



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-2600000050-0000

DATE: 09-FEB-2026

NO. ON LIST: 3

TITLE OF PROCEEDING: IN THE MATTER OF EDDIE BAUER LLC

BEFORE: JUSTICE CAVANAGH

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Shawn Irving	Lawyers for the Applicant,	sirving@osler.com
Marc Wasserman	Eddie Bauer LLC	mwasserman@osler.com
Martino Calvaruso		mcalvaruso@osler.com
Marleigh Dick		mdick@osler.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Mike Shakra	Lawyer for the Proposed Information Officer, KSV Restructuring Inc.	shakram@bennettjones.com
Linc Rogers	Lawyer for Pre-Petition ABL Agent, Wells Fargo	Linc.rogers@blakes.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE CAVANAGH:

[1] Eddie Bauer LLC (“**Eddie Bauer U.S.**”), in its capacity as the proposed foreign representative (in such capacity, the “**Foreign Representative**”) of the Chapter 11 Debtors (defined in the application materials), brings this application for an order (the “**Interim Stay Order**”) pursuant to s. 106 of the *Courts of Justice Act*, R.S.O. 1990, c C.43 (the “**CJA**”) and Part IV of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) granting, among other things, an interim stay of proceedings in respect of the Chapter 11 Debtors and their respective directors and officers in Canada.

[2] Eddie Bauer – a leading retailer in casual apparel, outdoor gear, and home goods – is currently facing significant balance sheet and liquidity challenges. On February 9, 2026, Eddie Bauer U.S. and four other debtors in possession (collectively, the “**Chapter 11 Debtors**” or the “**Company**”) filed voluntary petitions for relief in the United States Bankruptcy Court for the District of New Jersey (the “**U.S. Court**”), pursuant to Chapter 11 of the U.S. Bankruptcy Code (the “**Petitions**,” and the cases commenced thereby the “**Chapter 11 Cases**”). The Chapter 11 Debtors include two Canadian entities, 13051269 Canada Inc. and Eddie Bauer of Canada Corporation (“**Eddie Bauer Canada**” and collectively the “**Canadian Debtors**”). Eddie Bauer Canada is the Company’s primary operating entity in Canada, where it operates 24 retail locations spread across six provinces.

[3] Concurrently with the Petitions, the Chapter 11 Debtors have filed several first day motions and applications in the Chapter 11 Cases with the U.S. Court (collectively, the “**First Day Motions**”), including an order authorizing Eddie Bauer U.S. to act as Foreign Representative in respect of the Chapter 11 Cases (the “**Foreign Representative Order**”). The U.S. Court is expected to hear the First Day Motions on February 10, 2026.

[4] Once the Foreign Representative Order has been issued by the U.S. Court, Eddie Bauer U.S., in its capacity as Foreign Representative, will return to this Court in order to seek: (i) the “**Initial Recognition Order**,” recognizing Eddie Bauer U.S. as Foreign Representative and recognizing the Chapter 11 Cases as “foreign main proceedings” in respect of the Canadian Debtors; and (ii) the “**Supplemental Order**,” among other things, recognizing certain First Day Orders issued by the U.S. Court (the “**First Day Orders**”).

[5] Pending the hearing of the First Day Motions and the granting of the Foreign Representative Order, the proposed Foreign Representative seeks the Interim Stay Order in order to give effect in Canada to the automatic stay of proceedings which applies in the Chapter 11 Cases, maintain the *status quo*, and preserve the value of the Canadian business. The Interim Stay Order, which accords with the recent practice of this Court in Part IV proceedings under the CCAA, is designed to protect the property and operations of the Chapter 11 Debtors from the potential enforcement of any rights and remedies in Canada, including in relation to Eddie Bauer Canada’s retail leases.

[6] The facts are more fully set out in the Affidavit of Stephen Coulombe.

[7] I am satisfied that Ontario is a proper jurisdiction for these recognition proceedings. As Part IV of the CCAA does not contain any provisions with respect to the jurisdiction of a particular Canadian court to hear a recognition application, it is appropriate for the Ontario court to take jurisdiction given the Canadian Debtors’ substantial connection to Ontario, including the following:

- a. each of the Canadian Debtors maintains a registered office in Toronto;

- b. Ontario is the location of the highest number of Eddie Bauer Canada's stores, (11 out of 24 stores, representing nearly half of the Canadian total); and
- c. the majority of Eddie Bauer Canada's employees are located in Ontario (182 out of 379 total employees in Canada).

[8] Pursuant to section 46(2) of the CCAA, a foreign representative seeking recognition of a foreign proceeding must include in its application, among other things, certified copies of the instruments that commenced the foreign proceeding and authorized the foreign representative to act in such a capacity. However, the proposed Foreign Representative Order authorizing Eddie Bauer U.S. to act as Foreign Representative will not be available until the Chapter 11 Debtors appear before the U.S. Court to seek the First Day Orders.

[9] As a result, the Foreign Representative is not yet able to seek the Initial Recognition Order and Supplemental Order from this Court. While the Chapter 11 Debtors obtained the benefit of a stay of proceedings upon filing the Petitions with the U.S. Court, without the granting of the Interim Stay Order the Chapter 11 Debtors will not have the protection of a stay in Canada during this key period.

[10] The Court's jurisdiction to grant an interim stay in the context of a pending recognition application is grounded in s. 106 of the *Courts of Justice Act*, which authorizes Ontario courts to stay proceedings on such terms as are considered just, in s. 11.02 of the CCAA, which allows the granting of a stay on the initial application of a debtor company, and in the Court's inherent jurisdiction. Further, as noted by Chief Justice Morawetz in *Paladin Labs Canadian Holding Inc.*, 2022 ONSC 4748 at para. 20, granting an interim stay in such circumstances accords with "the principles of cooperation and comity" and represents "necessary and appropriate" relief pending the full recognition hearing.

[11] The Interim Stay Order provides for a stay of proceedings in favour of the Chapter 11 Debtors in respect of their business and property in Canada, along with a stay of proceedings in favour of the directors and officers of the Chapter 11 Debtors. This proposed interim stay will give effect in Canada to the automatic stay of proceedings in the Chapter 11 Cases and will provide stability and preserve the value of the Canadian business pending Eddie Bauer U.S.'s appointment as foreign representative.

[12] I am satisfied that the proposed Interim Stay Order should be made.

[13] Order to go as signed by me today. This order is effective from today's date and is enforceable without the need for entry and filing.
