

**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 LOYALTYONE, CO.

Applicant

**AIDE MEMOIRE OF LOYALTYONE, CO. AND THE MONITOR  
(MOTION RETURNABLE NOVEMBER 24, 2025)**

November 22, 2025

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1. The Term Loan B Lenders (the “Secured Lenders”) have raised a threshold issue regarding the timing of the determination of Bread’s Refund Entitlement Claim. In particular, they submit that recent events in the Texas Litigation impact and may potentially render Bread’s Refund Entitlement Claim moot such that setting a timetable now for the determination of that claim is premature.<sup>1</sup>

2. LoyaltyOne and the Monitor submit that imposing a schedule at the stay extension hearing on Monday November 24, 2025 as Bread requests – without the Court having had the benefit of submissions on this issue – would be unfair to the other parties and the Court. Parties in a CCAA proceeding should have a reasonable opportunity to prepare submissions and, if necessary, file evidence before the Court on issues in dispute. The Court should have the benefit of fulsome submissions and a complete factual record.

3. There is no urgency that supports denying parties a fair opportunity to prepare and file evidence and submissions on this threshold issue. As such, LoyaltyOne and the Monitor request that the Court fix a reasonable schedule to determine the threshold issue raised by the Secured Lenders.

4. If this Court instead decides to set a litigation timetable at Monday’s stay extension hearing for the determination of the Refund Entitlement Claim, without regard to the threshold issue raised by the Secured Lenders, the Court should not impose the timetable proposed by Bread. Bread’s timetable is incomplete. It focuses only on the Refund Entitlement Claim and does not address any of the required steps to determine the quantum of the Net Refund to be distributed. LoyaltyOne and the Monitor have set out a complete timetable below that leads to a hearing the week of February 23, 2026 (the same week proposed by Bread), to efficiently resolve all of the

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<sup>1</sup> All capitalized terms used but not defined have the meanings given to them in LoyaltyOne’s Factum dated November 20, 2025.

outstanding issues in connection with entitlement and a distribution of the Net Refund. At that hearing, should it be ordered, the parties will ask the Court to:

- (a) resolve the remaining issues on entitlement to the Net Refund by determining (i) whether it is appropriate to make an order of specific performance against LoyaltyOne requiring performance under the TMA; and if not (ii) whether the TMA provides Bread with a proprietary interest or remedy in the nature of a trust over the Net Refund to the exclusion of all other creditors; and
- (b) determine, if necessary, the amount of the Expense Deductions to be applied if there are unresolved written objections received to the Monitor's proposed Expense Deductions.

5. For ease of reference, LoyaltyOne and the Monitor have prepared a side-by-side comparison of the steps and deadlines proposed by LoyaltyOne and the Monitor with the steps and deadlines proposed by Bread. Both proposals culminate with a hearing proposed for the week of February 23, 2026. The timetable proposed by LoyaltyOne and the Monitor reflects that the motion to determine the Refund Entitlement Claim was brought by LoyaltyOne and the Monitor, with Bread only pursuing a cross-motion in response. As such, the timetable follows the same appropriate sequence of submissions approved by this Court in connection with the motions heard in June, 2024 to initially address the Refund Entitlement Claim: LoyaltyOne served its factum first, Bread served a responding factum, and LoyaltyOne served a reply factum.<sup>2</sup> There is no reason to depart from that sequencing now.

6. For clarity, the timetable set out below is presented solely as an alternative to LoyaltyOne and the Monitor's primary position, which is that the threshold issue raised by the Secured

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<sup>2</sup> [Endorsement of the Honourable Justice Conway](#) dated April 12, 2024.

Lenders should be briefed and determined before any timetable is set for adjudication of the Refund Entitlement Claim:

Step Proposed by LoyaltyOne and the Monitor	Deadline Proposed by LoyaltyOne and the Monitor
Monitor to Serve Monitor's Report (to address unsecured creditor pool and proposed Expense Deductions)	Friday, December 19, 2025
Written objections (if any) by any creditor to the proposed Expense Deductions contained in Monitor's Report	Monday, January 19, 2026 (30 days as provided for in this Court's order dated October 17, 2025) <sup>3</sup>
Applicant Factum and factums from any supporting creditors on entitlement to the Net Refund and Expense Deductions	Friday, January 30, 2026
Bread Responding Factum on entitlement to the Net Refund and Expense Deduction, and factums of any creditor objecting to the proposed Expense Deductions	Tuesday, February 17, 2026
Applicant Reply Factum	Friday, February 20, 2026
Hearing	Week of February 23, 2026, subject to Court availability
All Costs (including parties' previous requests)	To be determined promptly following the Court's decision

Step Proposed by Bread	Deadline Proposed by Bread
N/A	N/A
N/A	N/A
Bread to deliver Factum	January 21, 2026
Any party opposing Bread's claim for the tax refund to deliver factum	February 6, 2026
Bread reply factum	February 13, 2026
Hearing date	Week of February 23, 2026
N/A	N/A

<sup>3</sup> [Order of the Honourable Justice Steele](#) dated October 17, 2025.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 22<sup>nd</sup> day of November, 2025.

*Cassels*

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CASSELS BROCK & BLACKWELL LLP

*[Signature]*

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Court File No. CV-23-00696017-00CL

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PROCEEDING COMMENCED AT  
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