



SUPERIOR COURT OF JUSTICE

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00696017-00CL

DATE: **01-MAY-2023`**

NO. ON LIST: 2

TITLE OF PROCEEDING: LOYALTYONE, CO - CCAA

BEFORE: JUSTICE CONWAY

PARTICIPANT INFORMATION:

See attached Participant Information Sheet below

ENDORSEMENT OF JUSTICE CONWAY:

- [1] **All defined terms used in this Endorsement shall, unless otherwise defined, have the meanings ascribed to them in the Notice of Motion of the Applicant dated April 24, 2023.**
- [2] The Applicant brings this motion for approval of the compromise of claims, grant of releases, and payments by the Applicant set out in the U.S. Plan, and a lift of the stay of proceedings to allow the Applicant to comply with and give effect to the U.S. Plan.
- [3] The U.S. Plan requires the Applicant to release any claims for intercompany loans to the U.S. Debtors, (except for the Intercompany DIP Loan), fund certain amounts to effect the U.S. Plan (within the budget already approved by this court in connection with the DIP Financing Facility) and provide and receive the releases set out therein.
- [4] The relief sought is consistent with the Transaction Support Agreement that has already been approved by this court and the Intercompany DIP Loan contemplated by the Amended and Restated Initial Order. This court's approval of the U.S. Plan is a condition precedent to its implementation.
- [5] At the hearing today, counsel for the Applicant, the Monitor, the Ad Hoc Committee of Term Loan B Lenders, and Bank of America as Agent voiced their support for the relief. The U.S. Plan is intended to enable the U.S. Debtors to conduct an orderly liquidation of their assets and to establish a liquidating trust to investigate and pursue, as appropriate, claims against the Bread Parties (as defined in the U.S. Plan).
- [6] This course of action has been developed with the support of the Credit Agreement Lenders, who are the fulcrum creditors and the only ones with the economic interest in any recovery from the liquidating trust.

Further, in the Second Report, the Monitor has conducted a detailed liquidation analysis. It clearly establishes that the alternative liquidation scenario would yield no recovery for unsecured creditors.

- [7] I am therefore approving the order. Order to go as signed by me and attached to this Endorsement. This order is effective from today's date and is enforceable without the need for entry and filing.
- [8] There is another motion date scheduled for May 12, 2023 for the Applicant to seek approval of the purchase transaction with BMO. It is scheduled for one hour. If Bread Financial will be opposing the motion, which is unclear as yet, counsel are directed to arrange a case conference before me on May 8, 2023 through the Commercial List office, to address scheduling and timetables.





Participant Information Form

This form is to be used:

- in place of previous ‘counsel slips’, and
- for all hearings using the CaseLines document sharing platform. For these hearings, parties or their representatives are to complete the form and upload it into the CaseLines event folder/bundle.

Where possible, the moving party for the event should coordinate with other parties to complete one form for the hearing. In criminal matters, each party may prepare their own form.

This form must be saved using the court’s document naming convention (e.g. Participant Information – All Parties – 01-JUN-2021 or Participant Information – Defendant Smith – 01-JUN-2021).

CASE AND EVENT INFORMATION

Court File Number	CV-23-00696017-00CL
Court Location (e.g. Hamilton)	Toronto (393 University Avenue)
Case Name	In the Matter of a Plan of Compromise or Arrangement of LoyaltyOne, Co.
Type of Hearing	Motion Hearing
Date of Hearing	May 1, 2023 at 10:00 A.M.

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing (and how they wish to be addressed, e.g. pronouns and/or prefix; also, if they wish, the phonetic pronunciation of their name)	Name of Party	Phone Number	Email Address
Shayne Kukulowicz Timothy Pinos Natalie Levine	Cassels Brock & Blackwell LLP Counsel to Applicant: LoyaltyOne, Co.	416.860.6463 416 869 5784 416.860.6568	skukulowicz@cassels.com tpinos@cassels.com nlevine@cassels.com
Meredith Lahaie Rachel Biblo Block	Akin Gump Strauss Hauer & Feld LLP US Counsel to the Applicant	214.969.2736	mlahaie@akingump.com rbibloblock@akingump.com

For Defendant, Responding Party, Defence:

Name of Person Appearing (and how they wish to be addressed, e.g. pronouns and/or prefix; also, if they wish, the phonetic pronunciation of their name)	Name of Party	Phone Number	Email Address

For Other:

Name of Person Appearing (and how they wish to be addressed, e.g. pronouns and/or prefix; also, if they wish, the phonetic pronunciation of their name)	Name of Party/ Organization	Phone Number	Email Address
Brendan O'Neill Christopher Armstrong Andrew Harmes	Goodmans LLP Counsel to the Monitor: KSV Restructuring Inc.	416.849.6017 416.849.6013 416.849.6923	boneill@goodmans.ca carmstrong@goodmans.ca aharmes@goodmans.ca
David Bish	Torys LLP Canadian Counsel to Bank of Montreal as DIP Lender and the Stalking Horse Purchaser	416.865.7353	dbish@torys.com
Ashley Taylor Maria Konyukhova	Stikeman Elliott LLP Counsel to Bread Financial Holdings Inc.	416.869.5236 416.869.5230	ataylor@stikeman.com mkonyukhova@stikeman.com
Jesse Mighton Thomas Gray	Bennett Jones LLP Canadian Counsel to the Ad Hoc Committee of Term Loan B Lenders	416.777.6255 416.777.7924	mightonj@bennettjones.com grayt@bennettjones.com
Christopher Lee	Morgan Stanley Financial Advisor to Bank of Montreal as the DIP Lender and the Stalking Horse Purchaser	212.761.7606	christopher.r.lee@morganstanley.com
AnneElyse Gains Clint Carlisle	US counsel to the the Ad Hoc Committee of Term Loan B Lenders		AGains@gibsondunn.com >; CCarlisle@gibsondunn.com
David Sieradzski Noah Goldstein Murtaza Tallat	KSV Restructuring Inc as Court Appointed Monitor of the Applicant		dsieradzki@ksvadvisory.com ngoldstein@ksvadvisory.com mtallat@ksvadvisory.com
John Salmas	Counsel to American Express		john.salmas@dentons.com
Alex MacFarlane	Counsel to Bank of America as Agent		AMacfarlane@blg.com