



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-26-00000050-0000

DATE: April 30, 2026

NO. ON LIST: 2

TITLE OF PROCEEDING: EDDIE BAUER LLC et al.

BEFORE: JUSTICE J. DIETRICH

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
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For Defendant, Respondent, Responding Party:

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ENDORSEMENT OF JUSTICE J. DIETRICH:

- [1] Eddie Bauer LLC (“**Eddie Bauer U.S.**”), in its capacity as the foreign representative of the Chapter 11 Debtors (the “**Foreign Representative**”), seeks an Order (the “**Third Recognition Order**”) recognizing certain orders granted in the ongoing Chapter 11 Cases. Defined terms used but not otherwise defined herein have the meaning provided to them in the Factum of the Foreign Representative filed for use on this motion.
- [2] The Third Recognition Order sought:
- (a) recognizes and gives effect to the Plan Confirmation Order which was granted by the United States Bankruptcy Court for the District of New Jersey (the “**U.S. Court**”), on April 16, 2026;
 - (b) recognizes certain additional orders recently entered by the U.S. Court;
 - (c) declares that, pursuant to ss. 5(1)(b)(iv) and 5(5) of the *Wage Earner Protection Program Act* (“**WEPPA**”), Eddie Bauer Canada meets the criteria prescribed by s. 3.2 of the Wage Earner Protection Program Regulations; and
 - (d) authorizes and empowers the Information Officer to perform the duties and responsibilities of a “trustee” under the WEPPA.
- [3] KSV Restructuring Inc. as the court-appointed information officer in respect of these proceedings (the “**Information Officer**”) has filed its Second Report to Court dated April 28, 2026 in support of the relief sought by the Foreign Representative.
- [4] The history of the proceeding is set out in previous endorsements of Justice Cavanagh and is not repeated here. Most recently, on March 20, 2026, this Court granted an order recognizing further orders entered by the U.S. Court on March 3 and 16, 2026.
- [5] The Third Amended Plan was filed on April 15, 2026 by the Chapter 11 Debtors and contemplates (collectively, the “**Wind Down Transactions**”):
- (a) distributions from the Chapter 11 Debtors’ cash on hand, the proceeds from the Chapter 11 Debtors’ ordinary course operations, and the Store Closing Sales;
 - (b) the compromise and settlement of all Claims and Interests subject to the Plan, including the Committee Settlement;
 - (c) certain releases by third parties and by the Chapter 11 Debtors;
 - (d) and the wind-down of the Chapter 11 Debtors pursuant to the transactions set out in Article IV.G of the Plan.
- [6] The Plan provides for an approximately \$15 million payment to the ABL Lenders, and further contemplates the distributions of up to \$3 million in value to Holders of General Unsecured Claims as part of the Committee Settlement.

- [7] The U.S. Court held its Combined Hearing for confirmation of the Plan on April 16, 2026. Following the Combined Hearing (and the overruling of the sole remaining objection to the Plan, brought by the U.S. Trustee), the U.S. Court entered the Plan Confirmation Order.
- [8] Recognition of the following Orders is also sought:
- (a) the Final Cash Collateral Order granted by the U.S. Court on March 27, 2026, which authorizes the Chapter 11 Debtors, to, among other things, use “Cash Collateral” as such term is defined in the U.S. Bankruptcy Code, in order to pay certain specified expenses;
 - (b) the De Minimis Asset Transactions Order granted by the U.S. Court on March 27, 2026, which, among other things, establishes procedures for the expedited use, sale or transfer of certain assets;
 - (c) the De Minimis Claims Order granted by the U.S. Court on March 27, 2026, which, among other things, establishes the process for the settlement of certain claims;
 - (d) the BRG Retention Order granted by the U.S. Court on March 27, 2026, which, among other things, authorizes the Chapter 11 Debtors to retain Berkeley Research Group, LLC;
 - (e) the First Order Approving Rejection of Certain Contracts/Leases, granted by the U.S. Court on April 13, 2026, which, among other things, provides for the rejection of certain executory contracts and unexpired leases, including all leases with Canadian landlords;
 - (f) the Final Cash Management Order, granted by the U.S. Court on April 16, 2026 which authorizes the Chapter 11 Debtors, to, among other things, continue to operate their cash management system; and
 - (g) the Omnibus Claims Objection Procedures Order, granted by the U.S. Court on April 16, 2026, which, among other things, approves the procedure for objecting to Claims.
- [9] This Court has previously recognized the Chapter 11 Cases as a “foreign main proceeding” pursuant to ss. 47 and 48 of the CCAA. The authority of this Court to recognize the orders granted by the U.S. Court is therefore set out in s. 49 of the CCAA, which authorizes the Court to “make any order that it considers appropriate” on the application of a foreign representative, provided that it is “necessary for the protection of the debtor company’s property or the interests of a creditor or creditors.” No opposition was raised to recognition of any of the above orders. I am satisfied that recognition of the requested orders and related relief sought is both consistent with the principles of comity and cooperation that underlie Part IV of the CCAA and necessary to protect the Canadian Debtors and the value of the Canadian business for the benefit of a broad range of stakeholders. The recognition of the Foreign Orders will assist with and facilitate the efforts of the Chapter 11 Debtors, including the Canadian Debtors, to pursue the wind-down of the Chapter 11 Debtors and to implement the Plan, with a view to maximizing stakeholder value.
- [10] With respect to the requested WEPPA relief, s. 5(1)(b) of the WEPPA provides that an individual is eligible to receive WEPP Payments if, among other things:
- “(iv) the former employer is the subject of proceedings under Division I of Part III of the Bankruptcy and Insolvency Act or under the Companies’ Creditors Arrangement Act and a court determines under subsection (5) that the criteria prescribed by regulation are met.”

- [11] The Attorney General of Canada (“**Canada**”) opposes the relief sought on the basis that Eddie Bauer Canada is not itself subject to proceedings under the CCAA within the meaning of s. 5(1)(b)(iv) of WEPPA by virtue of its participation in these recognition proceedings.
- [12] Canada filed an aide memoire expressing its objection late yesterday, however, it has not yet filed a full factum in support of its argument. Accordingly, the relief related to WEPPA is adjourned to be heard in accordance with the following schedule:
- (a) Canada’s factum to be delivered no later than May 22, 2026
 - (b) Reply factum to be delivered by no later than June 5, 2026.
 - (c) Hearing for **half-day on June 12, 2026 (virtual)**
- [13] All material for that hearing is to be uploaded to case center by end of day on June 5, 2026.
- [14] Order to go in the form signed by me this day with immediate effect.

Date: Apr 30, 2026



Justice J. Dietrich