authorized and empowered to continue to retain and employ the employees, independent contractors, advisors, consultants, agents, experts, appraisers, valuators, brokers, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to use the central cash management systems currently in place as described in the Initial Adams Affidavit, including,

without limitation, the Blocked Accounts Arrangement, or, with the consent of the Monitor and the DIP Lender, replace them with other substantially similar central cash management systems (together, the "**Cash Management System**") and that any present or future bank providing the Cash Management System, including the Canadian Imperial Bank of Commerce, HSBC Bank USA, National Association, and American Savings Bank, shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any plan of compromise or arrangement ("**Plan**") with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that, in accordance with the DIP Term Sheet (as defined below), the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on or after April 24, 2024 (the "**Filing Date**") to the extent that such expenses are incurred and payable by the Applicants:

(a) all outstanding and future wages, salaries, employee benefits (including, without limitation, employee medical, dental, registered retirement savings plan contributions and similar benefit plans or arrangements), vacation pay and expenses, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing and servicing expenses;

(b) all outstanding and future amounts invoiced to any of the Applicants from any independent contractors retained by any of the Applicants, payable prior to, on or after the Filing Date, in each case incurred in the ordinary course of business and consistent with existing payment arrangements;

(c) all outstanding or future amounts related to honouring customer obligations, including customer pre-payments, deposits, gift cards, programs and other customer loyalty

programs, offers and benefits, in each case incurred in the ordinary course of business and consistent with existing policies and procedures;

(d) the fees and disbursements of any Assistants retained or employed by the Applicants at their standard rates and charges;

(e) with the consent of the Monitor, and the DIP Lender, amounts owing for goods or services supplied to the Applicants prior to the Filing Date by:

(i) warehouse providers, logistics or supply chain providers, including transportation providers, customs brokers, freight forwarders and security and armoured truck carriers, and including amounts payable in respect of customs and duties for goods;

(ii) providers of information, internet, telecommunications and other technology, including e-commerce providers and related services;

(iii) providers of payment, credit, debit and gift card processing related services; and

(iv) other third-party suppliers or service providers if, in the opinion of the Applicants following consultation with the Monitor, such supplier or service provider is critical to the Business and ongoing operations of the Applicants and the Property (as hereinafter defined).

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by them in carrying on the Business in the ordinary course after the Filing Date, and in carrying out the provisions of this Order and any other Order of this Court, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicants following the Filing Date.

8. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from the Applicants' employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services taxes, harmonized sales taxes or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the Filing Date, or where such Sales Taxes were accrued or collected prior to the Filing Date but not required to be remitted until on or after the Filing Date; and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business, workers' compensation or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

9. **THIS COURT ORDERS** that, until a real property lease, including a sublease and related documentation (each, a "**Lease**") to which any Applicant is a party is disclaimed or resiliated in accordance with the CCAA or otherwise consensually terminated, such Applicant shall pay, without duplication, all amounts constituting rent or payable as rent under such Lease (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the applicable landlord (each, a "**Landlord**") under such Lease, but for greater certainty, excluding accelerated rent or penalties, fees or other charges arising as a result of the insolvency of the Applicants or the making of the Initial Order or this Order) or as otherwise may

be negotiated between such Applicant and the Landlord from time to time ("**Rent**"), for the period commencing from and including the Filing Date, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the Filing Date shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by any one of the Applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (c) to not grant credit or incur liabilities except in accordance with the DIP Term Sheet or the ordinary course of the Business or pursuant to this Order or any other Order of the Court.

RESTRUCTURING

11. **THIS COURT ORDERS** that the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the DIP Term Sheet and the Definitive Documents (each as defined below), have the right to:

(a) permanently or temporarily cease, downsize or shut down any of the Business or operations, and to dispose of redundant or non-material assets not exceeding $50,000 in any one transaction or $250,000 in the aggregate in any series of related transactions; provided that, with respect to leased premises, the Applicants may, subject to the requirements of the CCAA and paragraphs 12 and 13 herein, vacate, abandon or quit the whole (but not part of) and may permanently (but not temporarily) cease, downsize or shut down any of the Business or operations in respect of any leased premises;

(b) terminate the employment of such of its employees or temporarily lay off such of its employees as the applicable Applicant deems appropriate;

(c) pursue all offers for sales of material parts of the Business or Property, in whole or in part, subject to prior approval of this Court obtained before any sale (except as

permitted by paragraph 11(a) above or the Realization Process Order granted by this Court on May 3, 2024);

(d) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor and the DIP Lender or further Order of the Court, any of their arrangements or agreements of any nature whatsoever and with whomsoever, whether oral or written, as the Applicants deem appropriate, in accordance with section 32 of the CCAA; and

(e) in consultation with, and with the oversight of the Monitor and in consultation with the DIP Lender, (i) engage in discussions with, and solicit proposals and agreements from, third parties in respect of the liquidation of the inventory, furniture, equipment and fixtures and other property located in and/or forming part of the Property (the "**Realization Solicitation Process**"), and return to Court for the approval of any such agreement, and (ii) with the assistance of any real estate advisor or other Assistants as may be desirable, pursue all avenues and offers for the sale, transfer or assignment of the Leases to third parties, in whole or in part, and return to Court for approval of any such sale, transfer or assignment,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. **THIS COURT ORDERS** that each Applicant shall provide each of the relevant landlords with notice of such Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes an Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the applicable Applicant, or by further Order of this Court upon application by such Applicant on at least two (2) days notice to such landlord and any such secured creditors. If an Applicant disclaims or resiliates the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to such Applicant's claim to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the applicable Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

STAY OF PROCEEDINGS

14. **THIS COURT ORDERS** that until and including August 2, 2024, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or any of their respective employees, directors, advisors, officers and representatives acting in such capacities, or affecting the Business or the Property, except with the prior written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants, or their employees, directors, officers or representatives acting in such capacities, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

15. **THIS COURT ORDERS** that, to the extent any prescription, time or limitation period relating to any Proceeding against or in respect of any Applicant that is stayed pursuant to this Order may expire, the term of such prescription, time or limitation period shall hereby be deemed to be extended by a period equal to the Stay Period.

NO EXERCISE OF RIGHTS OR REMEDIES

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants or the Monitor, or their respective employees, directors, officers, advisors and representatives acting in such capacities, or affecting the Business or the Property, are hereby

stayed and suspended except with the prior written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Applicants to carry on any business which they are not lawfully entitled to carry on; (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (c) prevent the filing of any registration to preserve or perfect a security interest; or (d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, concession arrangement, licence or permit in favour of or held by the Applicants, except with the prior written consent of the Applicants and the Monitor, or leave of this Court. Without limiting the foregoing, no right, option, remedy, and/or exemption in favour of the relevant Applicants shall be or shall be deemed to be negated, suspended, waived and/or terminated as a result of the insolvency of the Applicants, the commencement of the within proceedings or any related recognition proceedings or this Order.

NO PRE-FILING VS POST-FILING SET-OFF

18. **THIS COURT ORDERS** that, other than as expressly provided for pursuant to the DIP Term Sheet, no Person shall be entitled to set off any amounts that: (a) are or may become due to the Applicants in respect of obligations arising prior to the Filling Date with any amounts that are or may become due from the Applicants in respect of obligations arising on or after the Filing Date; or (b) are or may become due from the Applicants in respect of obligations arising prior to the Filing Date with any amounts that are or may become due to the Applicants in respect of obligations arising on or after the Filing Date, in each case without the consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall prejudice any arguments any Person may want to make in seeking leave of the Court or following the granting of such leave.

CONTINUATION OF SERVICES

19. **THIS COURT ORDERS** that during the Stay Period,

(a) all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply or license of goods, intellectual property and/or services, including without limitation all computer software, trademarks, communication and other data services, centralized banking services, cash management services, payment processing services, payroll and benefit services, insurance, freight services, transportation services, customs clearing, warehouse and logistics services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply or license of such goods or services as may be required by the Applicants;

(b) that all Persons who receive or collect proceeds from the sale of the Applicants' inventory for or on behalf of the Applicants, shall promptly remit such proceeds to the Applicants monthly, in accordance with existing arrangements without any additional set-off or deduction whatsoever; and

(c) that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case, that the normal prices or charges for all such goods or services received after the the Filing Date are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and the applicable Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

20. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration, in each case, provided on or after the Filing Date, nor shall any Person be under any obligation on or after the Filing Date to advance or re-advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

KEY EMPLOYEE RETENTION PLAN

21. **THIS COURT ORDERS** that the Key Employee Retention Plan (the "**KERP**"), as described in the Second Adams Affidavit, is hereby approved and the Applicants are authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

22. **THIS COURT ORDERS** that the key employees referred to in the KERP (the "**Key Employees**") shall be entitled to the benefit of and are hereby granted a charge on the Property, which charge shall not exceed an aggregate amount of USD $250,000 (the "**KERP Charge**"), as security for amounts payable to the Key Employees pursuant to the KERP. The KERP Charge shall have the priority set out in paragraphs 48 and 50 hereof.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

23. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

24. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

25. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of USD $5,000,000, as security for the indemnity provided in paragraph 24 of this Order. The Directors' Charge shall have the priority set out in paragraphs 48 and 50 herein.

26. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 24 of this Order.

APPOINTMENT OF MONITOR

27. **THIS COURT ORDERS** that A&M is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, partners, members, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

28. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicants' receipts and disbursements;

(b) assist the Applicants with the Restructuring;

(c) assist the Applicants, to the extent required by the Applicants or the DIP Lender, in their dissemination to the DIP Lender and its counsel and financial advisor of financial and other information as agreed to between the Applicants and the DIP Lender, which may be used in these proceedings, including reporting on a basis to be agreed with the DIP Lender;

(d) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(e) advise the Applicants in their preparation of the Applicants' cash flow statements and the dissemination of other financial information;

(f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;

(g) liaise and consult with any Assistants and any liquidator selected through the Realization Solicitation Process, to the extent required, with respect to all matters relating to the Property, the Business and such other matters as may be relevant to the proceedings herein;

(h) be at liberty to engage independent legal counsel, advisors or such other persons, or utilize the services of employees of its affiliates, as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

(i) assist the Applicants, to the extent required by the Applicants, with any matters relating to any foreign proceeding commenced in relation to any of the Applicants; and

(j) perform such other duties as are required by this Order or by this Court from time to time.

29. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

30. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste

or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, the Ontario *Occupational Health and Safety Act,* the British Columbia *Environmental Management Act*, the British Columbia *Riparian Areas Protection Act,* the British Columbia *Workers Compensation Act, the Alberta Environmental Protection and Enhancement Act,* the Alberta *Water Act*, the Alberta *Occupational Health and Safety Act*, the Manitoba *Environment Act*, the Manitoba *Contaminated Sites Remediation Act*, the *Manitoba Workplace Safety and Health Act*, the Quebec *Environmental Quality Act*, and the Quebec *Act Respecting Occupation Health and Safety*, and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

31. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

32. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

33. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, counsel to the Applicants, counsel to the Interim Lender and the DIP Lender and financial advisor thereto, shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the Filing Date, by the Applicants as part of the

costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and, counsel to the Applicants, counsel to the Interim Lender and the DIP Lender and financial advisor thereto, in each case, on such terms as such parties may agree and are hereby authorized to pay to the Monitor, counsel to the Monitor and counsel to the Applicants, retainers, *nunc pro tunc*, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

34. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

ADMINISTRATION CHARGE

35. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of USD $1,500,000, as security for their professional fees and disbursements incurred at their standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 48 and 50 hereof.

INTERIM FINANCING

36. **THIS COURT ORDERS** that on or after the Filing Date and until May 8, 2024, Ted Baker Canada and Ted Baker Limited are hereby authorized and empowered to continue to borrow from Canadian Imperial Bank of Commerce (in such capacity, the "**Interim Lender**") under the existing credit facility (the "**Existing Credit Facility**") pursuant to the Credit Agreement dated as of March 14, 2023 (as amended by a consent and first amendment agreement dated as of August 3, 2023, and as further amended by a second amendment agreement dated as of April 23, 2024, the "**Existing Credit Agreement**") in order to finance the Applicants' working capital requirements and other general corporate purposes, capital expenditures and costs of these proceedings (each, an "**Interim Borrowing**" and collectively, the "**Interim Borrowings**"), provided that (i) such Interim Borrowings are to fund obligations which the Applicants, with the consent of the Monitor and the Interim Lender, deem to be necessary for the preservation of the Property or the Business,

(ii) such Interim Borrowings shall not, individually or in the aggregate, exceed USD $7,000,000, (iii) such Interim Borrowings under the Existing Credit Facility shall accrue interest at the default rates set out in the Existing Credit Agreement, (iv) Fashion Canada and Fashion US shall be deemed to (a) guarantee and secure the Interim Borrowings, together with all interest accrued thereon and costs and expenses incurred in connection therewith (collectively, the "**Interim Borrowing Obligations**"), in the same manner as the other Obligations (as defined in the Existing Credit Agreement) that they have guaranteed and secured under the Existing Credit Agreement and the loan and security documents provided by them in connection therewith, and (b) ratify and acknowledge the guarantees and security they have provided in connection with the Existing Credit Agreement and the loan and security documents provided by them in connection therewith, in each case, without the need for any further guarantee, security or documentation from Fashion Canada or Fashion US, and (v) unless the Interim Lender provides its written waiver, the United States Bankruptcy Court shall have granted an Order pursuant to the *United States Bankruptcy Code*, 11 U.S.C., §§ 101 – 1532, as amended (the "**Bankruptcy Code**"): (a) provisionally recognizing, ordering and giving effect to this Order and the Interim Lender's Charge in the United States, and (b) granting such other provisional relief that is sought by the Applicants, at the request of the Interim Lender.

37. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such amendments to the Existing Credit Agreement or other documents, if any, as may be reasonably required by the Interim Lender to facilitate any Interim Borrowings, provided that failure to execute any such documentation does not invalidate any Interim Borrowings or the validity or priority of the Interim Lender's Charge.

38. **THIS COURT ORDERS** that the Interim Borrowings shall mature on May 8, 2024 and the Interim Borrowing Obligations shall be payable in full by the Applicants on such date.

39. **THIS COURT ORDERS** that (i) the Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property of each of the Applicants, which Interim Lender's Charge shall, for greater certainty, not secure any obligation that exists before this Order is made, (ii) the Interim Lender's Charge shall have the priority set out in paragraphs 48 and 50 hereof, (iii) the Interim Lender's Charge shall be terminated, released and discharged upon indefeasible payment in full of the Interim Borrowing Obligations from the

proceeds of the First Advance (as defined in the DIP Term Sheet), without any other act or formality; and (iv) until indefeasible payment in full of the Interim Borrowings Obligations, all consents required of the DIP Lender in this Order and all rights afforded to the DIP Lender under paragraph 28(c), 46 and 47 of this Order shall also apply to the Interim Lender *mutatis mutandis*.

40. **THIS COURT ORDERS** in the event the Applicants fail to make the payment to the Interim Lender required by paragraph 38 herein, then upon three (3) business days' notice to the Applicants and the Monitor, the Interim Lender may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the Existing Credit Agreement and the Interim Lender's Charge, including without limitation, to cease making advances to the Applicants and, subject to further Order of the Court, set off and/or consolidate any amounts owing by the Interim Lender to any of the Applicants against the obligations of the Applicants to the Interim Lender under the Existing Credit Agreement, this Order or the Interim Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants or the Property and for the appointment of a trustee in bankruptcy of the Applicants.

41. **THIS COURT ORDERS** that the Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the *Bankruptcy and Insolvency Act* of Canada with respect to any Interim Borrowings.

DIP FINANCING

42. **THIS COURT ORDERS** that Ted Baker Canada and Ted Baker Limited are hereby authorized and empowered to obtain and borrow under a credit facility from the Canadian Imperial Bank of Commerce (the "**DIP Lender**") in order to finance the Applicants' working capital requirements and other general corporate purposes and costs of these proceedings, provided that borrowings under such credit facility shall not, individually or in the aggregate, exceed USD $28,000,000 unless permitted by further Order of this Court.

43. **THIS COURT ORDERS THAT** such credit facility shall be on the terms and subject to the conditions set forth in the term sheet between the Applicants and the DIP Lender dated as of May 1, 2024 (the "**DIP Term Sheet**"), filed.

44. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Term Sheet or as may be required by the DIP Lender, and the Applicants are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

45. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 48 and 50 hereof.

46. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge, the DIP Term Sheet or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the DIP Term Sheet or the Definitive Documents, the DIP Lender may cease making advances to the DIP Borrowers pursuant to the DIP Term Sheet and, upon approval of the Court, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the DIP Lender's Charge, including without limitation, to set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the obligations of the Applicants to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants or the Property and for the appointment of a trustee in bankruptcy of the Applicants; and

(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

47. **THIS COURT ORDERS** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the *Bankruptcy and Insolvency Act* of Canada with respect to any advances made under the DIP Term Sheet or the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

48. **THIS COURT ORDERS** that the priorities of the security interests granted by the Administration Charge, Interim Lender's Charge, the DIP Lender's Charge, the Directors' Charge and the KERP Charge (collectively, the "**Charges**"), and the Applicants to CIBC, as among them, shall be as follows:

(a) First – Administration Charge (to the maximum amount of USD $1,500,000);

(b) Second – Interim Lender's Charge, until such Charge is terminated pursuant to paragraph 39;

(c) Third - DIP Lender's Charge;

(d) Fourth – Security granted with respect to the Existing Credit Facility (excluding the Interim Borrowings);

(e) Fifth - Directors' Charge (to the maximum amount of USD $5,000,000); and

(f) Sixth – KERP Charge (to the maximum amount of USD $250,000).

49. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

50. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts (including

deemed or constructive trusts), liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

51. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or pari passu with, any of the Charges unless the Applicants also obtain the prior written consent of the Monitor, the DIP Lender and the other beneficiaries of the Charges (collectively, the "**Chargees**"), or further Order of this Court.

52. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) or receivership order(s) issued pursuant to the BIA or otherwise, or any bankruptcy order or receivership order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Interim Borrowings or any amendment or document pursuant to paragraph 37, the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party**;**

(b) None of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Term Sheet, the Interim Borrowings, the creation of the Charges, the Interim Borrowings or the execution, delivery or performance of any amendment or document pursuant to paragraph 37, the DIP Term Sheet or the Definitive Documents; and

(c) the payments made by the Applicants pursuant to this Order, including with respect to the Existing Credit Facility or in respect of the Interim Borrowings and/or the DIP Term Sheet or the Definitive Documents, and the granting of the Charges do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

53. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interests in such real property leases.

SEALING

54. **THIS COURT ORDERS** that the KERP and related payment information attached as confidential supplement to the First Report are hereby sealed and shall not form part of the Court record, subject to further order of this Court.

SERVICE AND NOTICE

55. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the Globe & Mail a notice containing the information prescribed under the CCAA; and (b) within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, or cause to be sent, in the prescribed manner (including by electronic message to the e-mail addresses as last shown in the Applicants' books and records), a notice to all known creditors having a claim against the Applicants of more than $1,000, and (iii) prepare a list showing the names and addresses of such creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available, unless otherwise ordered by the Court.

56. **THIS COURT ORDERS** that any employee of any of the Applicants who is sent a notice of termination of employment or any other communication by the Applicants after the date hereof shall be deemed to have received such communication by no later than 8:00 a.m. Eastern Standard/Daylight Time on the fourth (4^{th}) day following the date any such notice is sent, if such notice is sent by ordinary mail, expedited parcel or registered mail to the individual's address as

reflected in the Applicants' books and records; provided, however, that any communication that is sent to an employee of the Applicants by electronic message to the individual's corporate email address and/or the individual's personal email address as last shown in the Applicants' books and records shall be deemed to have been received twenty-four (24) hours after the time such electronic message was sent, notwithstanding that any such notices of termination of employment or other employee communication was sent pursuant to any other means.

57. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca//scj/practice/practice-directions/toronto/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a case website shall be established in accordance with the Protocol with the following URL: www.alvarezandmarsal.com/TBRetail (the "**Monitor's Website**").

58. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol or the CCAA and the regulations thereunder is not practicable, the Applicants and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or electronic message to the Applicants' creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Applicants and that any such service or distribution shall be deemed to be received on the earlier of (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Standard/Daylight Time (or on the next business day following the date of forwarding thereof if sent on a non-business day); (b) the next business day following the date of forwarding thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. Eastern Standard/Daylight Time; or (c) on the third (3rd) business day following the date of forwarding thereof, if sent by ordinary mail.

59. **THIS COURT ORDERS** that the Applicants and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding copies thereof by electronic message to the Applicants' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

GENERAL

60. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their respective powers and duties hereunder.

61. **THIS COURT ORDERS** that noting in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of any or all of the Applicants, the Business or the Property.

62. **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 Applicants, the Foreign Representative (as defined below), 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 Applicants, to the Foreign Representative and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Foreign Representative and the Monitor and their respective agents in carrying out the terms of this Order.

63. **THIS COURT ORDERS** that the Applicants and the Monitor be at liberty and are hereby authorized and empowered to seek any relief deemed appropriate by them from the United States Bankruptcy Court and apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that Ted Baker Canada is hereby authorized and empowered to act as the foreign representative

(the "**Foreign Representative**") in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as a foreign representative of the Applicants to apply to the United States Bankruptcy Court for relief pursuant to chapter 15 of the Bankruptcy Code.

64. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) calendar days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

65. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

Justice W. D. Black

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

Applicants

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

AMENDED AND RESTATED INITIAL ORDER
(amending the Initial Order dated April 24, 2024)

OSLER, HOSKIN & HARCOURT LLP
1 First Canadian Place, P.O. Box 50
Toronto, ON M5X 1B8
Fax: 416.862.6666

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.6665
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

This is Exhibit “D” referred to in the Affidavit of Antoine Adams sworn by Antoine Adams at the City of Toronto, in the Province of Ontario, before me on January 16, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

MARLEIGH ERYN DICK

LSO# 79390S

Court File No. CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 3rd
	)	
JUSTICE BLACK	)	DAY OF MAY, 2024

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

REALIZATION PROCESS APPROVAL ORDER

THIS MOTION, made by Ted Baker Canada Inc. ("**Ted Baker Canada**"), Ted Baker Limited, OSL Fashion Services Canada Inc. ("**Fashion Canada**"), and OSL Fashion Services, Inc. ("**Fashion US**" and collectively with Ted Baker Canada, Ted Baker Limited, and Fashion Canada, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, among other things, (i) approving the consulting agreement between Ted Baker Canada and Ted Baker Limited and Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC (together, the "**Consultant**") dated as of April 30, 2024 (as may be amended and restated in accordance with the terms of this Order, the "**Consulting Agreement**") and the transactions contemplated thereby, and (ii) granting certain related relief, was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the affidavit of Antoine Adams sworn April 24, 2024, and the Exhibits thereto (the "**Initial Adams Affidavit**"), the affidavit of Antoine Adams sworn May 1, 2024 and the Exhibits thereto (the "**Second Adams Affidavit**"), and the First Report of Alvarez & Marsal Canada Inc., in its capacity as monitor of the Applicants

(in such capacity, the "**Monitor**") dated May 1, 2024 (the "**First Report**"), and on hearing the submissions of counsel to the Applicants, the Monitor, and such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Marleigh Dick sworn May 2, 2024, filed:

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the 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 any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated May 3, 2024 (the "**Amended and Restated Initial Order**"), the Sales Guidelines (as defined below), or the Consulting Agreement (attached as Exhibit "E" to the Second Adams Affidavit), as applicable;

THE CONSULTING AGREEMENT

3. **THIS COURT ORDERS** that the Consulting Agreement, including the sale guidelines attached as Schedule "A" hereto in respect of the Canadian Stores and as Schedule "B" hereto in respect of the US Stores (together, the "**Sale Guidelines**"), and the transactions contemplated thereunder are hereby approved, authorized and ratified and that the execution of the Consulting Agreement by the Merchant is hereby approved, authorized, and ratified, *nunc pro tunc*, with such minor amendments to the Consulting Agreement (but not the Sale Guidelines) as the Merchant (with the consent of the Monitor) and the Consultant may agree to in writing. Subject to the provisions of this Order and the Amended and Restated Initial Order, the Merchant is hereby authorized and directed to take any and all actions as may be necessary or desirable to implement the Consulting Agreement and each of the transactions contemplated therein. Without limiting the foregoing, the Merchant is authorized to execute any other agreement, contract, deed or document, or take any other action, that is necessary or desirable to give full and complete effect to the Consulting Agreement. The Consultant shall have the right to syndicate and partner with additional entities to serve as "Consultant" under the Consulting Agreement in accordance with the terms thereof.

THE SALE

4. **THIS COURT ORDERS** that the Merchant, with the assistance of the Consultant, is authorized to conduct the Sale in accordance with this Order, the Consulting Agreement and the Sale Guidelines and to advertise and promote the Sale within the Stores in accordance with the Sale Guidelines. If there is a conflict between this Order, the Consulting Agreement and the Sale Guidelines, the order of priority of documents to resolve such conflicts is as follows: (1) this Order; (2) the Sale Guidelines; and (3) the Consulting Agreement.

5. **THIS COURT ORDERS** that, subject to paragraph 12 of the Amended and Restated Initial Order, the Merchant, with the assistance of the Consultant, is authorized to market and sell, or otherwise dispose of, the Merchandise, FF&E and Additional Consultant Goods on a "final sale" and/or "as is" basis and in accordance with the Sale Guidelines and the Consulting Agreement, free and clear of all liens, claims, encumbrances, security interests, mortgages, charges, trusts, deemed trusts, executions, levies, and financial, monetary or other claims, whether or not such claims have attached or been perfected, registered or filed and whether secured, unsecured, quantified or unquantified, contingent or otherwise, whensoever and howsoever arising, and whether such claims arose or came into existence prior to or following the date of this Order (in each case, whether contractual, statutory, arising by operation of law, in equity or otherwise) (all of the foregoing, collectively "**Claims**"), including, without limitation, (a) the Administration Charge, the Interim Lender's Charge, the Directors' Charge, the DIP Lender's Charge, the KERP Charge and any other charges hereafter granted by this Court in these proceedings (collectively, the "**CCAA Charges**"); and (b) all Claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), *Personal Property Security Act* (Alberta), *Personal Property Security Act* (British Columbia), *Personal Property Security Act* (Manitoba), the *Civil Code of Quebec*, *Uniform Commercial Code* or any other personal or movable property registration system (all of such Claims (including the CCAA Charges) collectively referred to herein as the "**Encumbrances**"), which Encumbrances will attach instead to the proceeds of the Sale (other than amounts specified in paragraph 15 of this Order) in the same order and priority as they existed immediately prior to the Sale.

6. **THIS COURT ORDERS** that subject to the terms of this Order, the Amended and Restated Initial Order and the Sale Guidelines, or any greater restrictions in the Consulting

Agreement, the Consultant shall have the right to enter and use the Stores and Warehouses and all related store services and all facilities and all furniture, trade fixtures and equipment, including the FF&E, located at the Stores and Warehouses other assets of the Merchant as designated under the Consulting Agreement, for the purpose of conducting the Sale and for such purposes, the Consultant shall be entitled to the benefit of the stay of proceedings granted in favour of the Applicants under the Amended and Restated Initial Order, as such stay of proceedings may be extended by further Order of the Court.

7. **THIS COURT ORDERS** that until the end of the FF&E Removal Period for each Store (which shall in no event be later than August 9, 2024, or such later date as may be ordered by this Court), the Consultant shall have access to (a) the Stores in accordance with the applicable Leases and (b) the Warehouses in accordance with the applicable contractual agreements between the applicable Applicant or Applicants and the third party operator of the applicable Warehouse, in each case in accordance with the Sale Guidelines, as applicable, and on the basis that the Consultant is assisting the Merchant, and the Merchant has granted its right of access to the Stores and Warehouses to the Consultant. To the extent that the terms of the applicable Leases are in conflict with any term of this Order or the Sale Guidelines, the terms of this Order and the Sale Guidelines shall govern.

8. **THIS COURT ORDERS** that nothing in this Order shall amend or vary, or be deemed to amend or vary, the terms of the Leases. Nothing contained in this Order or the Sale Guidelines shall be construed to create or impose upon the Merchant or the Consultant any additional restrictions not contained in the applicable Lease.

9. **THIS COURT ORDERS** that, subject to and in accordance with the Consulting Agreement, the Sale Guidelines and this Order, the Consultant is authorized to advertise and promote the Sale, without further consent of any Person other than (a) the Merchant and the Monitor as provided under the Consulting Agreement; or (b) a Landlord as provided under the Sale Guidelines.

10. **THIS COURT ORDERS** that until the Sale Termination Date, the Consultant shall have the right to use, without interference by any Person (including any licensor), all licenses and rights granted to the Merchant to use trade names, trademarks, logos, copyrights or other intellectual property of any Person, solely for the purpose of advertising and conducting the Sale of the

Merchandise, FF&E and Additional Consultant Goods in accordance with the terms of the Consulting Agreement, the Sale Guidelines, and this Order.

CONSULTANT LIABILITY

11. **THIS COURT ORDERS** that the Consultant shall act solely as an independent consultant to the Merchant and that it shall not be liable for any claims against the Merchant other than as expressly provided in the Consulting Agreement (including the Consultant's indemnity obligations thereunder) or the Sale Guidelines and, for greater certainty:

(a) the Consultant shall not be deemed to be an owner or in possession, care, control or management of the Stores or the Warehouses, of the assets located therein or associated therewith or of the Merchant's employees located at the Stores, the Warehouses or any other property of the Merchant;

(b) the Consultant shall not be deemed to be an employer, or a joint or successor employer, related or common employer or payor within the meaning of any legislation, statute or regulation or rule of law or equity governing employment, labour standards, pension benefits or health and safety for any purpose whatsoever in relation to the employees of Ted Baker Canada or Ted Baker Limited, and shall not incur any successorship liabilities whatsoever (including without limitation, losses, costs, damages, fines or awards); and

(c) subject to and without limiting the Consultant's indemnification of the Ted Baker Indemnified Parties pursuant to the Consulting Agreement, the Consultant shall bear no responsibility for any liability whatsoever (including without limitation, losses, costs, damages, fines or awards) relating to Claims of customers, employees and any other Persons arising from events occurring at the Stores during and after the term of the Sale or at the Warehouses, or otherwise in connection with the Sale, except to the extent that such Claims are the result of events or circumstances caused or contributed to by the gross negligence or wilful misconduct of the Consultant, its employees, Supervisors, independent contractors, agents or other representatives, or otherwise in accordance with the Consulting Agreement.

12. **THIS COURT ORDERS** that, to the extent (a) any Landlord has a claim against the Merchant arising solely out of the conduct of the Consultant in conducting the Sale; and (b) the Merchant has a claim against the Consultant under the Consulting Agreement arising from such conduct, the Merchant shall be deemed to have assigned such claim against the Consultant under the Consulting Agreement free and clear to the applicable Landlord (the "**Assigned Landlord Rights**"); provided that, each such Landlord shall only be permitted to advance the Assigned Landlord Rights against the Consultant if written notice, including the reasonable details of such claim, is provided by such Landlord to the Consultant, the Merchant and the Monitor during the period commencing on the Sale Commencement Date and ending on the date that is thirty (30) days following the FF&E Removal Deadline; provided, however, that, the Landlords shall be provided with access to the Stores to inspect the Stores within fifteen (15) days following the FF&E Removal Deadline.

CONSULTANT AN UNAFFECTED CREDITOR

13. **THIS COURT ORDERS** that the Consulting Agreement shall not be repudiated, resiliated or disclaimed by the Merchant nor shall the claims of the Consultant pursuant to the Consulting Agreement be compromised or arranged pursuant to any plan of arrangement or compromise among the Merchant and its creditors (a "**Plan**") and, for greater certainty, the Consultant shall be treated as an unaffected creditor in these proceedings and under any Plan.

14. **THIS COURT ORDERS** that the Merchant is hereby authorized and directed, in accordance with the Consulting Agreement, to remit all amounts that become due to the Consultant thereunder.

15. **THIS COURT ORDERS** that no Encumbrances shall attach to any amounts payable or to be credited or reimbursed to, or retained by, the Consultant pursuant to the Consulting Agreement, including without limitation, any amounts to be reimbursed by any Applicant to the Consultant pursuant to the Consulting Agreement (including, for greater certainty, the proceeds of the Additional Consultant Goods (other than the Additional Consultant Goods Fee), which Additional Consultant Goods shall be consigned to the Merchant as a true consignment under applicable law), and at all times the Consultant will retain such amounts, free and clear of all Encumbrances, notwithstanding any enforcement or other process or Claims, all in accordance with the Consulting Agreement.

16. **THIS COURT ORDERS** that notwithstanding:

(a) the pendency of these proceedings;

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

(c) any assignment in bankruptcy made in respect of any Applicant;

(d) the provisions of any federal, or provincial statute; or

(e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other document or agreement to which any Applicant is a party;

the Consulting Agreement and the transactions and actions provided for and contemplated therein, including without limitation, the payment of amounts due to the Consultant and the Assigned Landlord Rights shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicants and shall not be void or voidable by any Person, including any creditor of the Applicants, nor shall they, or any of them, constitute or be deemed to be a preference, fraudulent conveyance, transfer at undervalue or other challengeable or reviewable transaction, under the CCAA or BIA or any applicable law, nor shall they constitute oppressive or unfairly prejudicial conduct under any applicable law.

PIPEDA

17. **THIS COURT ORDERS** that the Merchant is authorized and permitted to transfer to the Consultant personal information in the Merchant's custody and control solely for the purposes of assisting with and conducting the Sale and only to the extent necessary for such purposes and the Consultant is hereby authorized to make use of such personal information solely for the purposes as if it were the Merchant, subject to and in accordance with the Consulting Agreement.

GENERAL

18. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their respective powers and duties hereunder.

19. **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 Applicants, the Foreign Representative, 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 Applicants, to the Foreign Representative and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Foreign Representative and the Monitor and their respective agents in carrying out the terms of this Order.

20. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

Justice W. D. Black

Electronically Issued / Délivré par voie électronique : 03-May-2024
Toronto Superior Court of Justice / Cour supérieure de justice

SCHEDULE "A"

Canadian Store Sale Guidelines

SALE GUIDELINES
(CANADIAN STORE LOCATIONS)

Capitalized terms used but not defined in these Sale Guidelines shall have the meanings ascribed to them in the Amended and Restated Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated May 3, 2024 (as amended and restated from time to time, the "**ARIO**") made in the proceedings involving, *inter alia*, Ted Baker Canada Inc. and Ted Baker Limited (collectively, the "**Merchant**") under the *Companies' Creditors Arrangement Act* ("**CCAA**") and the Realization Process Approval Order (as defined below), as applicable.

The following procedures shall apply to the sale (the "**Sale**") of merchandise, inventory, furniture, fixtures and equipment at the Merchant's Canadian stores or at Canadian concession locations as set forth in the Updated Store list attached as Schedule "1A" to the Consulting Agreement (as defined below) (individually, a "**Store**" and, collectively, the "**Stores**").

1. Except as otherwise expressly set out herein, and subject to: (i) the Order of the Court dated May 3rd, approving, *inter alia*, the consulting agreement between the Merchant and Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC (collectively, the "**Consultant**") dated as of April 30, 2024 (as amended and restated from time to time in accordance with the Realization Process Approval Order (as defined below), the "**Consulting Agreement**") and the transactions contemplated thereunder (the "**Realization Process Approval Order**"); (ii) any further Order of the Court; and/or (iii) any subsequent written agreement between the Merchant and its Landlord(s) and approved by the Consultant, the Sale shall be conducted in accordance with the terms of the applicable Leases. However, nothing contained herein shall be construed to create or impose upon the Merchant or the Consultant any additional restrictions not contained in the applicable Lease.

2. The Sale shall be conducted so that each Store remains open during its normal hours of operation provided for in its respective Lease, until the respective Sale Termination Date (as defined below) of each such Store. The Sale at the Stores shall end by no later than August 2, 2024 (such date, or such other date as determined in accordance with the Realization Process Approval Order, the "**Sale Termination Date**"). Rent payable under the Leases shall be paid up to and including the effective date of an applicable Lease Disclaimer as provided in the ARIO (which, for greater certainty, may be up to seven (7) days following the applicable Sale Termination Date (the "**FF&E Removal Period**")).

3. The Sale shall be conducted in accordance with applicable federal, provincial and municipal laws and regulations, unless otherwise authorized under the CCAA, the ARIO, or otherwise ordered by the Court.

4. All display and hanging signs used by the Consultant in connection with the Sale shall be professionally produced and all hanging signs shall be hung in a professional manner. Notwithstanding anything to the contrary contained in the Leases, the Consultant may advertise the Sale at the Stores as a "everything on sale", "everything must go", "store closing" and/or similar theme sale at the Stores (provided however that no signs shall advertise the Sale as a "bankruptcy", a "liquidation" or a "going out of business" sale, it being understood that the French equivalent of "clearance" is "liquidation" and is permitted to be used). Forthwith upon request from a Landlord, the Landlord's counsel, the Merchant or the Monitor, the Consultant shall provide the proposed signage packages along with proposed dimensions by e-mail to the applicable Landlords or to their counsel of record and the applicable Landlord

shall notify the Consultant of any requirement for such signage to otherwise comply with the terms of the Lease and/or these Sale Guidelines and where the provisions of the Lease conflict with these Sale Guidelines, these Sale Guidelines shall govern. The Consultant shall not use neon or day-glow signs or any handwritten signage (save that handwritten "you pay" or "topper" signs may be used). If a Landlord is concerned with "Store Closing" signs being placed in the front window of a Store or with the number or size of the signs in the front window, the Merchant, the Consultant and the Landlord will work together to resolve the dispute. Furthermore, with respect to enclosed mall Store locations without a separate entrance from the exterior of the enclosed mall, no exterior signs or signs in common areas of a mall shall be used unless explicitly permitted by the applicable Lease and shall otherwise be subject to all applicable laws. In addition, the Consultant shall be permitted to utilize exterior banners/signs at stand alone, strip mall or enclosed mall Store locations with a separate entrance from the exterior of the enclosed mall; provided, however, that: (i) no signage in any other common areas of a mall shall be used; and (ii) where such banners are not explicitly permitted by the applicable Lease and the applicable Landlord requests in writing that banners are not to be used, no banners shall be used absent further Order of the Court, which may be sought on an expedited basis on notice to the recipients listed in the service list in respect of these CCAA proceedings (the "**Service List**"). Any banners used shall be located or hung so as to make clear that the Sale is being conducted only at the affected Store and shall not be wider than the premises occupied by the affected Store. All exterior banners shall be professionally hung and to the extent that there is any damage to the facade of the premises of a Store as a result of the hanging or removal of the exterior banner, such damage shall be professionally repaired at the expense of the Consultant.

5. The Consultant shall be permitted to utilize sign-walkers and street signage; provided, however, such sign-walkers and street signage shall not be located on the shopping centre or mall premises.

6. The Consultant shall be entitled to include additional merchandise in the Sale; provided that: (i) the additional merchandise is owned by the Merchant and is currently in the possession or control of the Merchant (including in any Warehouse (as defined in the Consulting Agreement) used by the Merchant) or has previously been ordered by or on behalf of the Merchant and is currently in transit to the Merchant (including any Warehouse used by the Merchant) or a Store; and (ii) the additional merchandise is of the type and quality typically sold in the Stores and consistent with any restriction on usage of the Stores set out in the applicable Leases.

7. Conspicuous signs shall be posted in the cash register areas of each of the Stores to the effect that all sales are "final" and customers with any questions or complaints are to call the Merchant's customer care number.

8. The Consultant shall not distribute handbills, leaflets or other written materials to customers outside of any of the Stores on Landlord's property, unless explicitly permitted by the applicable Lease or, if distribution is customary in the shopping centre in which the Store is located. Otherwise, the Consultant may solicit customers in the Stores themselves. The Consultant shall not use any giant balloons, flashing lights or amplified sound to advertise the Sale or solicit customers, except as explicitly permitted under the applicable Lease or agreed to by the Landlord, and no advertising trucks shall be used on Landlord property or mall ring roads, except as explicitly permitted under the applicable Lease or otherwise agreed to by the Landlord.

9. At the conclusion of the Sale and the FF&E Removal Period in each Store, the Consultant shall arrange that the premises for each Store are in "broom-swept" and clean condition, and shall arrange that the Stores are in the same condition as on the commencement of the Sale, ordinary wear and tear excepted. No property of any Landlord of a Store shall be removed or sold during the Sale. No permanent fixtures (other than the FF&E (as defined below)) may be removed without the applicable Landlord's written consent unless otherwise provided by the applicable Lease and in accordance with the Initial Order and the Realization Process Approval Order. Unless otherwise agreed with the applicable landlord, any trade fixtures or personal property left in a Store after the applicable FF&E Removal Period in respect of which the applicable Lease has been disclaimed or resiliated by the Merchant shall be deemed abandoned. The applicable Landlord shall have the right to dispose of any goods left in the store as the Landlord chooses, without any liability whatsoever on the part of the Landlord. Nothing in this paragraph shall derogate from or expand upon the Consultant's obligations under the Consulting Agreement.

10. Subject to the terms of paragraph 9 above, the Consultant may also sell existing furniture, fixtures and equipment and/or improvements to real property located in the Stores during the Sale and the FF&E Removal Period that are owned by the Merchant, partially owned, third party owned and/or leased (collectively, the "**FF&E**"). For greater certainty, FF&E does not include any portion of a Store's mechanical, electrical, plumbing, security, HVAC, sprinkler, fire suppression, or fire alarm systems (including related fixtures and affixed equipment). The Merchant and the Consultant may advertise the sale of the FF&E consistent with these Sale Guidelines on the understanding that the Landlord may require such signs to be placed in discreet locations within the Stores reasonably acceptable to the Landlord. Additionally, the purchasers of any FF&E sold during the Sale shall only be permitted to remove the FF&E either through the back shipping areas designated by the Landlord or through other areas after regular Store business hours or, through the front door of the Store during Store business hours if the FF&E can fit in a shopping bag, with Landlord's supervision if required by the Landlord and in accordance with the Initial Order and the Realization Process Approval Order. The Consultant shall repair any damage to the Stores resulting from the removal of any FF&E or personal property of the Merchant by the Consultant or by third party purchasers of FF&E or personal property from the Consultant.

11. The Consultant shall not make any alterations to interior or exterior Store lighting, except as authorized pursuant to the affected Lease. The hanging of exterior banners or other signage, where permitted in accordance with the terms of these Sale Guidelines, shall not constitute an alteration to a Store.

12. The Merchant hereby provides notice, including for purposes of the ARIO, to the Landlords of the Merchant's and the Consultant's intention to sell and remove FF&E from the Stores. The Consultant shall make commercially reasonable efforts to arrange with each Landlord represented by counsel on the Service List and with any other Landlord that so requests, a walk-through with the Consultant to identify any FF&E that is subject to the Sale. The relevant Landlord shall be entitled to have a representative present in the applicable Stores to observe such removal. If the Landlord disputes the Consultant's entitlement to sell or remove any FF&E under the provisions of the Lease, such FF&E shall remain on the premises and shall be dealt with as agreed between the Merchant, the Consultant and such Landlord, or by further Order of the Court upon motion by the Merchant on at least two (2) business days' notice to such Landlord and the Monitor. If the Merchant has disclaimed or resiliated the Lease

governing such Store in accordance with the CCAA and the Initial Order, it shall not be required to pay rent under such Lease pending resolution of any such dispute (other than rent payable for the notice period provided for in the CCAA and the Initial Order), and the disclaimer or resiliation of the Lease shall be without prejudice to the Merchant's or the Consultant's claim to the FF&E in dispute.

13. If a notice of disclaimer or resiliation of Lease is delivered pursuant to the CCAA and the ARIO to a Landlord while the Sale is ongoing and the Store in question has not yet been vacated, then: (i) during the notice period prior to the effective date of the disclaimer or resiliation, the Landlord may show the affected Store to prospective tenants during normal business hours, on giving the Merchant, the Monitor and the Consultant at least twenty-four (24) hours' prior written notice; and (ii) at the effective date of the disclaimer or resiliation, the relevant Landlord shall be entitled to take possession of any such Store without waiver of or prejudice to any claims or rights such Landlord may have against the Merchant or any of its affiliates in respect of such Lease or Store; provided that, nothing herein shall relieve such Landlord of any obligation to mitigate any damages claimed in connection therewith.

14. The Consultant and its agents and representatives shall have the same access rights to each Store as the Merchant under the terms of the applicable Lease, and the Landlords shall have access rights to the applicable Store as provided for in the applicable Lease (subject, for greater certainty, to any applicable stay of proceedings and the terms of the ARIO).

15. The Merchant and the Consultant shall not conduct any auctions of Merchandise or FF&E at any of the Stores.

16. The Consultant shall designate a party to be contacted by the Landlords should a dispute arise concerning the conduct of the Sale. The initial contact persons for the Consultant shall be Monique Sassi, 40 King Street West, Toronto, Ontario, M5H3C2, who may be reached by phone at 416-860-6886 or email at msassi@cassels.com. If the parties are unable to resolve the dispute between themselves, the Landlord or the Merchant shall have the right to schedule a "status hearing" before the Court on no less than two (2) days written notice to the other party or parties and the Monitor, during which time the Consultant shall suspend all activity in dispute other than activities expressly permitted herein, pending determination of the matter by the Court; provided, however, subject to paragraph 4 of these Sale Guidelines, if a banner has been hung in accordance with these Sale Guidelines and is the subject of a dispute, the Consultant shall not be required to take any such banner down pending determination of any dispute.

17. Nothing herein or in the Consulting Agreement is, or shall be deemed to be, a sale, assignment or transfer of any Lease to the Consultant nor a consent by any Landlord to the sale, assignment or transfer of any Lease, or shall, or shall be deemed to, or grant to the Landlord any greater rights in relation to the sale, assignment or transfer of any Lease than already exist under the terms of any such Lease.

18. These Sale Guidelines may be amended on a Store-by-Store basis, by written agreement between the Merchant, the Consultant, and the applicable Landlord, with the consent of the Monitor; provided however, that such amended Sale Guidelines shall not affect or bind any other Landlord not privy thereto without further Order of the Court approving such amended Sale Guidelines.

SCHEDULE "B"

US Store Sale Guidelines

Sale Procedures[1]
(US Store Locations)

1. The Sale will be conducted during normal business hours or such hours as otherwise permitted by the applicable unexpired lease.

2. The Sale will be conducted in accordance with applicable state and local "Blue Laws," and thus, where such a law is applicable, no Sale will be conducted on Sunday unless the Debtors have been operating such stores on Sundays.

3. On "shopping center" property, neither the Debtors nor the Consultant shall distribute handbills, leaflets, or other written materials to customers outside of any stores' premises, unless permitted by the applicable lease or if distribution is customary in the "shopping center" in which such store is located; *provided* that the Debtors and the Consultant may solicit customers in the stores themselves. On "shopping center" property, neither the Debtors nor the Consultant shall use any flashing lights or amplified sound to advertise the Sale or solicit customers, except as permitted under the applicable lease or agreed in writing by the landlord.

4. The Debtors and the Consultant shall have the right to use and sell the FF&E. The Debtors and the Consultant may advertise the sale of the FF&E in a manner consistent with these Sale Procedures. The purchasers of any FF&E sold during the Sale shall be permitted to remove the FF&E either through the back or alternative shipping areas at any time, or through other areas after Store business hours; *provided*, however, that the foregoing shall not apply to *de minimis* FF&E sales made whereby the item can be carried out of a Store in a shopping bag.

5. At the conclusion of the Sale, Consultant shall vacate the Stores in broom clean condition; provided that Consultant may abandon any FF&E not sold in the Sale at the conclusion of the Sale, without cost or liability of any kind to Consultant. Any abandoned FF&E left in a Store after a lease is rejected shall be deemed abandoned to the landlord having a right to dispose of the same as the landlord chooses without any liability whatsoever on the part of the landlord to any party and without waiver of any damage claims against the Merchant. For the avoidance of doubt, as of the Sale Termination Date or vacate date, as applicable, Consultant may abandon, in place and without further responsibility or liability of any kind, any FF&E.

6. The Debtors and the Consultant may, but are not required to, advertise the Sale as "store closing," "sale on everything/everything on sale," "everything must go," or similarly themed Sale (provided however that no signs shall advertise the Sale as a "bankruptcy", a "liquidation" or a "going out of business" sale). The Debtors and the Consultant may also have a "countdown to closing" sign prominently displayed in a manner consistent with these Sale Procedures.

[1] Capitalized terms used but not defined in these Sale Procedures have the meanings given to them in the Interim Order to which these Sale Procedures are attached as Exhibit ●, or the Motion to which the Interim Order is attached, as applicable.

7. The Debtors and the Consultant shall be permitted to utilize sign walkers, displays, hanging signs, and interior banners in connection with the Sale; *provided* that such sign walkers, displays, hanging signs, and interior banners shall be professionally produced and hung in a professional manner. Neither the Debtors nor the Consultant shall use neon or day-glo on its sign walkers, displays, hanging signs, or interior banners if prohibited by the applicable lease or applicable law. Furthermore, with respect to enclosed mall locations, no exterior signs or signs in common areas of a mall shall be used unless otherwise expressly permitted in these Sale Procedures. In addition, the Debtors and the Consultant shall be permitted to utilize exterior banners at (a) non-enclosed mall stores and (b) enclosed mall stores to the extent the entrance to the applicable Store does not require entry into the enclosed mall common area; *provided*, that such banners shall be located or hung so as to make clear that the Sale is being conducted only at the affected Store, shall not be wider than the storefront of the Store and shall not be larger than 4 x 40 feet. In addition, the Debtors shall be permitted to utilize sign walkers in a safe and professional manner. Nothing contained in these Sale Procedures shall be construed to create or impose upon the Debtors or the Consultant any additional restrictions not contained in the applicable lease agreement.

8. Neither the Debtors nor the Consultant shall make any alterations to the storefront, roof, or exterior walls of any stores or shopping centers, or to interior or exterior store lighting, except as authorized by the applicable lease. The hanging of in-Store signage or exterior banners shall not constitute an alteration to a Store.

9. Affected landlords will have the ability to negotiate with the Debtors, or at the Debtors' direction, the Consultant, modifications to the Sale Procedures. The Debtors and the landlord of any Store are authorized to enter into agreements ("Side Letters") without further order of the Court, provided that Side Letters do not have a material adverse effect on the Debtors or their estates.

10. To the extent relevant, and as set forth in more detail in the Consulting Agreement, conspicuous signs will be posted in each of the affected stores to the effect that all sales are "final."

11. The Debtors will keep store premises and surrounding areas clear and orderly, consistent with past practices.

12. An unexpired nonresidential real property lease will not be deemed rejected by reason of a Sale or the adoption of these Sale Procedures.

13. The rights of landlords against the Debtors for any damages to a store shall be reserved in accordance with the provisions of the applicable lease.

14. If and to the extent that the landlord of any Store contends that the Debtors or the Consultant are in breach of or default under these Sale Procedures, such landlord shall provide at least five days' written notice, served by email or overnight delivery, on:

If to the Debtors:

c/o Osler, Hoskin and Harcourt LLP
100 King Street West
1 First Canadian Place, Suite 6200
Toronto, ON M5X 1B8
Attn: Tracy C. Sandler and Shawn Irving
Email: tsandler@osler.com and sirving@osler.com

and

Cole Schotz P.C.
Court Plaza North
25 Main Street
Hackensack, NJ 07601
Attn: Warren A. Usatine, Esq. and Felice Yudkin, Esq.
Email: wusatine@coleschotz.com and fyudkin@coleschotz.com

If to the Consultant:

Gordon Brothers Retail Partners, LLC
101 Huntington Avenue, 11th Floor
Boston, MA 02199
Attn: Durien Sanchez and David Braun
E-mail: dsanchez@gordonbrothers.com and dbraun@gordonbrothers.com

with copies to:

Cassels, Brock & Blackwell LLP
Bay Adelaide Centre, North Tower
40 Temperance St. Suite 3200
Toronto ON M5H 0B4
Attn: Jane Dietrich and Monique Sassi
Email: jdietrich@cassels.com and msassi@cassels.com

and

Reimer Braunstein LLP
Times Square Tower, Suite 2506
Seven Times Square
New York, NY 10036
Attn: Steven E. Fox, Esq.
Email: sfox@riemerlaw.com

And in either case, with copies to:

Alvarez and Marsal Canada Inc.
Royal Bank Plaza, South Tower

Suite 3500 – 200 Bay Street
Toronto, ON M5J 2J1
Attn: Joshua Nevsky and Greg Karpel
Email: jnevsky@alvarezandmarsal.com and gkarpel@alvarezandmarsal.com

with copies to:

Bennett Jones LLP
100 King Street West
1 First Canadian Place, Suite 3400
Toronto, ON M5X 1A4
Attn: Sean Zweig, and Jesse Mighton
Email: zweigs@bennettjones.com and mightonj@bennettjones.com

15. If the parties are unable to resolve the dispute, either the landlord or the Debtors shall have the right to schedule a hearing before the Court on no less than five days' written notice to the other party, served by email or overnight delivery.

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

Applicants

108

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

REALIZATION PROCESS APPROVAL ORDER

OSLER, HOSKIN & HARCOURT LLP
1 First Canadian Place, P.O. Box 50
Toronto, ON M5X 1B8
Fax: 416.862.6666

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.6665
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

This is Exhibit "E" referred to in the Affidavit of Antoine Adams sworn by Antoine Adams at the City of Toronto, in the Province of Ontario, before me on January 16, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

MARLEIGH ERYN DICK

LSO# 79390S

110

SUPERIOR COURT OF JUSTICE

COUNSEL SLIP

COURT FILE NO.: CV-24-00718993-00CL **DATE:** **May 3, 2024**

NO. ON LIST: **1**

TITLE OF PROCEEDING: **TED BAKER CANADA INC. ET AL v YORKDALE SHOPPING CENTRE HOLDINGS INC.**

BEFORE JUSTICE: **BLACK, J**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Shawn Irving	Counsel for Ted Baker Canada Inc., Ted Baker Limited, OSL Fashion Services Canada Inc., OSL Fashion Services Inc.	sirving@osler.com
Marleigh Dick	Counsel for Ted Baker Canada Inc., Ted Baker Limited, OSL Fashion Services Canada Inc., OSL Fashion Services Inc.	mdick@osler.com
Saneea Tanvir	Counsel for OSL Retail Services Inc.	stanvir@mccarthy.ca
Blair McRadu	Counsel for Ted Baker Canada Inc., Ted Baker Limited, OSL Fashion Services Canada Inc., OSL Fashion Services Inc.	bmcradu@osler.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Sean Zweig	Counsel for Monitor - Alvarez & Marsal Canada Inc.	zweigs@bennettjones.com

Jesse Mighton	Counsel for Monitor - Alvarez & Marsal Canada Inc.	mightonj@bennettjones.com
Andrew Harmes	Counsel for Authentic Brands Group	aharmes@goodmans.ca
D.J. Miller	Yorkdale Shopping Centre Holdings Inc., OPGI Management GP Inc. and OPGI Management Limited Partnership	djmiller@tgf.ca

For Other, Guests, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Monique Sassi	Counsel for other party – Gordon Brothers	msassi@cassels.com
Milan Singh - Cheema	Monitor - Alvarez & Marsal Canada Inc. - observing	singhcheemam@bennettjones.com
Greg Karpel	Monitor - Alvarez & Marsal Canada Inc. - observing	gkarpel@alvarezandmarsal.com
Linda Galessiere	Ivanhoe Cambridge and its agent/manager JJL Real Estate Services	lgalessiere@cglegal.ca
Aryo Shalviri	Canadian Imperial Bank of Commerce	aryo.shalviri@blakes.com
Milly Chow	Canadian Imperial Bank of Commerce	Milly.chow@blakes.com

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ENDORSEMENT OF JUSTICE BLACK

Overview

1. On April 24, 2024 I made an initial order in this matter granting CCAA protection for the Applicants (in this endorsement I will continue to use terms as defined in my initial endorsement and in the materials filed).

2. This morning's hearing was the "comeback" contemplated in the CCAA and in my initial order.

3. It is evident that since the initial attendance the Applicants, the Monitor, CIBC and various other interested parties and stakeholders have been working diligently and cooperatively to determine the next steps with a view to maximizing value for all concerned.

4. The plan proposed by the Applicants this morning, with the support of the Monitor and other stakeholders, contemplates a realization process to sell the Applicants' remaining Merchandise and FF&E (fixtures, furnishings and equipment) over the course of 12 weeks (the "Sale").

5. The hope is that viable third party going concern transactions will be identified for some or all of the Applicants' business or assets, and the proposed realization procees is sufficiently flexible to allow the Sale to be modified to allow for such third party going concern transaction(s).

Realization Process Approval Order

6. Among other features, the proposed Realization Process Approval Order will:

    a. approve a consulting agreement between Ted Baker NA and Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC (together, the "Consultant") dated April 30, 2024;

    b. approve Canadian and U.S. sale guidelines for the orderly realization of the Merchandise and FF&E at Canadian and U.S. locations, stores and warehouses; and,
    c. authorize the Applicants, with the assistance of the Consultant, to undertake a realization procee in accordance with the Realization Process Approval Order, the Consulting Agreement and the Sale Guidelines.

ARIO

7. In addition, the proposed amended and restated initial order ("ARIO") will, among other things:
    a. extend the Stay Period until August 2, 2024;

    b. approve a key employee retention plan (the "KERP"), grant a court-ordered charge as security for payments under the KERP, and grant a sealing order in respect of the KERP;

    c. authorize the Applicants to enter into the DIP Term Sheet and borrow under the DIP Facility in the maximum (principal) amount of USD $28 million, secured by the DIP Lender's Charge; and

    d. increase the Administration Charge to USD $1.5 million and the Directors' Charge to USD $5 million.

The U.S. Proceedings

8. In terms of the parallel proceedings in the United States Bankruptcy Court for the Southern District of New York seeking an order to recognize and enforce these CCAA proceedings, the Applicants were granted provisional relief in the Chapter 15 Case, including a temporary restraining order to obtain the benefits of a stay of proceedings, on April 26, 2024. The final recognition hearing is scheduled for May 8, 2024, and I am advised that the Foreign Representative intends to seek recognition by the US Court at that time of the ARIO and the Reliazation Process Approval Order.

Activities Since the Initial Order

9. The Applicants and the Monitor report that, since the granting of the Initial Order, they have been working to stabilize the Applicants' business and operations, advising stakeholders including landlords, employees, suppliers, license partners and others of the Initial Order, as well as commencing and pursuing the Chapter 15 Case, developing the KERP, negotiating the DIP Term Sheet, developing the Sale Guidelines and working with the Consultant in that regard, and responding to inquiries from numerous creditors and stakeholders.

10. In addition, the Applicants advise that since the Initial Order, they have contacted various stakeholders to communicate their receptiveness to potential going concern transactions, and that they have fielded a number of inquiries, and entered into non-disclosure agreements in that regard.

11. The Applicants and the Monitor also provide details about the process undergone to select the Consultant, and details about the Sale, which is to commence in the near term on a date to be agreed by the Applicants and the Consultant, and to conclude within 12 weeks. The Applicants and Monitor also provide details about the Consultant's fee for this work.

Items for Which Approval Sought

12. Having regard to the evidence about these various steps and activities since the Initial Order, and with the concurrence of the Monitor and without opposition at this stage from any stakeholders, the Applicants ask that the court approve:

    a. The Consulting Agreement and Sale Guidelines;

    b. The KERP and the KERP Charge;

    c. A Sealing Order in respect of the KERP;

    d. The DIP Term Sheet and the DIP Lender's Charge;

    e. Proposed increases to the Administration Charge and the Directors' Charge; and

    f. An extension of the Stay Period until August 2, 2024.

Discussion and Approvals Granted

13. Based on all of the evidence before me, I am prepared to grant the relief sought.

14. I am satisfied that the steps proposed by the Applicants and endorsed by the Monitor meet the criteria set out in Nortel Networks Corp (Re), 2009 CanLII 39492 (ONSC) (the so-called "Nortel Factors") and the criteria enumerated in s. 36(3) of the CCAA.

15. More particularly, it appears that the the Sale is warranted at this time, and is a critical and urgent part of the realization process (the urgency comes in part from the seasonal nature of the Applicants' business and their current liquidity challenges). I am satisfied that the process undertaken to select the Consultant was reasonable and appropriate, and that the assistance of the Consultant is an important element to ensure that the realization process will maximize recoveries. The Consulting Agreement nonetheless affords the Applicants the flexibility to pursue a going concern transaction(s) if any emerge.

16. The terms of the Consulting Agreement, the Sale Guidelines and Sale Approval Order are similar to and consistent with such agreements and orders that have been approved in a number of other retail insolvencies, including Nordstrom, Mastermind Toys, and Bed Bath & Beyond Canada.

17. As noted, the Monitor has been consulted closely with respect to all aspects of the proposed process, and supports the relief sought.

18. The KERP is intended to incentivize the retention of eight key Canadian and U.S. employees who have been identified as critical to a successful realization process. The KERP Charge is proposed in order to secure amounts payable under the KERP up to a maximum of USD $250,000.00.

19. The court's discretion under the CCAA to approve a KERP and KERP Charge is well established, and the jurisdiction for these elements is found in s. 11 of the CCAA (and the court's broad power thereunder to make such orders as are appropriate in a CCAA proceeding. As the Applicants note, KERPs are often seen in the context of retail insolvencies.

20. Inasmuch as the KERP schedule contains commercially sensitive and personal information about the employees involved, I am satisfied that the sealing order sought for the KERP schedule is reasonable and appropriate in the circumstances.

21. As discussed in my initial endorsement in this matter, CIBC's willingness to continue to provide funding has been indispensable to the continued activities of the Applicants. Since the Initial Order, CIBC has agreed to provide, in the capacity as DIP Lender, additional funding to Ted Baker Canada and Ted Baker Limited as Borrowers, and Fashion Canada and Fashion US, as guarantors under a senior secured, super priority, debtor-in-possession, revolving credit facility (the "DIP Facility"). The DIP Lender's Charge is a necessary precondition to the DIP Facility being available, and the DIP Facility is critical to the steps contemplated in the relief sought.

22. Under s.11.2(1) of the CCAA, the court has authority to grant an interim financing charge in an amount the court considers appropriate, and which is consistent with the pre-filing status quo, upholding the relative priority of each secured creditor. I am satisfied, based on the evidence in the record, that the proposed DIP Facility and DIP Lender's Charge meet these conditions and that the amount (up to a maximum principal amount of USD $28 million) is appropriate.

23. It was contemplated at the time of the Initial Order that the Administration Charge and the Directors' Charge would have to be increased at the time of the comeback hearing. I am advised that the DIP Lender does not object to the proposed increases, and accordingly I grant them.

24. Given that it is evident to me that the Applicants have been acting diligently and in good faith, and given the concurrence of the Monitor, I extend the Stay Period until August 2, 2024 as requested. This will allow the Applicants, with the assistance of the Consultant and the Monitor, to conduct and complete the Sale. It will also give the Applicants and the Monitor the time and space to continue to explore a potential going concern transaction or transactions.

Conclusion

25. For these reasons, I grant the orders sought by the Applicants, and direct that this matter come back before the court on or about August 2, 2024 (or sooner if additional direction from the court is required).

This is Exhibit “F” referred to in the Affidavit of Antoine Adams sworn by Antoine Adams at the City of Toronto, in the Province of Ontario, before me on January 16, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

MARLEIGH ERYN DICK

LSO# 79390S

Court File No. CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

APPLICANTS

AFFIDAVIT OF ANTOINE ADAMS
(sworn May 1, 2024)

I, Antoine Adams, of the City of Toronto, in the Province of Ontario MAKE OATH AND SAY:

1. I am a director and Corporate Secretary of Ted Baker Canada Inc. ("**Ted Baker Canada**"), Ted Baker Limited, OSL Fashion Services Canada Inc. ("**Fashion Canada**"), and OSL Fashion Services, Inc. ("**Fashion Services**" and collectively with Fashion Canada, "**Fashion**") (together, the "**Applicants**"). I am also the Chief Operating Officer of OSL Retail Services Inc. ("**Retail**"), an affiliate of the Applicants that, among other things, provides certain executive and operational leadership, strategy, M&A, financial decision approvals, and IT services to the Applicants. As such, I have knowledge of the matters contained in this Affidavit. Where I have relied on other sources of information, I have so stated and I believe them to be true.

2. In my role as Corporate Secretary and director of the Applicants, I am involved in all operational and organizational aspects of the Applicants' business, including approving all the strategic decisions of the Applicants, and am the primary strategic contact with Authentic Brands Group ("**ABG**"). Therefore, I am familiar with the business and have relied upon the books and records of the Applicants. In preparing this affidavit, I have also consulted with other members of the senior management teams of the Applicants and the Applicants' legal advisors. The Applicants do not waive or intend to waive any applicable privilege by any statement herein.

3. I swear this affidavit in support of a motion by the Applicants for:

(a) an Amended and Restated Initial Order ("**ARIO**"), among other things:

(i) extending the Stay Period (defined below) to August 2, 2024;

(ii) approving a key employee retention plan (the "**KERP**") and granting a Court-ordered charge (the "**KERP Charge**") as security for payments under the KERP, and granting a sealing order in relation to the KERP;

(iii) authorizing the Applicants to enter into the DIP Term Sheet (defined below) and borrow under the DIP Facility (defined below) in the maximum principal amount of USD $28 million, and granting the DIP Lender's Charge (as defined below);

(iv) increasing the Administration Charge from USD $750,000 to USD $1.5 million and the Directors' Charge from USD $2.5 million to USD $5 million; and

(b) a Realization Process Approval Order (the "**Realization Process Approval Order**"), among other things:

(i) approving a consulting agreement between Ted Baker Canada Inc. and Ted Baker Limited (together, "**Ted Baker NA**" or the "**Merchant**") and Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC (together, the "**Consultant**") dated as of April 30, 2024 (as may be amended and restated in accordance with the terms of the Realization Process Approval Order, the "**Consulting Agreement**");

(ii) approving the proposed Canadian sale guidelines (the "**Canadian Sale Guidelines**") and the US sale guidelines (the "**US Sale Guidelines**" and, together with the Canadian Sale Guidelines, the "**Sale Guidelines**") for the orderly realization of the Merchandise and FF&E (both as defined below) at Canadian and US concession locations (if any are added) or at the Merchant's stores (as listed on Exhibits "A-1" and "A-2" to the Consulting Agreement, or as may be later added pursuant to the terms thereof, the "**Stores**") and as located at the Warehouses (as listed on Exhibit "A-3" to the Consulting Agreement, the "**Warehouses**") through sales in accordance with the terms of the Canadian and US Sale Guidelines, respectively (the "**Sale**"); and

(iii) authorizing the Merchant, with the assistance of the Consultant, to undertake a realization process in accordance with the terms of the

Realization Process Approval Order, the Consulting Agreement and the Sale Guidelines.

4. The Foreign Representative intends to seek recognition of (i) the ARIO and (ii) the Realization Process Approval Order by the US Court (defined below) (the "**Realization Process Recognition Order**").

5. All references to monetary amounts in this Affidavit are in Canadian dollars unless noted otherwise.

6. This affidavit is organized into the following sections:

A. Overview of the Applicants' Activities since the Initial Order

7. On April 24, 2024, the Applicants were granted protection under the *Companies' Creditors Arrangement Act*, RSC 1985 c C-36 (the "**CCAA**") pursuant to an Initial Order (the "**Initial**

Order") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). A copy of the Initial Order is attached hereto as **Exhibit "A"**. A copy of the Endorsement of Justice Black issued in connection with the Initial Order is attached hereto as **Exhibit "B"**.

8. In support of the application for the Initial Order, I swore an affidavit dated April 24, 2024 (the "**Initial Order Affidavit**"), which described, among other things, the events leading to the Applicants' insolvency and their urgent need for relief under the CCAA. A copy of my Initial Order Affidavit (without exhibits) is attached hereto as **Exhibit "C"**. Capitalized terms not otherwise defined herein have the meanings given to them in the Initial Order Affidavit.

9. The Initial Order, among other things: (i) appointed Alvarez & Marsal Canada Inc. as monitor within these CCAA proceedings (the "**Monitor**"); (ii) granted a stay of proceedings against the Applicants, the Monitor, and their respective employees, directors, advisors, officers and representatives acting in such capacities for an initial Stay Period; (iii) authorized Ted Baker Canada and Ted Baker Limited to continue to borrow from the Interim Lender, being Canadian Imperial Bank of Commerce ("**CIBC**"), under the Applicants' Existing Credit Facility in an amount not to exceed USD $7 million, subject to the requirements in the Initial Order; (iv) authorized the Applicants to pay certain pre-filing amounts with the consent of the Monitor and the Interim Lender to key participants in the Applicants' distribution network, and to other critical suppliers, if required; (v) granted the following Charges (as defined in the Initial Order), in order of priority: an Administration Charge in the maximum amount of USD $750,000; an Interim Lender's Charge; security granted with respect to the Existing Credit Facility (excluding the Interim Borrowings, as defined below); and a Directors' Charge in the maximum amount of USD $2.5 million; and (vi) authorized Ted Baker Canada (a) to act as the foreign representative of the Applicants for the purpose of having these CCAA proceedings recognized and approved in a

jurisdiction outside of Canada, and (b) to apply for foreign recognition and approval of these CCAA proceedings and related relief, including provisional relief, as necessary, in the United States Bankruptcy Court for the Southern District of New York (the "**US Court**") pursuant to Chapter 15 of Title 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**"), 11 U.S.C. §§ 101-1532.

10. Immediately following the granting of the Initial Order, the Applicants initiated a case under Chapter 15 of the Bankruptcy Code seeking an order to recognize and enforce these CCAA proceedings in the US, including seeking a temporary restraining order to obtain the benefits of a stay of proceedings pending the US Court's consideration of the petition to recognize these CCAA proceedings in the US (the "**Chapter 15 Case**"). On April 26, 2024, the Applicants were granted provisional relief in the form of a temporary restraining order in the Chapter 15 Case, including, among other things, a stay of proceedings against the Applicants in the US and authorization to continue to borrow from the Interim Lender under the Existing Credit Facility subject to and secured by the Interim Lender's Charge and apply the Initial Lender's Charge to the Applicants' assets in the United States. The final recognition hearing in the US is scheduled for May 8, 2024. A copy of the Amended Order Granting Provisional Relief is attached hereto as **Exhibit "D"**

11. Since the granting of the Initial Order, the Applicants, in close consultation and with the assistance of the Monitor, have been working in good faith and with due diligence to, among other things:

(a) stabilize their business and operations as part of these CCAA proceedings;

(b) advise their stakeholders, including landlords, employees, logistics suppliers, license partners, and others, of the granting of the Initial Order;

(c) commence and pursue the Chapter 15 Case;

(d) develop the KERP;

(e) negotiate the DIP Term Sheet;

(f) develop the Sale Guidelines and finalize arrangements with the Consultant for the orderly realization of (i) all merchandise that is located at the Stores or sold in bulk to wholesale customers during the Sale Term (defined below), which includes goods saleable in the ordinary course, located at or in transit to the Stores on the Sale Commencement Date (as defined below) and/or located in or in transit to the Warehouses on the Sale Commencement Date and thereafter delivered to the Stores (the "**Merchandise**"), and (ii) owned furnishings, trade fixtures, equipment and/or improvements to real property that are located in the Stores ("**FF&E**");

(g) engage with their critical stakeholders; and

(h) respond to numerous creditor and stakeholder inquiries regarding these CCAA proceedings.

12. In accordance with the Initial Order:

(a) on April 24, 2024, the Monitor posted the Initial Order and related application materials on the Monitor's website (the "**Monitor's Website**") at https://www.alvarezandmarsal.com/TBRetail;

(b) the Monitor arranged for publication of a notice in *The Globe and Mail* (Nation Edition) containing the information prescribed under the CCAA on May 1, 2024; and

(c) on April 26, 2024, the Monitor sent a notice to, among others, all of the Applicants' known creditors who had claims over $1,000, including all known US creditors. Additionally, on April 29, 2024, the Monitor made publicly available on the Monitor's Website a list containing the names and addresses of those creditors and the estimated amounts of their claims (subject to the exclusions required by the Initial Order).

13. On April 24, 2024, a CaseLines database was established for these CCAA proceedings and all persons currently on the Service List (as defined in the Initial Order) have been granted access thereto. A copy of the Initial Order and the Applicants' application materials were uploaded to the CaseLines database that same day.

(a) Communication with Key Stakeholders

(i) Landlords

14. I am advised by A&M, and believe that, on April 30, 2024, the Monitor sent letters to all landlords of the Applicants' retail locations (the "**Landlords**") advising that the Applicants had applied for and been granted an Initial Order under the CCAA, providing a link to the Monitor's Website and directing the recipient to the Initial Order. The letters further advised that:

(a) concurrently, the Applicants had initiated the Chapter 15 Case seeking an order to recognize and enforce these CCAA proceedings in the US, including seeking a temporary restraining order to obtain the benefits of a stay of proceedings;

(b) payments on rent and other amounts outstanding under leases immediately prior to the effective time of the Initial Order have been stayed pursuant to the Initial Order and, as applicable, the Chapter 15 Case, and amounts payable in respect of rent after the effective time of the Initial Order will be paid by the Applicants in accordance with the Initial Order; and

(c) all vendors, including landlords, must continue honoring existing contractual obligations.

15. The Applicants, through their counsel, also circulated draft Canadian sale guidelines for the proposed realization process to certain Canadian counsel who represent a significant number of the Landlords for their review and engaged in discussions with such counsel, along with counsel to the Monitor.

(ii) Employees

16. In addition to the Landlords, the Applicants completed the following employee outreach promptly after obtaining the Initial Order:

(a) on April 24, 2024, meetings were conducted with the Ted Baker Canada, Ted Baker Limited, Brooks Brothers and Lucky Brand leadership teams to advise of the Applicants' decision to file for CCAA protection, the issuance of the Initial Order,

the commencement of the Chapter 15 Case, and the expected impact of the Initial Order and Chapter 15 Case on Ted Baker NA employees;

(b) on April 25, 2024, a memo was issued to Ted Baker NA, Lucky Brand and Brooks Brothers' corporate teams, also advising of Ted Baker NA's decision to file for CCAA protection, the issuance of the Initial Order, the commencement of the Chapter 15 Case, and the expected impact of the Initial Order and Chapter 15 Case on Ted Baker NA's business;

(c) shortly thereafter, live employee town halls were held for Ted Baker NA, Lucky Brand and Brooks Brothers' corporate employees; and

(d) following that, store team meetings were conducted with Ted Baker NA, Lucky Brand and Brooks Brothers' store employees.

(iii) Other Stakeholders

17. On April 25, 2024, the Applicants, together with the Monitor, had a telephone conversation with representatives of ABG regarding the granting of the Initial Order and the commencement of the Chapter 15 Case. The Applicants advised ABG of their decision to file for CCAA protection and provided information about their intended path forward, including the additional funding required and the potential realization process.

18. The Applicants and the Monitor subsequently had discussions with representatives of YM Inc. (Sales) and Jaytex Group (Sales), the former owners of the Lucky Brand and Brooks Brothers business acquired by Ted Baker in 2023, who provide services in support of the Applicants' Lucky

Brand and Brooks Brothers businesses pursuant to transition services arrangements with Ted Baker Canada.

19. The Applicants, with the assistance of the Monitor, have worked to ensure the continuation of certain intercompany licenses and services, including with respect to a license for the ongoing use of enterprise resource planning software through the Software Agreement provided by Retail to Ted Baker NA.

20. The Applicants, with the assistance of the Monitor, have also entered into discussions with Future Forwarding, the Applicants' third-party logistics provider that manages the Distribution Centre, to ensure continuation of services to the Applicants during the course of these CCAA proceedings.

21. The Applicants have reached out to various stakeholders to let them know that they would be receptive to pursuing potential going concern transactions. They have entertained a number of inquiries and have executed non-disclosure agreements with several parties in this regard. To date, no proposals for a going-concern transaction for some or all of the business have been received.

B. Realization Process Approval Order

22. In order to maximize the value of its assets for the benefit of its stakeholders, the Applicants are seeking the Court's approval of:

(a) the Consulting Agreement regarding the realization of the Merchandise and FF&E, a copy of which is attached hereto as **Exhibit "E"**; and

(b) the US and Canadian Sale Guidelines for the orderly realization of the Merchandise and FF&E, copies of which are attached as Exhibits "B-1" and "B-2" to the Consulting Agreement, respectively.

(a) Process for Identifying the Consultant

23. Pursuant to the authority set out in the Initial Order, the Monitor reached out to three potential third-party liquidators well known in the industry in Canada and the US, indicating that the Monitor, on behalf of the Applicants, was seeking bids in connection with the realization of the Applicants' Merchandise and FF&E, and asking that if each third-party liquidator was interested in participating in the Request for Proposals process, they execute and return a nondisclosure agreement ("**NDA**"). Upon receipt of an executed NDA by the Monitor, each third-party liquidator would be given access to a populated data room including financial and operational details about the Applicants and their inventory. Each of the three potential liquidators signed the NDA. The third-party liquidators were then asked to provide their bids in the form of a markup to a template form of consultant agreement provided by the Monitor by no later than April 28, 2024. The bids were reviewed and discussed among the Applicants, the Monitor, and the Interim Lender. On April 29, 2024, Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC (together, "**Gordon Brothers**") was selected as the third-party liquidator.

24. Gordon Brothers was selected by the Applicants to assist in the realization of the Applicants' Merchandise and FF&E based, among other things, on its in-depth expertise and knowledge of the Applicants' business, merchandise, and store operations, and its extensive experience conducting retail liquidations (including *Target Canada, Sears Canada, American Apparel Canada, BCBG Canada, Express Fashion Apparel, Forever 21, Bed Bath & Beyond,*

Mastermind Toys and *Nordstrom Canada* in Canada and *David's Bridal, Soft Surroundings/Triad, Esco* and *Party City* in the US) and other value-maximizing retail store realization processes. The Applicants concluded that: (i) the Consultant's services are necessary for a seamless and efficient large-scale store closing process and to maximize the value of the saleable Merchandise; and (ii) the Consultant is qualified and capable of performing the required tasks in a value-maximizing manner.

(b) Realization Process

25. Given the Applicants' limited liquidity and ongoing carrying costs and the seasonal nature of a significant portion of the inventory, this realization process must be commenced as soon as possible to maximize recoveries and limit operating costs, ensuring that the Merchant can exit from the Stores as soon as practicable and avoid further rent, employee costs, critical supplier/service provider payments, interest expense, and other ongoing amounts. In the circumstances, any delay in commencing this realization process would negatively impact the net recoveries generated from the sale of the Merchant's Merchandise and FF&E.

26. The proposed realization of the Merchandise is currently contemplated to run for no longer than 12 weeks following the Sale Commencement Date, which date can be extended or abridged by the Merchant and the Consultant, in consultation with the Monitor and the DIP Lender. Key terms of the Consulting Agreement include:

(a) the Consultant is appointed as exclusive liquidator for purposes of conducting the Sale;

(b) the Sale will commence on a date agreed to by the Merchant and the Consultant following the granting of the Realization Process Approval Order and, with respect to Stores located in the US, following the granting of the Realization Process Recognition Order (the "**Sale Commencement Date**"), and conclude no later than 12 weeks following such Sale Commencement Date (the "**Sale Termination Date**" and the period between the Sale Commencement Date and the Sale Termination Date, the "**Sale Term**");

(c) initially, the Applicants intend to conduct the Sale at the Stores included at Exhibits "A-1" and "A-2" to the Consulting Agreement, but have the right under the Consulting Agreement to amend the list of Stores (by adding or removing Stores) at any time during the Sale Term (as amended, the "**Store List**");

(d) all sales during the Sale Term will be final with no returns accepted or allowed following the Sale Commencement Date;

(e) the Stores will accept cash, and credit and debit cards, during the Sale, and will accept active gift cards and gift certificates issued by the Merchant until the Merchant provides notice that acceptance of gift cards has stopped. The Merchant and the Consultant will not sell gift cards or gift certificates during the Sale Term and the Merchant will have caused all third-party vendors of gift cards, if any, to cease the sale of gift cards or gift certificates prior to execution of the Consulting Agreement;

(f) as consideration for its services in accordance with the Consulting Agreement, the Consultant is entitled to the following fees:

(i) With respect to Merchandise sold at the Stores during the Sale Term, (i) 2.0% of the Gross Proceeds[1] of such Merchandise (the "**Merchandise Base Fee**") plus (ii) an additional fee based upon the following thresholds of Gross Recovery Percentage [2] (calculated back to first dollar) (the "**Merchandise Incentive Fee**" and together with the Merchandise Base Fee, the "**Merchandise Fee**"):

Gross Recovery Percentage	**Additional Incentive Compensation**
Between 144.50% and 153.50%	0.25% of Gross Proceeds
Between 153.51% to 160.50%	0.50% of Gross Proceeds
Between 160.51% and 168.50%	0.75% of Gross Proceeds
Above 168.51%	1.00% of Gross Proceeds

(ii) With respect to Merchandise sold in bulk to wholesale customers from the Warehouse during the Sale Term, (i) 5.0% of the Gross Proceeds of such Merchandise (the "**Bulk Sale Base Fee**") plus (ii) an additional fee equal to 10% of all savings obtained from avoiding US import duties on Merchandise located in a "foreign trade zone" (the "**FTZ Savings Fee**" and together with the Bulk Sale Base Fee, the "**Bulk Sale Fee**");

The Consultant agrees that (i) no fees will be earned by the Consultant on any sale of any Merchandise or FF&E to ABG; and (ii) no Merchandise Fee will be paid on merchandise that is located at any concession store location, unless and until such

[1] "**Gross Proceeds**" means gross receipts (including, without limitation, gift card or gift certificates issued by the Merchant) from sales of Merchandise during the Sale Term, net of applicable sales taxes.

[2] "**Gross Recovery Percentage**" means the Gross Proceeds divided by the sum of the aggregate Cost Value of all of the Merchandise.

concession store location becomes an Added Concession Store,[3] on and after which date a Merchandise Fee will be payable only on Additional Concession Goods[4] sold therefrom;

(g) the Merchant is responsible for all expenses of the Sale, including (without limitation) all Store operating expenses, and all of the Consultant's reasonable and documented out-of-pocket expenses incurred pursuant to an aggregate budget established in connection with the transactions contemplated under the Consulting Agreement (the "**Expense Budget**"), which is attached as Exhibit "C" to the Consulting Agreement (the "**Sale Costs**");

(h) concurrently with the execution of, and as a condition to the Consultant's obligations under the Consulting Agreement, the Merchant is required to fund USD $300,000 to the Consultant on account of any final amounts owing by the Merchant until the Final Reconciliation (defined below);

(i) the Consultant also undertakes to sell during the Sale Term, on an "as is where is" basis, the FF&E located at the Stores. The Consultant is entitled to a commission from the sale of all such FF&E equal to 15% of the gross proceeds of the sale of such FF&E, net of applicable sales taxes (the "**FF&E Fee**") and the Merchant is responsible for all reasonable and documented out-of-pocket costs and expenses

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[3] Pursuant to the Consulting Agreement, a concession store location at Bloomingdales or Hudson Bay Company shall be automatically deemed added to the list of Stores, without further act of the parties to the Consulting Agreement, the Monitor or the Court, on and as of the date on which the Merchant resumes its distribution of goods to such concession store location for sale therefrom (such locations, "**Added Concession Stores**").

[4] "**Additional Concession Goods**" are additional inventory that is shipped to an Added Concession Store by or on behalf of the Merchant following the effective date under the Consulting Agreement.

incurred by the Consultant in connection with the sale of FF&E (the "**FF&E Costs**");

(j) the Merchant and the Consultant, in consultation with the Monitor and the DIP Lender, will complete a final reconciliation and settlement of all amounts payable pursuant to the Consulting Agreement, including, without limitation, the determination of the Merchandise Fee, Bulk Sale Fee, Sale Costs, FF&E Fee, FF&E Costs and all other fees, expenses, or other amounts reimbursable or payable under the Consulting Agreement (the "**Final Reconciliation**"), no later than twenty (20) days following the earlier of: (a) the Sale Termination Date for the last Store; or (b) the date upon which the Consulting Agreement is terminated in accordance with its terms; and

(k) to the extent there is any Merchandise remaining on the Sale Termination Date (the "**Remaining Merchandise**"), if requested by the Merchant, such Remaining Merchandise will be sold on behalf of the Merchant or otherwise disposed of by the Consultant as directed by the Merchant, in consultation with the Monitor.

27. The Consultant has the right under the Consulting Agreement to supplement the Merchandise in the Sale at the Stores with additional goods which are of like kind and quality to the Merchandise (the "**Additional Consultant Goods**") purchased by the Consultant and delivered to the Stores. The Consultant must pay the Merchant an amount equal to 5% of the gross proceeds (excluding sales taxes) from the sale of all Additional Consultant Goods completed during the Sale Term. The Applicants are of the view that augmentation of the Merchandise with the Additional Consultant Goods will contribute to the success of the proposed realization sale by

encouraging increased foot traffic and ensuring that consumers find the mix and quality of goods they expect, thereby benefitting the Applicants' stakeholders by maximizing recoveries. It will also directly enhance recoveries for the Applicants since the Consultant will pay 5% of the gross proceeds from all sales of Additional Consultant Goods to the Merchant.

28. As of the date of the swearing of this Affidavit, the Applicants intend to conduct the Sale at all of the Stores. However, the parties to the Consulting Agreement have agreed that in the event of a going concern third-party transaction for some or all of the Applicants' business or assets, the parties will work cooperatively to modify the transaction contemplated in the Consulting Agreement to, among other things, ensure that any Stores subject to a going concern third-party transaction are removed from the Store List until and including May 17, 2024.

29. The Consulting Agreement is expressly subject to, among other things, approval of this Court. The realization process set out in the Consulting Agreement and the Sale Guidelines were designed by the Applicants and the Consultant, in consultation with the Monitor. I expect that the proposed realization process will maximize the value realized from the sale of the Merchant's Merchandise and FF&E for the benefit of stakeholders. I also am of the view that engaging the Consultant to assist with the Sale will produce better results than attempting to realize on the Merchandise and FF&E without the assistance of the Consultant.

30. The Consulting Agreement is subject to the Sale Guidelines attached as Exhibits "B-1" (for the US Stores) and "B-2" (for the Canadian Stores) to the Consulting Agreement. The Canadian Sale Guidelines stipulate, among other things, that except as set out in the Canadian Sale Guidelines, the Sale will be conducted in accordance with the terms of the leases for the Stores (the "**Leases**") during each Store's normal hours of operation. The Canadian Sale Guidelines may

be amended on a Store-by-Store basis with the consent of the parties and the applicable Landlord, in consultation with the Monitor. The Canadian Sale Guidelines also contain the following key terms:

(a) the Sale shall be conducted so that each Store remains open during its normal hours of operation provided for in its respective Lease, until the respective Sale Termination Date of each such Store;

(b) all display and hanging signs used by the Consultant in connection with the Sale shall be professionally produced and all hanging signs shall be hung in a professional manner;

(c) notwithstanding anything to the contrary contained in the Leases, the Consultant may advertise the Sale at the Stores as an "everything on sale", "everything must go", "store closing" and/or similar theme sale at the Stores;

(d) the Consultant shall be entitled to include additional merchandise of the Merchant in the Sale; provided that: (i) the additional merchandise is currently in the possession or control of the Merchant (including in any Warehouse used by the Merchant) or has previously been ordered by or on behalf of the Merchant and is currently in transit to the Merchant (including any Warehouse used by the Merchant) or a Store; and (ii) the additional merchandise is of the type and quality typically sold in the Stores and consistent with any restriction on usage of the Stores set out in the applicable Leases;

(e) with the prior written consent of the Merchant, the Consultant shall be entitled to include Additional Consultant Goods in the Sale, provided that the Additional Consultant Goods are of like kind and category and no lesser quality to the Merchandise;

(f) at the conclusion of the Sale and the FF&E Removal Period in each Store, the Consultant shall arrange that the premises for each Store are in "broom-swept" and clean condition, and shall arrange that the Stores are in the same condition as on the commencement of the Sale, ordinary wear and tear excepted;

(g) the Merchant provides notice, including for purposes of the ARIO, to the Landlords of the Merchant's and the Consultant's intention to sell and remove FF&E from the Stores; and

(h) The Merchant and the Consultant shall not conduct any auctions of Merchandise or FF&E at any of the Stores.

31. I am advised by Ms. Tracy C. Sandler of Osler, Hoskin and Harcourt LLP, Canadian counsel to the Applicants, that the Canadian Sale Guidelines are substantially similar to those which have been granted in respect of Canadian stores in other Canadian retail insolvencies, including *Nordstrom Canada* and *Mastermind Toys*.

32. Similarly, I am advised by Ms. Felice Yudkin of Cole Schotz P.C., US counsel to the Applicants, that the US Sale Guidelines are substantially similar to those which have been granted in respect of US stores in other Canadian and US retail insolvencies, including *David's Bridal* and *Bed Bath & Beyond*.

(c) Realization Process Approval Order

33. The proposed Realization Process Approval Order requested by the Applicants, among other things:

(a) approves, authorizes and ratifies the Consulting Agreement, the Sale Guidelines and the transactions contemplated thereunder;

(b) authorizes the Merchant, with the assistance of the Consultant, to conduct the Sale in accordance with the terms of the Realization Process Approval Order, the Consulting Agreement and the Sale Guidelines, and to advertise the Sale within the Stores in accordance with the Sale Guidelines;

(c) authorizes the Merchant, with the assistance of the Consultant, to market and sell the Merchandise, FF&E and Additional Consultant Goods in accordance with the Sale Guidelines and the Consulting Agreement, free and clear of all liens, claims, encumbrances, security interests, mortgages, charges, trusts, deemed trusts, executions, levies, financial, monetary or other claims; and

(d) grants certain protections from liability in favour of the Consultant, including that:

(i) the Consultant shall not be deemed to be an owner or in possession, care, control or management of the Stores or the Warehouses, of the assets located therein or associated therewith or of the Merchant's employees located at the Stores, the Warehouses or any other property of the Merchant;

(ii) the Consultant shall not be deemed to be an employer, or a joint or successor employer or a related or common employer or payor within the meaning of any legislation; and

(iii) the Consultant shall bear no responsibility for any liability whatsoever relating to Claims (as defined in the Realization Process Approval Order) of customers, employees and any other persons arising from events occurring at the Stores during and after the Sale Term or at the Warehouses, or otherwise in connection with the Sale, except to the extent that such Claims are the result of events or circumstances caused or contributed to by the gross negligence or wilful misconduct of the Consultant, its employees, supervisors, independent contractors, agents or other representatives, or otherwise in accordance with the Consulting Agreement.

34. I am advised by the Monitor and believe that the Monitor supports the proposed Consulting Agreement, the Sale Guidelines, including the proposed timeline, and the Applicants' request for the Realization Process Approval Order.

C. Amended and Restated Initial Order

(a) KERP and KERP Charge

35. The Applicants are seeking approval of the KERP for, at present, eight (8) employees and the granting of the KERP Charge up to a maximum aggregate amount of USD $250,000 as security for payments under the KERP.

36. The KERP was developed by the Applicants, in consultation with the Monitor, to incentivize these key active employees to remain in their positions through these CCAA proceedings. The proposed KERP provides for a one-time lump sum payment to eligible Canadian and US employees who have been identified as critical for a successful CCAA proceeding, the majority of whom are non-executives. Each of these employees is required to guide the business through the contemplated Sale in order to preserve value for the Applicants' stakeholders.

37. The Applicants propose that the KERP be structured so that each of the individuals will receive a retention bonus equal to 10% of their current annualized base salary, payable on the earlier of (a) the completion of the Sale, (b) the closing of a potential going-concern transaction for all or part of the Applicants' business, or (c) the date on which the KERP participants' services are no longer required.

38. Any payments under the KERP are conditional upon each employee continuing to provide services to the Applicants until such time as they are advised that they are no longer required to assist in the Sale or other matters in these CCAA proceedings.

39. Assuming the Applicants are able to retain these key employees, the total amount payable under the KERP will be a maximum of USD $250,000. As previously noted, the Applicants are seeking the KERP Charge to secure amounts payable under the KERP. The KERP Charge is proposed to rank behind the Administration Charge, the Interim Lender's Charge and the DIP Lender's Charge, the security granted by the Applicants with respect to the Existing Credit Facility (excluding the Interim Borrowings), and the Directors' Charge, but in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise.

40. The KERP schedule contains the names of the proposed KERP recipients, their positions, their current compensation, and the proposed amount to be received by each recipient. This is highly sensitive, personal, and confidential information relating to a select group of the Applicants' employees. For this reason, I understand the Monitor intends to file the proposed KERP schedule under seal as a confidential supplement to its first report, to be filed with the Court in advance of the comeback hearing.

(b) DIP Financing

41. Pursuant to the Initial Order, Ted Baker Canada and Ted Baker Limited were granted interim funding from the Interim Lender under the Existing Credit Facility during the initial Stay Period (the "**Interim Borrowings**"). The Interim Borrowings are secured by a Court-ordered charge (the "**Interim Lender's Charge**") on all of the present and future assets, property and undertaking of the Applicants (the "**Property**"). The Interim Borrowings mature on May 8, 2024.

42. Since the granting of the Initial Order, CIBC (the "**DIP Lender**") has agreed to provide additional funding to Ted Baker Canada and Ted Baker Limited, as Borrowers, during these CCAA proceedings under a senior secured, super priority, debtor-in-possession, revolving credit facility (the "**DIP Facility**") on the terms set out in a term sheet agreed to between the Borrowers, Fashion Canada and Fashion Services as Guarantors, and the DIP Lender (the "**DIP Term Sheet**"). A copy of the final executed DIP Term Sheet is attached hereto as **Exhibit "F"**.

43. Based on the Cash Flow Forecast (defined below), the DIP Facility is expected to provide the Applicants with sufficient liquidity to continue their business operations during these CCAA proceedings while completing the Sale described above for the benefit of the Applicants and their stakeholders.

44. The DIP Term Sheet includes the following key commercial terms. All defined terms in the summary table below are as defined in the DIP Term Sheet:

Borrowers	TB Canada and TB US
Guarantors	Fashion Canada and Fashion US
DIP Facility Size	Up to a maximum principal amount of USD $28,000,000
Outside Date	August 2, 2024
Conditions Precedent	(i) each DIP Party executing and delivering the DIP Term Sheet and any other documents required by the DIP Lender; (ii) all representations and warranties of the DIP Parties under the DIP Term Sheet being true and correct in all material respects; (iii) the Court issuing and entering the ARIO and Realization Process Approval Order; (iv) the DIP Parties' cash management arrangement being approved by the ARIO; (v) the US Court issuing the Final Recognition Order; (vi) no Liens ranking *pari passu* with or in priority to the DIP Lender's Charge over the Collateral other than the Permitted Priority Liens; (vii) the DIP Parties making all necessary or advisable registrations and taking all other steps in applicable jurisdictions to evidence the DIP Lender's Charge; (viii) no Default or Event of Default having occurred other than the Existing Events of Default; (ix) the DIP Parties having delivered an Advance Request in respect of such Advance and a Variance Report in respect of the Variance Period in accordance with the DIP Term Sheet; and (x) beginning on the week commencing on May 13, 2024, cumulative actual receipts of the DIP Parties for the period commencing on May 6, 2024 and ending the week prior to such Advance Request shall be equal to or greater than the "Minimum Cumulative Receipts" line item in the DIP Budget for such week, and cumulative actual disbursements of the DIP Parties for the period commencing on May 6, 2024 and ending the week prior to such Advance Request shall be equal to or less than the "Maximum Cumulative Disbursements" line item in the DIP Budget for such week.
Mandatory Payments	Provided the Monitor is satisfied that the DIP Parties have sufficient cash reserves to satisfy (i) amounts secured by any Permitted Priority Liens senior to the DIP Lender's Charge, and (ii) obligations they have incurred from and after the filing date in accordance with the DIP Term Sheet and the DIP Budget, for which payment has not been made, the DIP Parties shall use all excess cash on hand at the end of each Business Day (which for greater certainty does not include any of the proceeds of an Advance) to indefeasibly repay the following in the following order: (A) first, the Obligations until the remaining

	principal balance thereof is $5,000,000, (B) second, the DIP Financing Obligations, until repaid in full, and (C) lastly, the remaining balance of the Obligations until paid in full. If at any time the total amount of Advances exceeds the Facility Amount (any such excess being referred to as a "**Currency Excess Amount**"), then the Borrowers shall immediately pay the DIP Lender an amount equal to the Currency Excess Amount, and, for greater certainty, the obligation to make such payment shall form part of the DIP Financing Obligations secured by the DIP Lender's Charge. If at any time, any account of the DIP Parties is in an overdraft position (any such amount in overdraft being the "**Overdraft Amount**"), then the Borrowers shall immediately pay the DIP Lender an amount equal to the Overdraft Amount and, for greater certainty, the obligation to make such payment shall form part of the DIP Financing Obligations secured by the DIP Lender's Charge.
Commitment Fee	USD $300,000 payable to the DIP Lender and deemed to have been fully earned by the DIP Lender on the date that the CCAA Court issues the ARIO (the "**Commitment Fee**"). The Borrowers irrevocably direct the DIP Lender to deduct the Commitment Fee from Advances as follows: (i) USD $150,000 before May 31, 2024, and (ii) USD $150,000 before July 1, 2024.
Interest	9.95% *per annum* for Advances denominated in Canadian Dollars and 11.75% *per annum* for Advances denominated in US Dollars, in each case, compounded monthly and payable monthly in arrears in cash on the last Business Day of each month, with the first such payment being made on May 31, 2024. Upon the occurrence and during the continuation of an Event of Default (other than the Existing Events of Default), all overdue amounts shall bear interest at the applicable interest rate plus 2% *per annum* payable on demand in arrears in cash.
Events of Default	Among other things, (i) failure of the Borrowers to pay principal, interest or other amounts when due pursuant to the DIP Term Sheet; (ii) failure of the DIP Parties to deliver, by no later than May 8, 2024, the Initial DIP Budget; (iii) failure of the DIP Parties to perform or comply with any term pursuant to the DIP Term Sheet; (iv) any representation or warranty by the DIP Parties made in the DIP Term Sheet proving to be incorrect or misleading; (v) issuance of any court order dismissing these CCAA proceedings or the Chapter 15 Case, or lifting the stay of proceedings in these CCAA proceedings or the Chapter 15 Case; (vi) the expiry without further extension of the stay of proceedings provided for in the ARIO, or orders granted in the

	Chapter 15 Case; (vii) the termination of the Sale prior to its completion; (viii) a Borrowing Base Report, Variance Report or Updated DIP Budget not being delivered when due under the DIP Term Sheet; (ix) (A) cumulative actual receipts of the DIP Parties for the period commencing on May 6, 2024 and ending at the end of any week are less than the "Minimum Cumulative Receipts" line item in the DIP Budget for such week, or (B) cumulative actual disbursements for the DIP Parties for the period commencing on May 6, 2024 and ending at the end of any week are more than the "Maximum Cumulative Disbursements" line item in the DIP Budget for such week; (x) filing by any DIP Party of any motion or proceeding that, among other things, is not consistent with any provision of the DIP Term Sheet; (xi) the making by the DIP Parties of a payment of any kind that is not permitted by the DIP Term Sheet; (xii) a default under or a revocation, termination or cancellation of, any Material Contract; (xiii) denial or repudiation by the DIP Parties of the legality, validity, binding nature or enforceability of the DIP Term Sheet; (xiv) any Person seizing or levying upon any Collateral or exercising any right of distress, execution, foreclosure or similar enforcement process against any Collateral; (xv) the entry of one or more final judgements, writs of execution, garnishment or attachment representing a claim in excess of USD $250,000 in the aggregate, against any Collateral; (xvi) occurrence of any "Default" or "Event of Default" as defined in the Existing Credit Agreement; or (xvii) any Milestone set forth on Schedule "D" of the DIP Term Sheet not being satisfied.

45. The DIP Facility is proposed to be secured by a Court-ordered charge (the "**DIP Lender's Charge**") on the Property. The DIP Lender's Charge will not secure any obligation that exists before the ARIO is made. The DIP Lender's Charge will have priority over all other security interests, charges and liens, except the Administration Charge and Permitted Priority Liens as defined in the ARIO. The Interim Lender's Charge will remain in place until the Interim Borrowings are repaid in full. Given the current financial circumstances of the Applicants, the DIP Lender has indicated that it is not prepared to advance funds without the security of the DIP Lender's Charge, including the proposed priority thereof.

46. I understand that the Monitor is supportive of the approval of the DIP Term Sheet and the granting of the DIP Lender's Charge.

(c) Increase to the Charges

47. The Administration Charge is described at paragraph 134 of my Initial Order Affidavit. The Initial Order approved the Administration Charge in the amount of USD $750,000, which was sized only to reflect fees and disbursements expected to be incurred by the Applicants' counsel, the Monitor and Monitor's counsel during the initial Stay Period, plus the substantial accrued and unpaid fees outstanding when the Initial Order was granted. With the concurrence of the Monitor, the Applicants are now seeking to increase the Administration Charge to USD $1.5 million. I understand that the DIP Lender does not object to the proposed increase to the Administration Charge.

48. The Directors' Charge is described at paragraphs 135 to 139 of my Initial Order Affidavit. The Initial Order approved the Directors' Charge for the initial Stay Period in the amount of USD $2.5 million. With the concurrence of the Monitor, the Applicants are now seeking to increase the Directors' Charge to USD $5 million. As the Directors' Charge ranks subordinate to the DIP Lender's Charge and the security granted with respect to the Existing Credit Facility, the DIP Lender does not object to the proposed increase to the Directors' Charge.

(d) Extension of Stay Period

49. The Applicants are seeking to extend the stay of proceedings granted in the Initial Order (the "**Stay Period**") up to and including August 2, 2024. The extension of the Stay Period is necessary and appropriate in the circumstances to allow for the proposed Sale to be undertaken.

50. I believe that the Applicants have acted, and continue to act, in good faith and with due diligence in these CCAA proceedings. As described above, the Applicants have given notice of these CCAA proceedings to stakeholders including, most significantly, their Landlords and employees. In consultation with the Monitor, the Applicants have engaged, and will continue engaging, in discussions with their stakeholders as these CCAA proceedings progress.

51. The cash flow projections prepared by the Monitor (the "**Cash Flow Forecast**") demonstrate that, subject to this Court's approval of the DIP Facility and DIP Lender's Charge in the form requested in the proposed ARIO, the Applicants will have access to sufficient liquidity to fund operations during the requested extension of the Stay Period. The Monitor has expressed its support for the extension of the Stay Period to August 2, 2024.

SWORN BEFORE ME over videoconference this 1st day of May, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely. The affiant is located in the City of Toronto, in the Province of Ontario and the commissioner is located in the City of Toronto, in the Province of Ontario.

Commissioner for Taking Affidavits
(or as may be)

MARLEIGH ERYN DICK
LSO# 79390S

ANTOINE ADAMS

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

Court File No: CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn T. Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.4204
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

This is Exhibit "G" referred to in the Affidavit of Antoine Adams sworn by Antoine Adams at the City of Toronto, in the Province of Ontario, before me on January 16, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

MARLEIGH ERYN DICK

LSO# 79390S

Court File No. CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

APPLICANTS

AFFIDAVIT OF ANTOINE ADAMS
(sworn July 26, 2024)

I, Antoine Adams, of the City of Toronto, in the Province of Ontario MAKE OATH AND SAY:

1. I am a director and Corporate Secretary of Ted Baker Canada Inc. ("**Ted Baker Canada**"), Ted Baker Limited, OSL Fashion Services Canada Inc., and OSL Fashion Services, Inc. (together, the "**Applicants**"). I am also the Chief Operating Officer of OSL Retail Services Inc., an affiliate of the Applicants that, among other things, provides certain executive and operational leadership, strategy, M&A, financial decision approvals, and IT services to the Applicants. As such, I have knowledge of the matters contained in this Affidavit. Where I have relied on other sources of information, I have so stated, and I believe them to be true.

2. In my role as Corporate Secretary and director of the Applicants, I am involved in all operational and organizational aspects of the Applicants' business, including approving all the

strategic decisions of the Applicants, and am the primary strategic contact with Authentic Brands Group ("**ABG**"). Therefore, I am familiar with the business and have relied upon the books and records of the Applicants in preparing this affidavit. I have also consulted with other members of the senior management teams of the Applicants and the Applicants' legal advisors. The Applicants do not waive or intend to waive any applicable privilege by any statement herein.

3. I swear this affidavit in support of a motion by the Applicants for an order (the "**Stay Extension Order**"): (i) extending the Stay Period (defined below) to and including January 31, 2025; and (ii) declaring that, pursuant to subsections 5(1)(b)(iv) and 5(5) of WEPPA (defined below), the Applicants meet the criteria prescribed by section 3.2 of the WEPP Regulation (defined below) and their former employees in Canada are eligible to receive payments under and in accordance with WEPPA following the termination of their employment.

4. All references to monetary amounts in this Affidavit are in U.S. dollars unless noted otherwise. All capitalized terms not otherwise defined in this affidavit have the meanings given to them in the Second Adams Affidavit (as hereinafter defined).

A. Background and Update on the CCAA Proceedings

5. On April 24, 2024, the Applicants were granted protection under the *Companies' Creditors Arrangement Act*, RSC 1985 c C-36 (the "**CCAA**") pursuant to an Initial Order (the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). A copy of the Initial Order is attached hereto as **Exhibit "A"**. A copy of the Endorsement of Justice Black issued in connection with the Initial Order is attached hereto as **Exhibit "B"**.

6. The Initial Order, among other things: (i) appointed Alvarez & Marsal Canada Inc. as monitor within these CCAA proceedings (the "**Monitor**"); (ii) granted a stay of proceedings against the Applicants, the Monitor, and their respective employees, directors, advisors, officers and representatives acting in such capacities for an initial 10-day Stay Period; (iii) authorized Ted Baker Canada and Ted Baker Limited to continue to borrow from the Interim Lender, being Canadian Imperial Bank of Commerce ("**CIBC**"), under the Applicants' Existing Credit Facility in an amount not to exceed USD $7 million, subject to the requirements in the Initial Order; (iv) authorized the Applicants to pay certain pre-filing amounts with the consent of the Monitor and the Interim Lender to key participants in the Applicants' distribution network, and to other critical suppliers, if determined to be necessary; (v) granted the following Charges (as defined in the Initial Order), in order of priority: an Administration Charge in the maximum amount of USD $750,000; an Interim Lender's Charge; security granted with respect to the Existing Credit Facility (excluding the Interim Borrowings); and a Directors' Charge in the maximum amount of USD $2.5 million.

7. The Initial Order also authorized Ted Baker Canada: (i) to act as the foreign representative of the Applicants for the purpose of having these CCAA proceedings recognized and approved in a jurisdiction outside of Canada; and (ii) to apply for foreign recognition and approval of these CCAA proceedings and related relief, including provisional relief, as necessary, in the United States Bankruptcy Court for the Southern District of New York (the "**US Court**") pursuant to Chapter 15 of Title 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**"), 11 U.S.C. §§ 101-1532.

8. Immediately following the granting of the Initial Order, the Applicants initiated a case under Chapter 15 of the Bankruptcy Code seeking an order to recognize and enforce these CCAA proceedings in the United States, including seeking an order from the US Court for certain

provisional relief, including application of the automatic stay under section 362 of the Bankruptcy Code pending the US Court's consideration of the petition to recognize these CCAA proceedings in the United States (the "**Chapter 15 Case**"). On April 26, 2024, the US Court entered an order granting the Applicants certain provisional relief, including, among other things, application of the automatic stay under section 362 of the Bankruptcy Code to the Applicants and their property within the territorial jurisdiction of the United States and authorization to continue to borrow from the Interim Lender under the Existing Credit Facility subject to and secured by the Interim Lender's Charge and apply the Initial Lender's Charge to the Applicants' assets in the United States. A copy of the Revised Order Granting Provisional Relief is attached hereto as **Exhibit "C"**.

9. On May 3, 2024, the Court granted an Amended and Restated Initial Order ("**ARIO**"), which, among other things: (i) extended the stay of proceedings granted pursuant to the Initial Order to August 2, 2024 (the "**Stay Period**"); (ii) approved a key employee retention plan (the "**KERP**") and granted a Court-ordered charge (the "**KERP Charge**") as security for payments under the KERP, and granted a sealing order in relation to the KERP; (iii) authorized the Applicants to enter into the DIP Term Sheet with CIBC, as lender (in such capacity, the "**DIP Lender**") and borrow under the DIP Facility in the maximum principal amount of USD $28 million, and granted the DIP Lender's Charge; and (iv) increased the Administration Charge from USD $750,000 to USD $1.5 million and the Directors' Charge from USD $2.5 million to USD $5 million. A copy of the ARIO is attached hereto as **Exhibit "D"**.

10. On the same day, the Court also granted a Realization Process Approval Order (the "**Realization Process Approval Order**"), which, among other things, (i) approved a consulting agreement between Ted Baker Canada and Ted Baker Limited (together, the "**Merchant**") and Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC (together, the

"**Consultant**") dated as of April 30, 2024 (as may be amended and restated in accordance with the terms of the Realization Process Approval Order, the "**Consulting Agreement**"); (ii) approved the proposed Canadian sale guidelines (the "**Canadian Sale Guidelines**") and the US sale guidelines (the "**US Sale Guidelines**" and, together with the Canadian Sale Guidelines, the "**Sale Guidelines**") for the orderly realization of the Merchandise and FF&E at concession locations in Canada or the United States or at the Merchant's stores (the "**Stores**") and as located at the Warehouses (the "**Warehouses**") through sales in accordance with the terms of the Sale Guidelines (the "**Sale**"); and (iii) authorized the Merchant, with the assistance of the Consultant, to undertake a realization process in accordance with the terms of the Realization Process Approval Order, the Consulting Agreement and the Sale Guidelines. A copy of the Realization Process Approval Order is attached hereto as **Exhibit "E"**. A copy of the Endorsement of Justice Black issued in connection with the ARIO and the Realization Process Approval Order is attached hereto as **Exhibit "F"**.

11. On May 17, 2024, the US Court granted: (i) the Final Order Recognizing and Enforcing the Realization Process Approval Order and Granting Related Relief; and (ii) the Modified Order Recognizing the Foreign Main Proceedings and Granting Additional Relief. Copies of these recognition orders granted by the US Court are attached hereto as **Exhibits "G"** and **"H"**.

12. I swore an affidavit dated May 1, 2024 in support of the ARIO and the Realization Process Approval Order, providing an update on the Applicants' activities after the granting of the Initial Order (the "**Second Adams Affidavit**"). A copy of the Second Adams Affidavit (without exhibits) is attached here to as **Exhibit "I"**.

13. Since the Stay Period was last extended, the Applicants, working with the Monitor and with the assistance of the Consultant, have significantly advanced these CCAA proceedings, including by:

(a) commencing and conducting the Sale, as contemplated in the Realization Process Approval Order, and extending the end date for the Sale at the Remaining Stores (defined below);

(b) issuing termination notices to certain corporate and store-level employees of the Applicants;

(c) entering into the United Legwear Transaction (defined below) with United Legwear (defined below) for certain of the Applicants' inventory and FF&E, including executing the related Assignment Agreement, TSA, and ABG License Amendment (all as defined and described below);

(d) terminating various agreements with the Applicants' suppliers, effective August 7, 2024;

(e) pursuing certain tax refunds that may be available to Ted Baker Limited in the United States (the "**US Tax Refunds**");

(f) addressing certain outstanding letters of credit as appropriate; and

(g) communicating with the Applicants' employees, landlords and other stakeholders regarding the Sale and other matters related to these CCAA proceedings and the Chapter 15 Case.

14. The Applicants are seeking an extension of the Stay Period to January 31, 2025 in order to complete the Sale (including the reconciliation), implement the United Legwear Transaction and support the transition of the business through the TSA, pursue the collection of certain tax refunds in the United States, and proceed with the orderly wind-down of the business of the Applicants in both Canada and the United States.

(a) The Sale

15. Following the granting of the Realization Process Approval Order, the Applicants, with the assistance of the Consultant and the Monitor, commenced the Sale on May 10, 2024 (the "**Sale Commencement Date**"). The Applicants and the Consultant promoted the Sale through in-store signage, in a manner consistent with the Sale Guidelines; targeted marketing campaigns, including email, text message and social media marketing; and promotional pricing and discounts to encourage increased purchases. During the Sale, the Applicants continued their concession business at 31 Bloomingdale's locations in the United States and six (6) Hudson's Bay locations in Canada, but discontinued their online shopping channels, including TedBaker.com and BrooksBrothers.ca, as well as drop-ship sales through other retailers' online platforms.

16. On the Sale Commencement Date, the Applicants had Merchandise totaling approximately $40.6 million (at landed cost value), consisting of approximately: (a) $32.8 million to be sold at the Applicants' 55 retail stores and concession locations; and (b) $8.0 million intended to be sold to wholesale customers. No Additional Consultant Goods or other types of inventory augmentation were utilized during the Sale.

17. As of July 20, 2024, the Applicants, with the assistance of the Consultant, have sold approximately $22.8 million of inventory (at landed cost value). The remaining on-hand inventory,

as well as the FF&E, is anticipated to be sold in the coming weeks through the Applicants' retail stores, to United Legwear as part of the United Legwear Transaction, and to certain wholesale customers in connection with transactions that have been arranged but the merchandise has not yet been delivered. With respect to the Applicants' concession business, the last day of the Sale at the six (6) Hudson's Bay locations was June 23, 2024, and the last day of the Sale at the 31 Bloomingdale's locations was July 21, 2024 (as described below, United Legwear acquired the Bloomingdale's concession business and continues to operate it in the ordinary course).

18. The Sale will conclude on August 2, 2024, as anticipated, except with respect to approximately 35 Store locations in Canada and the United States, where, in consultation with the Monitor and the Consultant, the Sale has been extended to August 4, 2024 (the "**Remaining Stores**") to maximize recoveries from the Sale. The Applicants have been in contact with most of the applicable Landlords for the Remaining Stores and are not aware of any objection by the Landlords to this extension. The end of the FF&E Removal Period (as defined in the Sale Guidelines) has not changed and remains August 7, 2024. Each of the Applicants' Landlords have received a 30-day lease disclaimer notice, each of which have an effective disclaimer date on or prior to the end of the FF&E Removal Period.

19. The Final Reconciliation required by the Consulting Agreement will be completed no later than twenty (20) days following the earlier of: (a) the Sale Termination Date (as defined in the Consulting Agreement) for the last Store; or (b) the date upon which the Consulting Agreement is terminated in accordance with its terms.

20. Also on the Sale Commencement Date, the Applicants had existing accounts receivable balances of approximately $7.3 million owing from its wholesale customers. As of July 20, 2024, the Applicants have collected approximately $5.7 million in accounts receivable.

21. I understand that the Monitor has engaged with the DIP Lender on a weekly basis to provide them with updates on the results of the Sale and on actual cash flow results compared to forecast. Following the Sale Commencement Date, the DIP Lender approved an updated cash flow forecast from the Applicant with revised assumptions from the Consultants, including among other things: (i) the extended timeline considered for the Remaining Stores, as described above, (ii) continuing sales through both the Bloomingdale's and Hudson's Bay concession locations, and (iii) the implementation of a wholesale liquidation strategy that was still in the initial planning phases when the original cash flow was prepared. Following its approval, this revised cash flow forecast was used by the DIP Lender for the purpose of testing the Company's cash flow variance covenants throughout the proceedings.

22. The Applicants' latest cash flow forecast supporting the requested Stay Extension will be attached to the Monitor's Second Report. Based on these projections, it is unclear at this time whether the remaining proceeds of the Sale and the collection of remaining accounts receivable and the US Tax Refunds (if realizable) will be sufficient to pay the DIP Facility and the pre-filing senior secured facility in full, and further how long certain of these collection efforts may require. The Applicants intend to establish and maintain a reserve in an amount determined by the Monitor in consultation with the Applicants and the DIP Lender (the "**Reserve**") that will not be initially paid to CIBC, in order to satisfy the Applicants' remaining post-filing obligations, such as final rents, consulting and license fees, duties, sales taxes, utilities, logistics, payroll, professional fees

and a reserve for any bankruptcy. The Reserve may be reduced by the Monitor, in consultation with the Applicants and the DIP Lender, as these final obligations are settled in the ordinary course.

23. The Applicants, working with the Consultant and in consultation with the Monitor, have worked to conduct the Sale in an efficient and responsible manner and resolve any issues arising during the Sale.

24. On July 16, 2024, as a result of a large storm and consequent power outage in Toronto, the Brooks Brothers Store at Royal Bank Plaza experienced flooding. As a result of this incident, the impacted Brooks Brothers Store had to remain closed for four (4) days. It has since reopened.

(b) Employees

25. As at the Sale Commencement Date, the Applicants had approximately 587 employees, comprised of 270 retail employees in the United States, 240 retail employees in Canada, and 77 corporate employees in the Applicants' corporate offices in Toronto and New York.

26. Following the commencement of the Sale, a significant number of the Applicants' store-level and corporate employees resigned, including some who were subject to the KERP. Where necessary, the Applicants successfully replaced these employees, on a temporary basis, and increased the scheduled store hours for remaining employees, resulting in limited to no interruption to the Applicants' business during the period of the Sale. Those employees who would have been entitled to a KERP but resigned prior to the conclusion of the Sale have forfeited their KERP entitlement and will not be paid any such amounts.

27. As of the date of this Affidavit, all but a small group of the Applicants' employees have been provided with their respective termination dates and have been (or will be) provided with a

termination letter. For store level employees, the effective dates of these terminations align with their individual store closure dates, and for corporate employees the effective dates range from late July into early August 2024, depending on final activities required by certain employees. The Applicants also prepared final payment for each store level and corporate employee (including accrued unpaid vacation), to be paid on the payroll following their respective termination dates.

28. As at July 20, 2024, the Applicants continue to employ approximately 180 retail employees in the United States, 240 retail employees in Canada, and approximately 30 corporate employees in Toronto and New York. Following the conclusion of the Sale, a small group of corporate employees will continue to assist with the wind-up of the Applicants' business, including resolving final tax matters and collecting outstanding accounts receivable.

(c) United Legwear Transaction

29. On or about July 12, 2024, Ted Baker Canada and Ted Baker Limited (collectively, "**Ted Baker**"), as seller, and United Legwear & Apparel Co. ("**United Legwear**"), as purchaser, entered into a term sheet (the "**Term Sheet**"), pursuant to which Ted Baker agreed to sell certain inventory and FF&E to United Legwear (collectively, the "**United Legwear Transaction**") in consideration for the Purchase Price, consisting of the amounts set out below. The United Legwear Transaction closed effective July 22, 2024 (the "**Closing Date**"). A copy of the Term Sheet is attached hereto as **Exhibit "J"**.

30. The inventory included in the United Legwear Transaction pursuant to the Sale included: (a) all inventory located at Bloomingdale's Inc.'s ("**Bloomingdale's**") Ted-Baker branded concession stores (the "**Concession Locations**") as at the opening of business on the Closing Date; and (b) certain additional wholesale inventory purchased from the Applicants' warehouse facility.

31. As set out in Schedule 1 of the Term Sheet, the purchase price paid by United Legwear was based on the original cost value of the inventory, plus a premium to account for import duties and a 10% mark-up on certain merchandise.

32. I understand that United Legwear is also in ongoing discussions with certain of the Applicants' vendors and brokers to purchase certain merchandise that was in-transit at the commencement of the CCAA proceedings and had not yet been paid for or received by the Applicants. If any in-transit inventory is ultimately purchased by United Legwear, United Legwear will be responsible for the payment of such merchandise and will be required to pay the Applicants an amount equal to a 10% premium on the purchased inventory based on the price negotiated with such third-party suppliers.

33. The total aggregate purchase price for the inventory included in the United Legwear Transaction is currently estimated to be $4,169,305.23, all subject to a final reconciliation to be conducted as soon as is reasonably practicable but in any event no later than sixty (60) days from the Closing Date.

34. In addition to the sale of the inventory described above, the Term Sheet included the following terms, among others:

(a) Ted Baker Canada agreed to sell to United Legwear the FF&E located at the Bloomingdale's Concession Locations for a purchase price of USD $125,000 inclusive of eligible taxes;

(b) United Legwear agreed to offer employment on the same terms and conditions to the current Ted Baker employees at the Bloomingdale's Concession Locations,

including assuming such employees' accrued vacation balances. United Legwear can assume further retail, concession and/or wholesale employees if available; and

(c) United Legwear agreed to pay all exigible Taxes (as defined in the Term Sheet) arising in connection with the United Legwear Transaction.

35. Upon the execution of the Term Sheet, United Legwear provided Ted Baker with a refundable deposit in the amount of USD $400,000, which was held in trust by the Monitor in an interest-bearing account and credited against the Purchase Price on the Closing Date, together with any interest thereon.

36. On the consent of Bloomingdale's, Ted Baker and United Legwear also entered into (i) an agreement (the "**Assignment Agreement**"), effective July 22, 2024, whereby Ted Baker assigned to United Legwear the Department License Agreement dated August 26, 2011, between Ted Baker Limited and Bloomingdale's, and (ii) a transition services agreement (the "**TSA**"), effective July 22, 2024, whereby Ted Baker agreed to provide certain temporary services to United Legwear from and following the Closing Date until August 30, 2024 (the "**Transition Period**") to allow for the current Ted Baker employees at the Bloomingdale's Concession Locations to be transferred to United Legwear and migrated to United Legwear's payroll systems.

37. The United Legwear Transaction was subject to certain condition precedents, including that Ted Baker and ABG enter into an amendment to the license agreement between Ted Baker and No Ordinary Designer Label Limited dated March 11, 2023, as same may be amended from time to time, that authorizes the United Legwear Transaction (the "**ABG License Amendment**"). The ABG License Amendment was executed by Ted Baker and ABG, effective July 3, 2024.

38. To date, approximately 60 now-former Ted Baker employees at the Bloomingdale's Concession Locations have accepted an offer from United Legwear. The Applicants understand that United Legwear also plans to hire a small group of the Applicants' corporate employees after these individuals' employment with the Applicants has been terminated to assist with the continued operation of the Bloomingdale's concession stores and certain related wholesale business.

39. The Applicants are not seeking court approval of the United Legwear Transaction, as the sale of inventory and FF&E is captured by the Realization Process Approval Order, and I am advised by Shawn Irving of Osler Hoskin Harcourt LLP that the remainder of the United Legwear Transaction (including the assignment to Bloomindale's) falls under the *de minimis* provision in paragraph 11(a) of the ARIO.

(d) Suppliers

40. On July 12, 2024, the Monitor sent letters to the Applicants' suppliers, which provided notice that the Applicants were terminating any and all contracts or similar services arrangements with their suppliers effective August 7, 2024, the "**End Date**" for the Sale. The Monitor's letter also advised suppliers that should a claims process be commenced in these CCAA proceedings (which is unknown at this time given the potential deficiency in recovery for the Senior Lender), the suppliers would receive notice of such process if approved by the Court and related information would be posted to the Monitor's website.

(e) Reduction in Letter of Credit

41. On July 15, 2024, counsel to the Applicants sent a letter (the "**July 15 letter**") to PPF Industrial Flat Shoals, LLC, the Landlord for the Warehouse located in Atlanta, Georgia (the

"**Warehouse Landlord**"), copying the Monitor, requesting a reduction in a letter of credit (the "**Atlanta Letter of Credit**") provided by CIBC (in its capacity as senior secured pre-filing lender) on behalf of Ted Baker Limited in respect of the security deposit (the "**Security Deposit**") under the Industrial Lease Agreement between the Warehouse Landlord and Future dated October 19, 2017 (the "**Lease**").

42. The July 15 letter attached amendment number 1 to the Atlanta Letter of Credit, dated March 14, 2024, pursuant to which Ted Baker Limited and CIBC provided notice to the Warehouse Landlord that, pursuant to Section B(10) of the Lease, the amount of the Security Deposit was to be reduced to USD $162,054.00.

43. Counsel to the Applicants advised that unless the Warehouse Landlord provided a countersigned copy of the amendment, or confirmation in writing that the Warehouse Landlord would accept the issuance of a new letter of credit in the amount of USD $162,054.00, by July 18, 2024, counsel to the Applicants would bring this matter to the attention of this Court and seek an appropriate remedy.

44. On July 18, 2024, the Warehouse Landlord advised that it would accept the reduced Atlanta Letter of Credit pursuant to the Lease, with one suggested amendment to the form. The Applicants and CIBC are currently considering the proposed amendment.

45. In addition to the Atlanta Letter of Credit, there are additional letters of credit provided by CIBC (in its capacity as senior secured pre-filing lender), on behalf of the Applicants, which remain outstanding as at the date hereof. The Applicants, with the assistance of the Monitor and in consultation with CIBC, will be seeking to have those letters of credit cancelled or otherwise addressed as appropriate following the conclusion of the Sale.

(f) ERC Tax Refund

46. Prior to these CCAA proceedings, Ted Baker Limited had identified USD $6,162,972.24 in tax refunds to which it may be entitled in the United States related to the Employee Retention Credit ("**ERC**") program administered by the Internal Revenue Service ("**IRS**"). The identified refunds are based upon federal laws that allow an eligible employer to obtain a refundable employment tax credit under Section 2301 of the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act), as amended by *the Taxpayer Certainty and Disaster Tax Relief Act of 2020* (Relief Act), enacted December 27, 2020, the *American Rescue Plan Act of 2021* (ARP Act), enacted March 11, 2021, and the *Infrastructure Investment and Jobs Act* (Infrastructure Act), enacted November 15, 2021, if they experienced a significant decline in gross receipts or more than a nominal portion of their business operations were suspended by a governmental order. Ted Baker Limited submitted an application asserting its entitlement to refunds under the ERC program.

47. The Applicants' tax consultant has advised that the IRS has temporarily paused the ERC program through which these tax refunds are processed and has stopped processing new applications. The Applicants will continue to pursue these refunds, but the timeline for recovery, if any, is unknown at this time.

(g) Extension of DIP Maturity Date

48. Paragraph 12 of the DIP Term Sheet provides that the DIP Facility shall mature and the DIP Financing Obligations (as those terms are defined therein) shall be due and repayable in full on the earlier of: (i) the occurrence of any Event of Default (other than the Existing Events of Default); (ii) the implementation of any CCAA plan of compromise and arrangement which is

proposed and filed with the Court in these CCAA proceedings; (iii) the sale of all or substantially all of the Collateral; and (iv) the Outside Date (the earlier of such dates being the "**Maturity Date**"). The DIP Term Sheet further provides that the Maturity Date may be extended from time to time at the request of Ted Baker Canada and Ted Baker Limited, as borrowers, and with the prior written consent of the DIP Lender. The Applicants expect that the Borrowers and the DIP Lender will reach an agreement to extend the Maturity Date to September 30, 2024 prior to the hearing of this motion, and that the Maturity Date may be further extended following September 30, 2024 on a month-to-month basis as agreed upon by the parties, to facilitate the conclusion of remaining matters in these CCAA proceedings and the Chapter 15 Case. The parties are currently working on an amendment to the DIP Term Sheet to reflect the extension of the Maturity Date, a copy of which, if agreed upon and executed, will be included in the Monitor's Report to be filed.

B. Extension to the Stay Period

49. The ARIO extended the Stay Period to August 2, 2024. The Applicants are seeking to further extend the Stay Period to January 31, 2025.

50. As set out above, the Applicants have significantly advanced these CCAA proceedings since the Comeback Hearing.

51. An extension of the Stay Period is necessary to complete the Sale and the associated reconciliation, implement the post-closing aspects of the United Legwear Transaction, collect remaining accounts receivable balances and continue to pursue potential tax refunds under the ERC, and proceed with the orderly wind-down of the business of the Applicants in both Canada and the US.

52. I understand that the Monitor will be filing a report with the Court prior to the hearing of this motion which will include an updated cash flow forecast for the Applicants up to the end of September 29, 2024. Following September 29, 2024, the Applicants will have no further business activities. The updated cash flow forecast demonstrates that, together with the establishment of the Reserve, the Applicants will have sufficient cash resources to fund operations and continue their wind down through to January 31, 2025.

53. I believe that the Applicants have acted, and continue to act, in good faith and with due diligence in these CCAA proceedings. I believe that the proposed extension of the Stay Period is in the best interests of the Applicants and their stakeholders. I am also informed by the Monitor that it supports the request to extend the Stay Period.

C. Wage Earner Protection Program

54. I am advised by Sven Poysa at Osler, Hoskin & Harcourt LLP, and believe that, the Wage Earner Protection Program Act, SC 2005, c 47, s 1 ("**WEPPA**") permits eligible former employees to collect certain eligible wages, including termination and severance pay, owed to such former employees where the former employer is the subject of CCAA proceedings and a court determines that the criteria prescribed by regulation are met. I am advised that the *Wage Earner Protection Program Regulations*, SOR/2008-222 (the "**WEPP Regulation**") requires that the Court determine whether the former employer is the former employer of all the employees in Canada who have been terminated other than any retained to wind down its business operations.

55. By July 26, 2024, the Applicants will have sent notices to all Canadian store employees to advise of the date of their respective store closures and providing notice of their termination on that date. In addition, with the exception of a small number of corporate employees whose services

are required to wind-down the Applicants' business, all Canadian-based corporate employees will have been provided with their respective dates of termination.

56. Paragraph 56 of the ARIO deems any employee of the Applicants that receives a notice of termination to have received such notice of termination by no later than 8:00 a.m. Eastern Standard/Daylight Time on the fourth (4th) day following the date any such notice is sent, if such notice of termination is sent by ordinary mail, expedited parcel, or registered mail. Any communication that is sent to an employee of the Applicants by electronic message is deemed to have been received twenty-four (24) hours after the time such electronic message was sent, notwithstanding that any such communication was sent pursuant to any other means.

57. In order to assist eligible terminated employees of the Applicants access payments in respect of eligible wages under WEPPA in a timely manner following the termination of all Canadian employees, the Applicants are seeking a declaration in the Stay Extension Order that, pursuant to subsections 5(1)(b)(iv) and 5(5) of WEPPA, the Applicants meet the criteria prescribed by section 3.2 of the WEPP Regulation and their former employees are eligible to receive payments

under and in accordance with WEPPA following the termination of their employment. I understand that the Monitor supports the requested relief.

SWORN BEFORE ME over videoconference this 26th day of July, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely. The affiant is located in the City of Toronto, in the Province of Ontario.

DocuSigned by:
Antoine Adams
E97046E4CF1145B...

Commissioner for Taking Affidavits
(or as may be)

BLAIR GEORGE MCRADU
LSO# 85586M

ANTOINE ADAMS

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

Court File No: CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn T. Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.4204
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

This is Exhibit "H" referred to in the Affidavit of Antoine Adams sworn by Antoine Adams at the City of Toronto, in the Province of Ontario, before me on January 16, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

MARLEIGH ERYN DICK

LSO# 79390S

Court File No. CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

APPLICANTS

AFFIDAVIT OF ANTOINE ADAMS
(sworn January 22, 2025)

I, Antoine Adams, of the City of Toronto, in the Province of Ontario MAKE OATH AND SAY:

1. I am a director and Corporate Secretary of Ted Baker Canada Inc. ("**Ted Baker Canada**"), Ted Baker Limited, OSL Fashion Services Canada Inc., and OSL Fashion Services, Inc. (together, the "**Applicants**"). I am also the Chief Operating Officer of OSL Retail Services Inc., an affiliate of the Applicants that, among other things, provides certain executive and operational leadership, strategy, M&A, financial decision approvals, and IT services to the Applicants. As such, I have knowledge of the matters contained in this Affidavit. Where I have relied on other sources of information, I have so stated, and I believe them to be true.

2. In my role as Corporate Secretary and director of the Applicants, I am involved in all operational and organizational aspects of the Applicants' business, including approving all the

strategic decisions of the Applicants, and am the primary strategic contact with Authentic Brands Group ("**ABG**"). Therefore, I am familiar with the business and have relied upon the books and records of the Applicants in preparing this affidavit. I have also consulted with other members of the senior management teams of the Applicants and the Applicants' legal advisors. The Applicants do not waive or intend to waive any applicable privilege by any statement herein.

3. I swear this affidavit in support of a motion by the Applicants for an order extending the Stay Period (defined below) to and including January 31, 2026.

4. All capitalized terms not otherwise defined in this affidavit have the meanings given to them in the Second Adams Affidavit and the Third Adams Affidavit (both as hereinafter defined), including by reference therein.

A. Background and Update on the CCAA Proceedings

5. On April 24, 2024, the Applicants were granted protection under the *Companies' Creditors Arrangement Act*, RSC 1985 c C-36 (the "**CCAA**") pursuant to an Initial Order (the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). A copy of the Initial Order is attached hereto as **Exhibit "A"**. A copy of the Endorsement of Justice Black issued in connection with the Initial Order is attached hereto as **Exhibit "B"**.

6. The Initial Order, among other things: (i) appointed Alvarez & Marsal Canada Inc. as monitor within these CCAA proceedings (the "**Monitor**"); (ii) granted a stay of proceedings against the Applicants, the Monitor, and their respective employees, directors, advisors, officers and representatives acting in such capacities for an initial 10-day Stay Period; (iii) authorized Ted Baker Canada and Ted Baker Limited to continue to borrow from the Interim Lender, being

Canadian Imperial Bank of Commerce ("**CIBC**"), under the Applicants' Existing Credit Facility in an amount not to exceed USD $7 million, subject to the requirements in the Initial Order; (iv) authorized the Applicants to pay certain pre-filing amounts with the consent of the Monitor and the Interim Lender to key participants in the Applicants' distribution network, and to other critical suppliers, if determined to be necessary; (v) granted the following Charges (as defined in the Initial Order), in order of priority: an Administration Charge in the maximum amount of USD $750,000; an Interim Lender's Charge; security granted with respect to the Existing Credit Facility (excluding the Interim Borrowings); and a Directors' Charge in the maximum amount of USD $2.5 million.

7. The Initial Order also authorized Ted Baker Canada: (i) to act as the foreign representative of the Applicants for the purpose of having these CCAA proceedings recognized and approved in a jurisdiction outside of Canada; and (ii) to apply for foreign recognition and approval of these CCAA proceedings and related relief, including provisional relief, as necessary, in the United States Bankruptcy Court for the Southern District of New York (the "**US Court**") pursuant to Chapter 15 of Title 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**"), 11 U.S.C. §§ 101-1532.

8. Immediately following the granting of the Initial Order, the Applicants initiated a case under Chapter 15 of the Bankruptcy Code seeking an order to recognize and enforce these CCAA proceedings in the United States, including seeking an order from the US Court for certain provisional relief, including application of the automatic stay under section 362 of the Bankruptcy Code pending the US Court's consideration of the petition to recognize these CCAA proceedings in the United States (the "**Chapter 15 Case**"). On April 26, 2024, the US Court entered an order granting the Applicants certain provisional relief, including, among other things, application of the automatic stay under section 362 of the Bankruptcy Code to the Applicants and their property

within the territorial jurisdiction of the United States and authorization to continue to borrow from the Interim Lender under the Existing Credit Facility subject to and secured by the Interim Lender's Charge and apply the Initial Lender's Charge to the Applicants' assets in the United States. A copy of the Revised Order Granting Provisional Relief is attached hereto as **Exhibit "C"**.

9. On May 3, 2024, the Court granted an Amended and Restated Initial Order ("**ARIO**"), which, among other things: (i) extended the stay of proceedings granted pursuant to the Initial Order to August 2, 2024 (the "**Stay Period**"); (ii) approved a key employee retention plan (the "**KERP**") and granted a Court-ordered charge (the "**KERP Charge**") as security for payments under the KERP, and granted a sealing order in relation to the KERP; (iii) authorized the Applicants to enter into the DIP Term Sheet with CIBC, as lender (in such capacity, the "**DIP Lender**") and borrow under the DIP Facility in the maximum principal amount of USD $28 million, and granted the DIP Lender's Charge; and (iv) increased the Administration Charge from USD $750,000 to USD $1.5 million and the Directors' Charge from USD $2.5 million to USD $5 million. A copy of the ARIO is attached hereto as **Exhibit "D"**.

10. On the same day, the Court also granted a Realization Process Approval Order (the "**Realization Process Approval Order**"), which, among other things, (i) approved a consulting agreement between Ted Baker Canada and Ted Baker Limited (together, the "**Merchant**") and Gordon Brothers Canada ULC and Gordon Brothers Retail Partners, LLC (together, the "**Consultant**") dated as of April 30, 2024 (as may be amended and restated in accordance with the terms of the Realization Process Approval Order, the "**Consulting Agreement**"); (ii) approved the proposed Canadian sale guidelines (the "**Canadian Sale Guidelines**") and the US sale guidelines (the "**US Sale Guidelines**" and, together with the Canadian Sale Guidelines, the "**Sale Guidelines**") for the orderly realization of the Merchandise and FF&E at concession locations in

Canada or the United States or at the Merchant's Stores and as located at the Warehouses through sales in accordance with the terms of the Sale Guidelines (the "**Sale**"); and (iii) authorized the Merchant, with the assistance of the Consultant, to undertake a realization process in accordance with the terms of the Realization Process Approval Order, the Consulting Agreement and the Sale Guidelines. A copy of the Realization Process Approval Order is attached hereto as **Exhibit "E"**. A copy of the Endorsement of Justice Black issued in connection with the ARIO and the Realization Process Approval Order is attached hereto as **Exhibit "F"**.

11. On May 17, 2024, the US Court granted: (i) the Final Order Recognizing and Enforcing the Realization Process Approval Order and Granting Related Relief; and (ii) the Modified Order Recognizing the Foreign Main Proceedings and Granting Additional Relief. Copies of these recognition orders granted by the US Court are attached hereto as **Exhibits "G"** and **"H"**.

12. I swore an affidavit dated May 1, 2024 in support of the ARIO and the Realization Process Approval Order, providing an update on the Applicants' activities after the granting of the Initial Order (the "**Second Adams Affidavit**"). A copy of the Second Adams Affidavit (without exhibits) is attached hereto as **Exhibit "I"**.

13. On August 1, 2024, the Court granted an order (the "**First Stay Extension Order**"), which, among other things, extended the Stay Period until and including January 31, 2025. I swore an affidavit dated July 26, 2024 in support of the First Stay Extension Order, providing a further update on the Applicants' activities since the Comeback Hearing (the "**Third Adams Affidavit**"). A copy of the Third Adams Affidavit (without exhibits) is attached hereto as **Exhibit "J"**.

14. Since the Stay Period was last extended, the Applicants, working with the Monitor and with the assistance of the Consultant, have continued to advance these CCAA proceedings, including by:

(a) concluding the Sale, as contemplated in the Realization Process Approval Order, including completing the Final Reconciliation (as defined in the Consulting Agreement);

(b) completing the United Legwear Transaction (defined below) and supporting the transition of the business through the TSA (defined below);

(c) continuing to pursue certain ERC Tax Refunds (defined below) that may be available to Ted Baker Limited in the United States;

(d) addressing certain outstanding letters of credit as appropriate; and

(e) communicating with the Applicants' employees, landlords and other stakeholders regarding the Sale and other matters related to these CCAA proceedings and the Chapter 15 Case.

15. The Applicants are seeking an extension of the Stay Period to January 31, 2026 in order to collect remaining accounts receivable, continue pursuing the collection of the ERC Tax Refund and conclude the orderly wind-down of the business of the Applicants in both Canada and the United States.

(a) The Sale

16. As described in the Third Adams Affidavit, following the granting of the Realization Process Approval Order, the Applicants, with the assistance of the Consultant and the Monitor, commenced the Sale on May 10, 2024. The Applicants, working with the Consultant and in consultation with the Monitor, worked to conduct the Sale in an efficient and responsible manner.

17. The Sale concluded on August 2, 2024, as anticipated, except with respect to approximately 35 Store locations in Canada and the United States, where, in consultation with the Monitor and the Consultant, the Sale was extended to August 4, 2024 to maximize recoveries from the Sale. The FF&E Removal Period (as defined in the Sale Guidelines) concluded on August 7, 2024. Each of the Applicants' Landlords received a 30-day lease disclaimer notice, each of which had an effective disclaimer date on or prior to the end of the FF&E Removal Period.

18. Pursuant to the Consulting Agreement, the Final Reconciliation was required to be completed no later than twenty (20) days following the earlier of: (a) the Sale Termination Date (as defined in the Consulting Agreement) for the last Store; or (b) the date upon which the Consulting Agreement is terminated in accordance with its terms. With the assistance of the Monitor, the Final Reconciliation was completed on August 29, 2024, following which time the Merchant paid the Consultant its fees, as set out in the Consulting Agreement.

19. As of the date of the Third Adams Affidavit, it was unclear whether the proceeds of the Sale and the collection of remaining accounts receivable and the ERC Tax Refund (if realizable) would be sufficient to pay the DIP Facility and the pre-filing senior secured facility in full, and further how long certain of these collection efforts would require. Pursuant to the DIP Term Sheet, the Applicants established a reserve (the "**Reserve**") in order to satisfy the Applicants' anticipated

remaining post-filing obligations, such as final rents, consulting and license fees, duties, sales taxes, utilities, logistics, payroll, professional fees and a reserve for any bankruptcy, which could be reduced by the Monitor, in consultation with the Applicants and the DIP Lender, as these final obligations are settled in the ordinary course through the balance of these proceedings. As will be set out in more detail in the Monitor's Fourth Report, the Reserve is expected to be sufficient to cover all costs remaining during these CCAA proceedings.

(b) Assignment of Secured Debt and Security

20. As set out in the First Adams Affidavit, pursuant to the terms of a limited recourse guarantee as of March 14, 2023 (the "**Limited Recourse Guarantee**"), Brett Farren irrevocably and unconditionally guaranteed the due and punctual payment and the due performance of the Obligations of the Borrowers under the Existing Credit Agreement, limited to a maximum amount of $5 million (the "**Guarantee Amount**").

21. On October 23, 2024, an affiliate of Fashion Canada and Fashion US (the "**Guarantor**") agreed to assume and be bound by the obligations of Mr. Farren under the Limited Recourse Guarantee, up to the Guarantee Amount.

22. On the same day, the Guarantor entered into a settlement agreement with CIBC, in its capacity as Agent for the Lenders pursuant to the Existing Credit Agreement (the "**Settlement Agreement**"), pursuant to which the Guarantor paid the Guarantee Amount to CIBC in consideration for a full and final release of the Guarantee, as well as the Guarantor's assumption of CIBC's security interests as against the Applicants, with the exception of CIBC's security interest against a cash collateral account securing any claims that CIBC may have against the Applicants in connection with certain letters of credit which were issued by CIBC under the

Existing Credit Agreement, in the (then) amount of USD $2,162,054 and CAD $350,00 (the "**LC Cash Collateral Account**"). As a result of these transactions, the Guarantor has succeeded CIBC as the Applicants' sole secured creditor (with the exception of CIBC's continuing first ranking security interest in the LC Cash Collateral Account), with a current remaining outstanding secured debt of approximately $2.3 million.

(c) Employees

23. As of the date of the Third Adams Affidavit, all but a small group of the Applicants' employees had been provided with notice of their respective termination dates and had been (or would be) provided with a termination letter. For store level employees, the effective dates of these terminations aligned with their individual store closure dates, and for corporate employees the effective dates ranged from late July into early August 2024, depending on final activities required of certain employees. The Applicants, in consultation with the Monitor, also prepared final payment for each store level and corporate employee (including accrued unpaid vacation), which was paid on the payroll following their respective termination dates. At that time, the Applicants continued to employ a small number of corporate employees, who assisted with the wind-up of the Applicants' business.

24. Since the First Stay Extension Order was granted, the Applicants have terminated the employment of all remaining employees.

(d) United Legwear Transaction

25. As described in the Third Adams Affidavit, on or about July 12, 2024, Ted Baker Canada and Ted Baker Limited (collectively, "**Ted Baker**"), as seller, and United Legwear & Apparel Co.

("**United Legwear**"), as purchaser, entered into a term sheet (the "**Term Sheet**"), pursuant to which Ted Baker agreed to sell certain inventory and FF&E to United Legwear (collectively, the "**United Legwear Transaction**") for the purchase price set out in the Term Sheet. The United Legwear Transaction closed effective July 22, 2024 (the "**Closing Date**").

26. Ted Baker and United Legwear also entered into (i) an assignment agreement, effective July 22, 2024, whereby Ted Baker assigned to United Legwear the Department License Agreement dated August 26, 2011, between Ted Baker Limited and Bloomingdale's, and (ii) a transition services agreement (the "**TSA**"), effective July 22, 2024, whereby Ted Baker agreed to provide certain temporary services to United Legwear from and following the Closing Date until August 30, 2024 (the "**Transition Period**") to allow for the current Ted Baker employees at the Bloomingdale's Concession Locations to be transferred to United Legwear and migrated to United Legwear's payroll systems. On August 30, 2024, the Transition Period was completed.

(e) Letter of Credit Adjustments

27. As set out in the Third Adams Affidavit, the Applicants and Monitor continued negotiations with the Landlord for the Warehouse located in Atlanta, Georgia (the "**Warehouse Landlord**") regarding potential reductions to a letter of credit provided by CIBC on behalf of Ted Baker Limited in respect of the security deposit under the Industrial Lease Agreement between the Warehouse Landlord and the new tenant, Future Forwarding, dated October 19, 2017 (the "**Atlanta Letter of Credit**"). On September 30, 2024, the Warehouse Landlord advised that it would accept a reduced letter of credit (the "**Replacement LC**") to be provided by Future Forwarding, in replacement of the Atlanta Letter of Credit. On October 11, 2024, the Replacement LC was put in place and the cash collateral held by CIBC in the LC Cash Collateral Account on

account of the Atlanta Letter of Credit, together with interest thereon, was released by CIBC to the Applicants.

28. In addition to the Atlanta Letter of Credit, three additional letters of credit were provided by CIBC (in its capacity as senior secured pre-filing lender), on behalf of the Applicants, for the benefit of U.S. Specialty Insurance Company, Argonaut Insurance Co., and Intact Insurance Company, respectively. Since the First Stay Extension Order was granted, the following actions were taken by the Applicants, with the assistance of the Monitor and in consultation with CIBC, with respect to these remaining letters of credit:

(a) U.S. Specialty Insurance Company – The letter of credit was drawn by US Customs and the corresponding cash collateral in the LC Cash Collateral Account was used to repay the Applicants' indebtedness to CIBC as a result of such draw, with interest accrued on such cash collateral released to the Applicants.

(b) Argonaut Insurance Co. – CIBC issued a notice of non-renewal on November 25, 2024, indicating that the letter of credit would expire on July 6, 2025 without the need for any further action.

(c) Intact Insurance Company – CIBC issued a notice of non-renewal on November 25, 2024, indicating that the letter of credit would expire on February 28, 2025 without the need for any further action. On January 9, 2025, this letter of credit was drawn by Intact Insurance Company and corresponding cash collateral in the LC Cash Collateral Account was used to repay the Applicants' indebtedness to CIBC as a result of such draw, with interest accrued on such cash collateral released to the Applicants.

(f) ERC Tax Refund

29. As described in the Third Adams Affidavit, prior to these CCAA proceedings, Ted Baker Limited had identified USD $6,162,972.24 in potential tax refunds to which it may be entitled in the United States related to the Employee Retention Credit ("**ERC**") program administered by the Internal Revenue Service ("**IRS**"). The identified tax refunds (the "**ERC Tax Refund**") are based upon federal laws that allow an eligible employer to obtain a refundable employment tax credit under Section 2301 of the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act), as amended by *the Taxpayer Certainty and Disaster Tax Relief Act of 2020* (Relief Act), enacted December 27, 2020, the *American Rescue Plan Act of 2021* (ARP Act), enacted March 11, 2021, and the *Infrastructure Investment and Jobs Act* (Infrastructure Act), enacted November 15, 2021, if they experienced a significant decline in gross receipts or more than a nominal portion of their business operations were suspended by a governmental order. Ted Baker Limited submitted an application asserting its entitlement to the ERC Tax Refund under the ERC program.

30. Prior to the granting of the First Stay Extension Order, the Applicants' tax consultant advised that the IRS had temporarily paused the ERC program through which these tax refunds were processed and had stopped processing new applications.

31. Since the First Stay Extension Order was granted, the Applicants' tax consultant has advised that the US government has resumed processing tax recoveries and therefore, the Applicants have continued to pursue the ERC Tax Refund. However, the timeline for recovery, if any, remains unknown at this time.

B. Extension of the Stay Period

32. The First Stay Extension Order extended the Stay Period to January 31, 2025. The Applicants are seeking to further extend the Stay Period to January 31, 2026.

33. An extension of the Stay Period is necessary to continue to allow the Applicants, with the assistance of the Monitor, to continue their efforts to collect outstanding accounts receivable and pursue the ERC Tax Refund, as part of the orderly wind-down of the business of the Applicants in both Canada and the US.

34. As described above, the Reserve is anticipated to be sufficient to cover the minimal costs that will be incurred during the remainder of these CCAA proceedings. The estate is not expected to incur any material costs during the extended stay period in connection with the pursuit of the ERC Tax Refund.

35. I believe that the Applicants have acted, and continue to act, in good faith and with due diligence in these CCAA proceedings. I believe that the proposed extension of the Stay Period is in the best interests of the Applicants and their stakeholders. I am also informed by the Monitor that it supports the request to extend the Stay Period.

SWORN BEFORE ME over videoconference this 22nd day of January, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely. The affiant is located in the City of Toronto, in the Province of Ontario and the commissioner is located in the City of Toronto, in the Province of Ontario.

Commissioner for Taking Affidavits
(or as may be)

MARLEIGH ERYN DICK
LSO# 79390S

ANTOINE ADAMS

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

Court File No: CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn T. Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.4204
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

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

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AFFIDAVIT

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn T. Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.4204
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

Court File No. CV-24-00718993-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	FRIDAY, THE 23RD
	)	
JUSTICE CAVANAGH	)	DAY OF JANUARY, 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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC. and OSL FASHION SERVICES, INC.

APPLICANTS

ORDER
(Stay Extension)

THIS MOTION, made by Ted Baker Canada Inc. ("**Ted Baker Canada**"), Ted Baker Limited, OSL Fashion Services Canada Inc. ("**Fashion Canada**"), and OSL Fashion Services, Inc. (collectively with Ted Baker Canada, Ted Baker Limited, and Fashion Canada, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, among other things, extending the stay of proceedings until January 29, 2027, and other relief, was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the affidavit of Antoine Adams sworn January 16, 2026 and the Exhibits thereto, and the Fourth Report of Alvarez & Marsal

Canada Inc., in its capacity as monitor of the Applicants (in such capacity, the "**Monitor**") dated January ●, 2026, and on hearing the submissions of counsel to the Applicants, the Monitor, and such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Marleigh Dick sworn January ●, 2026, filed:

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the 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 any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated May 3, 2024 (the "**Amended and Restated Initial Order**").

STAY EXTENSION

3. **THIS COURT ORDERS** that the Stay Period, as defined in paragraph 14 of the Amended and Restated Initial Order, is hereby further extended until and including January 29, 2027.

GENERAL

4. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their respective powers and duties hereunder.

5. **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 Applicants, the Foreign Representative, 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 Applicants, to the Foreign Representative and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Foreign Representative and the Monitor and their respective agents in carrying out the terms of this Order.

6. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

_____

(Signature of judge, officer or registrar)

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 TED BAKER CANADA INC., TED BAKER LIMITED, OSL FASHION SERVICES CANADA INC., and OSL FASHION SERVICES, INC.

Court File No: CV-24-00718993-00CL

Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

ORDER
(Stay Extension)

OSLER, HOSKIN & HARCOURT LLP
1 First Canadian Place, P.O. Box 50
Toronto, ON M5X 1B8

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn T. Irving (LSO# 50035U)
Tel 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.6665
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants

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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD
(Stay Extension returnable January 23, 2026)

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Tracy C. Sandler (LSO# 32443N)
Tel: 416.862.5890
Email: tsandler@osler.com

Shawn T. Irving (LSO# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Blair McRadu (LSO# 85586M)
Tel: 416.862.4204
Email: bmcradu@osler.com

Marleigh Dick (LSO# 79390S)
Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants