

**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 **NORDSTROM CANADA RETAIL,
INC., NORDSTROM CANADA HOLDINGS, LLC** and
NORDSTROM CANADA HOLDINGS II, LLC

APPLICANTS

**MOTION RECORD
(Motion for Stay Extension)
Volume 1 of 2**

September 20, 2023

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

Jeremy Dacks (LSO# 41851R)

Tel: 416.862.4923
Email: jdacks@osler.com

Martino Calvaruso (LSO# 57359Q)

Tel: 416.862.5960
Email: mcalvaruso@osler.com

Marleigh Dick (LSO# 79390S)

Tel: 416.862.4725
Email: mdick@osler.com

TO: **SERVICE LIST**

Court File No.: CV-23-00695619-00CL

**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 NORDSTROM CANADA RETAIL, INC.,
NORDSTROM CANADA HOLDINGS, LLC and NORDSTROM
CANADA HOLDINGS II, LLC (the “**Applicants**”)

SERVICE LIST
(As at September 20, 2023)

<p>OSLER, HOSKIN & HARCOURT LLP 100 King Street West 1 First Canadian Place, Suite 6200 P.O. Box 50 Toronto, ON M5X 1B8</p> <p>Tracy C. Sandler Direct: 416.862.5890 E-mail: tsandler@osler.com</p> <p>Jeremy Dacks Direct: 416.862.4923 E-mail: jdacks@osler.com</p> <p>Martino Calvaruso Direct: 416.862.6665 E-mail: mcalvaruso@osler.com</p> <p>Marleigh Dick Direct: 416.862.4725 E-mail: mdick@osler.com</p> <p><i>Counsel to the Nordstrom Canada Entities</i></p>	<p>ALVAREZ & MARSAL CANADA INC. Royal Bank Plaza, South Tower 200 Bay Street, Suite 2900 P.O. Box 22 Toronto, ON M5J 2J1</p> <p>Doug McIntosh Direct: 416.847.5150 E-mail: dmcintosh@alvarezandmarsal.com</p> <p>Al Hutchens Direct: 416.847.5159 E-mail: ahutchens@alvarezandmarsal.com</p> <p>Nate Fennema Direct: 416.847.5183 E-mail: nfennema@alvarezandmarsal.com</p> <p>Skylar Rushton Direct: 416.847.5204 E-mail: srushton@alvarezandmarsal.com</p> <p>Connor Good Direct: 705.717.9025 E-mail: cgood@alvarezandmarsal.com</p> <p><i>Monitor</i></p>
--	---

<p>GOODMANS LLP Bay Adelaide Centre – West Tower 333 Bay Street, Suite 3400 Toronto, ON M5H 2S7</p> <p>Brendan O’Neill Direct: 416.849.6017 E-mail: boneill@goodmans.ca</p> <p>Bradley Wiffen Direct: 416.597.4208 E-mail: bwiffen@goodmans.ca</p> <p>Andrew Harmes Direct: 416.849.6923 E-mail: aharmes@goodmans.ca</p> <p>Brennan Caldwell Direct: 416.849.6896 E-mail: bcaldwell@goodmans.ca</p> <p><i>Counsel to Monitor</i></p>	<p>FASKEN MARTINEAU DUMOULIN LLP Bay Adelaide Centre 333 Bay Street, Suite 2400 Toronto, ON M5H 2T6</p> <p>Aubrey Kaufmann Direct: 416.868.3538 E-mail: akauffman@fasken.com</p> <p>Daniel Richer Direct: 416.868.4445 E-mail: dricher@fasken.com</p> <p><i>Canadian counsel to Nordstrom, Inc.</i></p>
<p>URSEL PHILLIPS FELLOWS HOPKINSON LLP 555 Richmond St. W., Suite 1200 Toronto, ON M5V 3B1</p> <p>Susan Ursel Direct: 416.969.3515 E-mail: SUrsel@upfhlaw.ca</p> <p>Karen Ensslen Direct: 416.969.3518 E-mail: KEnsslen@upfhlaw.ca</p> <p>Simone Truemner-Caron Direct: 416.642.4504 E-mail: struemnercaron@upfhlaw.ca</p> <p><i>Employee Representative Counsel</i></p>	<p>CHAITONS LLP 5000 Yonge Street, 10th Floor Toronto, ON M2N 7E9</p> <p>Harvey Chaiton Direct: 416.218.1129 E-mail: harvey@chaitons.com</p> <p>George Benchetrit Direct: 416.218.1141 E-mail: george@chaitons.com</p> <p><i>Counsel to the Directors and Officers of the Nordstrom Canada Entities</i></p>
<p>GALE RUBENSTEIN c/o of Goodmans LLP Bay Adelaide Centre 333 Bay St, Suite 3400 Toronto, ON M5H 2S7</p> <p>E-mail: grubenstein@goodmans.ca</p> <p><i>Trustee of the Nordstrom Canada Employee Trust</i></p>	<p>EMKAY CANADA LEASING CORPORATION 55 Standish Court, Suite 440 Mississauga, ON L5R 4B2 Canada</p> <p>320, 909-17th Avenue S.W. Calgary, AB T2T 0A4</p> <p>300, 109 Atlantic Ave Toronto, ON M6K 1X4</p>

	Lisa Shavrnach E-mail: lshavrnach@emkay.com
GOLDEN GOOSE S.P.A. Via Privata E. Marelli 10 Milan 20139 Italy Silvio Campara E-mail: s.campara@goldengoose.com Siliva Merati E-mail: s.merati@goldengoose.com Vincenzo Roberto E-mail: vincenzo.roberto@goldengoose.com Leila Boscaino E-mail: l.boscaino@goldengoose.com	ADIDAS CANADA LIMITED 8100 Highway 27 Woodbridge, ON L4H 3N2 Matt Rossetti Director, Legal Counsel E-mail: matt.rossetti@adidas.com
MCCARTHY TÉTRAULT LLP 1000 De La Gauchetière Street West Suite MZ400 Montréal, QC H3B 0A2 Hugo Babos-Marchand Tel: 514.397.4156 E-mail: hbmarchand@mccarthy.ca François Alexandre Toupin Tel: 514.397.4210 E-mail: fatoupin@mccarthy.ca <i>Counsel to L'Oréal Canada Inc.</i>	DR. MARTENS AIRWAIR CANADA INC. Dinah Choi Vice President of Legal – Americas E-mail: dinah.choi@drmartens.com
ALLEN MCDONALD SWARTZ LLP 100 King Street West First Canadian Place, Suite 5600 Toronto, ON M5X 1C9 Brad Elberg Tel: 416.642.2524 E-mail: belberg@amsbizlaw.com <i>Counsel to Dr. Martens AirWair Canada Inc.</i>	WEYCO GROUP Amanda Schindler Director of Credit E-mail: aschindler@weycogroup.com Veronica Montes de Oca Mirele Credit Manager E-mail: vmontes@weycogroup.com

<p>MILLER THOMSON LLP Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, Ontario M5H 3S1</p> <p>Patrick Corney Tel: 416.595.8555 E-mail: pcorney@millerthomson.com</p> <p>David Ward Tel: 416.595.8625 E-mail: dward@millerthomson.com</p> <p><i>Counsel to Suitsupply</i></p>	<p>WRIGHT HENRY LLP 200 Wellington St. West Suite 602 Toronto, ON M5V 3C7</p> <p>Michael Wright Tel: 416.306.8270 E-mail: mwright@wrighthenry.ca</p> <p><i>Counsel to Alix Box, Senior Vice President, Regional Manager Canada at Nordstrom</i></p>
<p>SPORTS INDUSTRY CREDIT ASSOCIATION 245 Victoria Avenue, Suite 800 Westmount (Quebec), Canada H3Z 2M6</p> <p>Brian Dabarno President E-mail: Brian@sica.ca</p> <p>William Anidjar Director of Credit – North America Tel: 514.931.5561, Ext. 223 E-mail: william@sica.ca</p>	<p>AIRD & BERLIS LLP Brookfield Place 181 Bay Street, Suite 1800 Toronto, ON M5J 2T9</p> <p>Sam Babe Tel: 416.865.7718 E-mail: sbabe@airdberlis.com</p> <p>Richard Epstein Tel: 416.865.3437 E-mail: repstein@airdberlis.com</p> <p>Matilda Lici Tel: 416.865.3428 E-mail: mlici@airdberlis.com</p> <p><i>Counsel for National Logistics Services (2006) Inc.</i></p>
<p>MCCARTHY TÉTRAULT LLP Suite 5300, Toronto Dominion Bank Tower Toronto, ON M5K 1E6</p> <p>Casey Halladay Tel: 416.601.4348 E-mail: challaday@mccarthy.ca</p> <p>Saneea Tanvir Tel: 416.601.8181 E-mail: stanvir@mccarthy.ca</p> <p><i>Counsel for Estee Lauder Cosmetics Ltd. and Valentino</i></p>	<p>OWENS WRIGHT LLP 300 – 20 Holly St. Toronto, ON M4S 3B1</p> <p>Robert S. Choi Tel: 416.484.4722 E-mail: rchoi@owenswright.com</p> <p>Jonathan Gross Tel: 416.848.8671 E-mail: jgross@owenswright.com</p> <p><i>Counsel for Brunello Cucinelli</i></p>

<p>BYREDO 500 7th Avenue, 9th Floor New York, NY 10018, USA</p> <p>Victoria Dzhibilov E-mail: vdzhibilov@byredo.com</p> <p>Albert Coldecarrera Vega North American Legal Director, Puig E-mail: albert.coldecarrera@puig.es</p>	<p>WOMBLE BOND DICKINSON (US) LLP 950 Third Avenue Suite 2400 New York, NY 10022</p> <p>Edward Schnitzer Tel: 332.258.8495 E-mail: Edward.Schnitzer@wbd-us.com</p> <p><i>Counsel to Milberg Factors, Inc.</i></p>
<p>MILBERG FACTORS, INC. 99 Park Avenue New York, NY 10016</p> <p>Maurice Sabony E-mail: msabony@milfac.com</p> <p>Barry Machowsky E-mail: bmachowsky@milfac.com</p> <p>Jeff Litt E-mail: jlitt@milfac.com</p>	<p>BAKER & MCKENZIE LLP Brookfield Place, Suite 2100 181 Bay Street, P.O. Box 874 Toronto, ON M5J 2T3</p> <p>Michael Nowina E-mail: Michael.Nowina@bakermckenzie.com</p> <p><i>Counsel to PRADA USA Corp.</i></p>
<p>MILLER THOMSON LLP Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, ON Canada M5H 3S1</p> <p>Jeffrey Carhart E-mail: jcarhart@millerthomson.com</p> <p>Monica Faheim E-mail: mfaheim@millerthomson.com</p> <p><i>Counsel to Wells Fargo Bank</i></p>	<p>WELLS FARGO BANK 800 Walnut St., Des Moines, IA 50309 United States</p> <p>Jeffrey A. Chadwick E-mail: jeffrey.a.chadwick@wellsfargo.com</p>
<p>CASSELS BROCK & BLACKWELL LLP Suite 2100, Scotia Plaza 40 King Street West Toronto, ON, M5H 3C2</p> <p>Jane Dietrich jdietrich@cassels.com</p> <p>Monique Sassi msassi@cassels.com</p> <p><i>Counsel to the Consultant</i></p>	<p>BLAKE, CASSELS & GRAYDON LLP 199 Bay Street Suite 4000, Commerce Court West Toronto, Ontario M5L 1A9</p> <p>Linc Rogers linc.rogers@blakes.com</p> <p>Jake Harris jake.harris@blakes.com</p> <p><i>Counsel to LVMH Moet Hennessy Louis Vuitton Inc.</i></p>

<p>WALKER ENVIRONMENTAL GROUP INC.</p> <p>Michael Cappa In-House Counsel Tel: 905.465.4889 E-mail: MCappa@walkerind.com</p>	<p>MCCARTHY TETRAULT LLP Suite 2400 745 Thurlow Street Vancouver, BC V6E 0C5</p> <p>H. Lance Williams Direct: 604.643.7154 E-mail: lwilliams@mccarthy.ca</p> <p>Ashley Bowron Direct: 604.643.7973 E-mail: abowron@mccarthy.ca</p> <p>Sue Danielisz E-mail: sdanielisz@mccarthy.ca</p> <p><i>Counsel to Tory Burch LLC</i></p>
<p>VINCE, LLC 500 Fifth Avenue, 20th Floor New York, NY 10110</p> <p>Nicole Lee General Counsel E-mail: legal@vince.com</p>	<p>DENTONS CANADA LLP 77 King Street West, Suite 400 Toronto-Dominion Centre Toronto, ON M5K 0A1</p> <p>John Salmas (LSO#42336B) Tel: 416.863.4737 E-mail: john.salmas@dentons.com</p> <p>Mark A. Freake (LSO #63656H) Tel: 416.863.4456 E-mail: mark.freake@dentons.com</p> <p>Larry Nevsky Tel: 416.863.4612 E-mail: larry.nevsky@dentons.com</p> <p><i>Counsel for Kering Americas, Inc.</i></p>
<p>DENTONS CANADA LLP 15th Floor, Bankers Court 850 – 2nd Street SW Calgary, Alberta T2P 0R8</p> <p>Afshan Naveed Tel: 403.268.7015 E-mail: afshan.naveed@dentons.com</p> <p><i>Counsel for Alight Solutions LLC</i></p>	<p>STIKEMAN ELLIOTT LLP 5300 Commerce Court West 199 Bay Street Toronto, Canada M5L 1B9</p> <p>Danny Duy Vu Tel: 514.397.6495 E-mail: ddvu@stikeman.com</p> <p><i>Lawyers for Richemont Canada Inc. and Peter Millar LLC</i></p>

<p>GOWLING WLG (CANADA) LLP 550 Burrard St. #2300 Vancouver, BC V6C 2B5</p> <p>Jonathan Ross Tel: 604.891.2778 E-mail: Jonathan.Ross@gowlingwlg.com</p> <p><i>Counsel to Yurman Retail Canada Corporation</i></p>	<p>SUPREME MUNSINGWEAR CANADA INC. AND SUPREME INTERNATIONAL LLC</p> <p>Robert Cantillo Director of Credit Ops Tel: 305.873.1004 E-mail: Robert.Cantillo@Pery.com</p> <p>Mayra Ortega AR Manager Tel: 305.873.1444 E-mail: Mayra.Ortega@Pery.com</p>
<p>MCMILLAN LLP 1000, Sherbrooke St. West, Suite 2700 Montreal (Quebec) H3A 3G4</p> <p>Emile Catimel-Marchand Tel: 514.987.5031 E-mail: emile.catimel-marchand@mcmillan.ca</p> <p><i>Counsel to The CIT Group/Commercial Services, Inc.</i></p>	<p>THE CIT GROUP/COMMERCIAL SERVICES, INC. 201 South Tryon Street, 7th Floor Charlotte, North Carolina 28202</p> <p>Robert W. Franklin Assistant Chief Counsel Tel: 704.339.2975 E-mail: Robert.Franklin@firstcitizens.com</p>
<p>MILLER THOMSON LLP Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, ON Canada M5H 3S1</p> <p>Craig A. Mills Tel: 416.595.8596 E-mail: cmills@millerthomson.com</p> <p><i>Counsel to Birkenstock Canada Ltd.</i></p>	<p>BRIDGEHOUSE LAW LLP 9th Floor, 900 West Hastings St. Vancouver, BC V6E 1E5</p> <p>Ritchie Clark K.C. Tel: 604.336.8344 E-mail: rclark@bridgehouselaw.ca</p> <p><i>Counsel to Vestis (Max Mara)</i></p>
<p>PENGUIN RANDOM HOUSE CANADA, LIMITED 320 Front Street West, Suite 1400 Toronto, ON M5V 3B6</p> <p>Anne Mink Credit Representative Tel: 410.386.7424 E-mail: amink@penguinrandomhouse.com</p>	<p>SAUL EWING LLP Centre Square West 1500 Market Street, 38th Floor Philadelphia, PA 19102-2186</p> <p>Adam H. Isenberg Tel: 215.972.8662 E-mail: adam.isenberg@saul.com</p> <p><i>Counsel to Longchamp Canada Inc.</i></p>

WELLS FARGO BANK, N.A Bankruptcy Administration P. O. Box 13708 Macon, GA 31208-3708 Christine R. Etheridge Loan Workout Specialist Bankruptcy Recovery Department E-mail: Christine.r.etheridge@wellsfargo.com	VONWIN CAPITAL MANAGEMENT, L.P. 80 West 40th Street, 3rd Floor New York, NY 10018 United States Austin Viny Senior Analyst Tel: 212.889.3088 E-mail: av@vonwincapital.com
--	--

Landlords:

TORYS LLP 79 Wellington Street West, Suite 3300, Toronto, ON M5K 1N2 David Bish Tel: 416.865.7353 E-mail: dbish@torys.com Adam Slavens Tel: 416.865.7333 E-mail: aslavens@torys.com <i>Lawyers to Cadillac Fairview for Store 830 (Nordstrom Chinook Centre, 6455 Macleod Trail, Calgary, AB), Store 831 (Nordstrom Rideau Centre, 50 Rideau St, Ottawa, ON), Store 832 (Nordstrom Pacific Centre, 799 Robson St, Vancouver, BC), Store 833 (Nordstrom Sherway Gardens, 25 The West Mall, Etobicoke, ON), and Store 835 (Nordstrom Toronto Eaton Centre, 260 Yonge St., Toronto, ON)</i>	THORNTON GROUT FINNIGAN LLP 100 Wellington Street West, Suite 3200 Toronto, ON M5K 1K7 D.J. Miller Tel: 416.304.0559 E-mail: djmiller@tgf.ca Adrienne Ho Tel : 416.304.0561 E-mail : aho@tgf.ca <i>Lawyers to Oxford Properties Group for Store 834 (Nordstrom Yorkdale Shopping Centre, located at 3401 Dufferin Street, Toronto, ON)</i>
---	---

<p>BLANEY MCMURTRY LLP 1500 – 2 Queen Street East Toronto, ON M5C 3G5</p> <p>John C. Wolf Tel: 416.593.2994 E-mail: Jwolf@blaney.com</p> <p>David T. Ullmann Tel: 416.596.4289 E-mail: dullmann@blaney.com</p> <p>Brendan Jones Tel: 416.593.2997 E-mail: bjones@blaney.com</p> <p><i>Counsel to 2725312 Canada Inc., 2973758 Canada Inc. and Willowbrook Langley Holdings Inc.</i></p>	<p>2725312 CANADA INC., 2973758 CANADA INC., and WILLOWBROOK LANGLEY HOLDINGS INC. bcIMC Realty Corporation c/o QuadReal Property Group Limited Partnership Suite 800, 666 Burrard Street Vancouver, BC V6C 2X8</p> <p>Larissa Jacobson-Rooke Vice President, Retail Leasing E-mail: larissa.jacobson@quadreal.com</p> <p><i>Landlord to Store 840 (Nordstrom Rack Willowbrook Centre, 19705 Fraser Hwy, Langley, B.C.)</i></p>
<p>CAMELINO GALESSIÈRE LLP 65 Queen St W, Suite 440 Toronto, ON M5H 2M5</p> <p>Linda Galessiere Tel: 416.306.3827 E-mail: lgalessiere@cglegal.ca</p> <p>Gustavo F. Camelino Tel: 416.306.3834 Email: gcamelino@cglegal.ca</p> <p><i>Lawyers to Ivanhoé Cambridge for Store 841 (Nordstrom Rack Vaughan Mills, 1 Bass Pro Mills Dr., Vaughan, ON); Orlando Corporation for Store 843 (Nordstrom Rack Heartland Town Centre, 788 Boyer Blvd, Mississauga, ON); and 6914861 Canada Inc. for Store 846 (Nordstrom Rack Deerfoot Meadows, 277 - 8180 11th Street SE, Calgary, AB)</i></p>	<p>WITTEN LLP Suite 2500, Canadian Western Bank Place, 10303 Jasper Avenue, Edmonton, AB T5J 3N6</p> <p>Howard J. Sniderman Tel: 780.441.3203 E-mail: hsniderman@wittenlaw.com</p> <p><i>Lawyers to Cameron Corporation and Canadian Property Holdings (Alberta) Inc. for Store 842 (Nordstrom Rack South Edmonton Common, 1910-102 Street NW, Edmonton, AB)</i></p>

<p>FIRST CAPITAL HOLDINGS (ONTARIO) CORPORATION c/o First Capital Asset Management ULC 85 Hanna Avenue, Suite 400 Toronto, ON M6H 3S3</p> <p>55 Avenue Road, Suite 2200 – East Offices Toronto, ON M5R 3L2</p> <p>Kirryn Hashmi Director, Senior Legal Counsel E-mail: Kirryn.Hashmi@fcr.ca <i>Landlord to Store 844 (Nordstrom Rack One Bloor, 731 Yonge St., Toronto, ON)</i></p>	<p>TORYS LLP 79 Wellington Street West, Suite 3300, Toronto, ON M5K 1N2</p> <p>Scott A. Bomhof Tel: 416.865.7370 E-mail: sbomhof@torys.com</p> <p><i>Lawyers to First Capital Holdings (Ontario) Corporation for Store 844 (Nordstrom Rack One Bloor, 731 Yonge St., Toronto, ON)</i></p>
<p>ORLANDO CORPORATION 6205 Airport Road, 5th Floor Mississauga, ON L4V 1E3</p> <p>Daniel Kolanko Legal Counsel E-mail: kolankod@orlandocorp.com</p> <p>Louis Pilla Legal Counsel E-mail: pillal@orlandocorp.com</p> <p><i>Landlord to Store 843 (Nordstrom Rack Heartland Town Centre, 788 Boyer Blvd, Mississauga, ON)</i></p>	<p>BELL BAKER LLP Suite 700, 116 Lisgar Street Ottawa, ON K2P 0C2</p> <p>Scott Pommerville E-mail: spommerville@bellbaker.com Tel: 613.237.3448</p> <p><i>Lawyers to 1221986 Ontario Inc. for Store 845 (Nordstrom Rack Ottawa Train Yards, 100-223 Colonnade Road South, Ottawa, ON)</i></p>
<p>MANN LAWYERS LLP 300-11 Holland Avenue Ottawa, ON K1Y 4S1</p> <p>Brett Hodgins E-mail: brett.hodgins@mannlawyers.com Tel: 613.722.1500</p> <p><i>Lawyers to 1221986 Ontario Inc. for Store 845 (Nordstrom Rack Ottawa Train Yards, 100-223 Colonnade Road South, Ottawa, ON)</i></p>	<p>1221986 ONTARIO INC. Ottawa Train Yards Inc. 100-223 Colonnade Road South Ottawa, ON K2E 7K3</p> <p>Peter Dent E-mail: peterdent@controlex.ca</p> <p>Susan Dent E-mail : sdent@controlex.ca</p> <p><i>Landlord to Store 845 (Nordstrom Rack Ottawa Train Yards, 100-223 Colonnade Road South, Ottawa, ON)</i></p>

Ministries / Regulatory Authorities:

<p>DEPARTMENT OF JUSTICE CANADA Ontario Regional Office, Tax Law Section 120 Adelaide Street West, Suite 400 Toronto, Ontario M5H 1T1</p> <p>Fax: 416.973.0810 E-mail: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca</p> <p>Diane Winters, General Counsel Tel: 416-973-3172 E-mail: diane.winters@justice.gc.ca</p> <p>Edward Park, Senior Counsel E-mail: Edward.Park@justice.gc.ca</p> <p>Kevin Dias E-mail: kevin.dias@justice.gc.ca</p> <p><i>Lawyers for Canada Revenue Agency</i></p>	<p>MINISTRY OF FINANCE (ONTARIO) Legal Services Branch 33 King Street West, 6th Floor Oshawa, ON L1H 8H5</p> <p>E-mail: insolvency.unit@ontario.ca</p>
<p>CANADA REVENUE AGENCY 1 Front Street West Toronto, ON M5J 2X6</p> <p>Fax: 416.964.6411</p> <p>Pat Confalone Tel: 416.954.6514 E-mail: pat.confalone@cra-arc.gc.ca</p>	<p>MINISTRY OF JUSTICE AND SOLICITOR GENERAL (ALBERTA) Legal Services 2nd Floor, Peace Hills Trust Tower 10011 – 109 Street Edmonton, AB T5J 3S8</p> <p>Fax: 780.427.2789</p> <p>General Enquiries: Tel: 780.427.2711 E-mail: ministryofjustice@gov.ab.ca</p>
<p>MINISTRY OF THE ATTORNEY GENERAL (BRITISH COLUMBIA) Legal Services Branch, Revenue & Taxation PO Box 9280 Stn Prov Govt Victoria, BC V8W 9J7</p> <p>Aaron Welch Legal Counsel Tel: 250.356.8589 E-mail: Aaron.Welch@gov.bc.ca</p> <p>Revenue and Taxation Group, Legal Services Branch AGLSBRevTaxInsolvency@gov.bc.ca</p>	

E-MAIL DISTRIBUTION LIST:

tsandler@osler.com; jdacks@osler.com; mcalvaruso@osler.com; mdick@osler.com;
jkanji@osler.com; tsun@osler.com; hdavis@osler.com; dmcintosh@alvarezandmarsal.com;
ahutchens@alvarezandmarsal.com; nfennema@alvarezandmarsal.com;
srushton@alvarezandmarsal.com; cgood@alvarezandmarsal.com; SUrsl@upfhlaw.ca;
KEsslen@upfhlaw.ca; ehome@upfhlaw.ca; rdefazio@upfhlaw.ca;
struemnercaron@upfhlaw.ca; boneill@goodmans.ca; bwiffen@goodmans.ca;
aharmes@goodmans.ca; bcaldwell@goodmans.ca; akauffman@fasken.com;
dricher@fasken.com; harvey@chaitons.com; george@chaitons.com; grubenstein@goodmans.ca;
jshaffer@longviewcomms.ca; lshavrnch@emkay.com; s.campara@goldengoose.com;
s.merati@goldengoose.com; vincenzo.roberto@goldengoose.com;
l.boscaino@goldengoose.com; matt.rossetti@adidas.com; dbish@torys.com;
aslavens@torys.com; djmiller@tgf.ca; aho@tgf.ca; larissa.jacobson@quadreal.com;
lgalessiere@cglegal.ca; gcamelino@cglegal.ca; hsniderman@wittenlaw.com;
Kirryn.Hashmi@fcr.ca; sbomhof@torys.com; kolankod@orlandocorp.com;
pillal@orlandocorp.com; peterdent@controlex.ca; sdent@controlex.ca;
diane.winters@justice.gc.ca; Edward.Park@justice.gc.ca; pat.confalone@justice.gc.ca;
insolvency.unit@ontario.ca; pat.confalone@cra-arc.gc.ca; ministryofjustice@gov.ab.ca;
Aaron.Welch@gov.bc.ca; AGLSBRevTaxInsolvency@gov.bc.ca; hbmarchand@mccarthy.ca;
fatoupin@mccarthy.ca; dinah.choi@drmartens.com; belberg@amsbizlaw.com;
aschindler@weycogroup.com; vmontes@weycogroup.com; pcorney@millerthomson.com;
dward@millerthomson.com; mwright@wrighthenry.ca; Jwolf@blaney.com;
dullmann@blaney.com; bjones@blaney.com; Brian@sica.ca; william@sica.ca;
sbabe@airdberlis.com; repstein@airdberlis.com; mlici@airdberlis.com; challaday@mccarthy.ca;
stanvir@mccarthy.ca; spommerville@bellbaker.com; brett.hodgins@mannlawyers.com;
rchoi@owenswright.com; jgross@owenswright.com; vdzhilov@byredo.com;
albert.colldecarrera@puig.es; msabony@milfac.com; bmachowsky@milfac.com;
jlitt@milfac.com; Edward.Schnitzer@wbd-us.com; Michael.Nowina@bakermckenzie.com;
jcarhart@millerthomson.com; mfaheim@millerthomson.com;
jeffrey.a.chadwick@wellsfargo.com; jdietrich@cassels.com; msassi@cassels.com;
linc.rogers@blakes.com; jake.harris@blakes.com; MCappa@walkerind.com;
lwilliams@mccarthy.ca; abowron@mccarthy.ca; sdanielisz@mccarthy.ca; legal@vince.com;
john.salmas@dentons.com; mark.freake@dentons.com; larry.nevsky@dentons.com;
afshan.naveed@dentons.com; ddvu@stikeman.com; Jonathan.Ross@gowlingwlg.com;
Robert.Cantillo@Pery.com; Mayra.Ortega@Pery.com; emile.catimel-marchand@mcmillan.ca;
Robert.Franklin@firstcitizens.com; cmills@millerthomson.com; rclark@bridgehouselaw.ca;
amink@penguinrandomhouse.com; adam.isenberg@saul.com;
Christine.r.etheridge@wellsfargo.com; kevin.dias@justice.gc.ca; AGC-PGC.Toronto-Tax-
Fiscal@justice.gc.ca; av@vonwincapital.com

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 **NORDSTROM CANADA RETAIL,**
INC., NORDSTROM CANADA HOLDINGS, LLC and
NORDSTROM CANADA HOLDINGS II, LLC

APPLICANTS

INDEX

<u>Tab</u>	<u>Description</u>
1.	Notice of Motion, dated September 20, 2023
2.	Affidavit of Misti Heckel, sworn September 20, 2023
	A. Exhibit "A" – Amended and Restated Initial Order
	B. Exhibit "B" – Monitor's Certificate (Heartland Lease transaction)
	C. Exhibit "C" – Claims Procedure Order
	D. Exhibit "D" – Wind-Down Agreement
	E. Exhibit "E" – Wind-Down Agreement Amending Agreement
3.	Draft Stay Extension Order

TAB 1

Court File No. CV-23-00695619-00CL

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 **NORDSTROM CANADA RETAIL,**
INC., NORDSTROM CANADA HOLDINGS, LLC and
NORDSTROM CANADA HOLDINGS II, LLC

APPLICANTS

NOTICE OF MOTION
(Motion for Stay Extension)

The Applicants, Nordstrom Canada Retail, Inc., Nordstrom Canada Holdings, LLC and Nordstrom Canada Holdings II, LLC, will make a motion before the Honourable Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) on September 27, 2023, at 9:00 a.m. (ET), or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard

- ☐ In writing
- ☐ In person
- ☐ By telephone conference
- ☒ By video conference

at the following location:

<https://ca01web.zoom.us/j/69376482552?pwd=YjcrdEs3MGtBRXNFckY5RGFpRjljQT09#success>

- 2 -

THE MOTION IS FOR

1. An Order substantially in the form attached at Tab 3 of the Motion Record, among other things:

- (a) extending the Stay Period (and by extension, the Co-Tenancy Stay) (each as defined below) to and including December 22, 2023;
- (b) approving the wind up and termination of the Employee Trust (as defined below) and granting certain releases related thereto;
- (c) discharging the KERP Charge (as defined below); and
- (d) such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

2. On March 2, 2023, the Applicants were granted protection under the CCAA pursuant to an Initial Order (the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). The Initial Order extended the benefits of the protections and authorizations under the Initial Order to Canada Leasing LP (together with the Applicants, the “**Nordstrom Canada Entities**”);

3. The Initial Order, among other things: (i) appointed Alvarez & Marsal Canada Inc. as monitor (the “**Monitor**”) in these CCAA proceedings; (ii) granted an initial stay of proceedings against the Nordstrom Canada Entities, the Monitor, and their respective employees, directors, advisors, officers, and representatives until March 12, 2023 (the “**Stay Period**”); (iii) granted a

- 3 -

Co-Tenancy Stay¹; (iv) granted the Parent Stay; and (v) approved the creation of an Employee Trust and appointed Ursel Phillips Fellows Hopkinson LLP as Employee Representative Counsel;

4. On March 10, 2023, the Court granted an Amended and Restated Initial Order which, among other things: (i) extended the Stay Period (including the Co-Tenancy Stay) and the Parent Stay to March 20, 2023; and (ii) approved a key employee retention plan (the “**KERP**”) and granted a related charge (the “**KERP Charge**”);

5. On March 20, 2023, the Court granted an Order (the “**Sale Approval Order**”), pursuant to which the Nordstrom Canada Entities conducted the Liquidation Sale (as defined in the Sale Approval Order), with the assistance of the Consultant (as defined in the Sale Approval Order) and in consultation with the Monitor, in order to maximize the value of merchandise, furnishings, trade fixtures, and equipment for the benefit of the Nordstrom Canada Entities’ stakeholders;

6. On May 30, 2023, the Court granted an order (the “**Claims Procedure Order**”), which, among other things: (i) approved a claims process for filing and determining Claims (as defined in the Claims Procedure Order) against the Nordstrom Canada Entities and the current and former Directors and Officers of the Nordstrom Canada Entities (the “**Claims Process**”); and (ii) extended the Stay Period (including the Co-Tenancy Stay) and Parent Stay to September 29, 2023;

7. On July 17, 2023, the Court granted two Approval and Vesting Orders which, among other things, approved the transactions contemplated by an Assignment and Assumption of Leases between Canada Leasing LP and Winners Merchants International L.P. with respect to the

¹ Capitalized terms not otherwise defined have the meanings given to them in the Affidavit of Misti Heckel sworn March 1, 2023.

- 4 -

Deerfoot Meadows and Vaughan Mills Nordstrom Rack Leases (the “**Winners Agreement**”), and an Assignment and Assumption of Lease between Canada Leasing LP and G2MC Inc. with respect to the Heartland Nordstrom Rack Lease (the “**G2MC Agreement**”);

8. Since the Stay Period was last extended on May 30, 2023, the Nordstrom Canada Entities have made significant progress in these CCAA proceedings, including by:

- (a) completing the Liquidation Sale on May 14, 2023, for Nordstrom Rack stores, and June 12, 2023, for Nordstrom full-line stores and working to finalize the final reconciliation and settlement of all revenues, costs and expenses with respect to the Liquidation Sale;
- (b) closing the transaction under the G2MC Agreement;
- (c) completing the wind down of their retail operations across Canada, including by terminating their employees, closing all Nordstrom Canada stores, disclaiming or otherwise terminating all leases not subject to transactions pursuant to the lease transaction process, and continuing to develop and implement an extensive proactive communication and consultation plan with stakeholders as part of the orderly wind down;
- (d) in close consultation with the Monitor, implementing the Claims Process and working to resolve creditor Claims filed in the Claims Process;
- (e) reaching agreements in principle (subject to the execution of mutually acceptable definitive documentation) on (i) the Claims of Cadillac Fairview Corporation and

- 5 -

its affiliates (collectively, “**Cadillac Fairview**”), the Landlord of five of the former Nordstrom full-line stores in Canada, in the CCAA estate and the claims associated with the indemnities granted by Nordstrom US to Cadillac Fairview, and (ii) the Claims of Oxford Properties Group (“**Oxford**”), the Landlord of the former Nordstrom Yorkdale full-line store in Canada, in the CCAA estate and the claims associated with the indemnity granted by Nordstrom US to Oxford, in each case, to resolve such indemnity claims and to provide a framework for the resolution of the respective Claims in the CCAA estate. These agreements are a significant milestone in the CCAA proceedings, as Cadillac Fairview and Oxford’s Claims were collectively by far the largest third-party Claims filed in the Claims Process, and will resolve all issues surrounding the Leases for the Nordstrom full-line stores in Canada;

- (f) working, in consultation with the Monitor, to resolve the claims of the remaining Nordstrom Rack Landlords; and
- (g) as a result of the significant progress in the CCAA proceedings set out herein, the Nordstrom Canada Entities have been able to commence the planning and structuring associated with developing a plan of compromise or arrangement (the “**Plan**”) to present to their creditors and the Court in a timely manner.

Stay Extension

9. The Applicants are seeking to extend the Stay Period (and by extension, the Co-Tenancy Stay), to and including December 22, 2023;

- 6 -

10. An extension of the Stay Period, including the Co-Tenancy Stay, is necessary to allow the Claims Process to unfold as contemplated by the Claims Procedure Order and to allow the Nordstrom Canada Entities and their counsel to continue developing a Plan, in consultation with the Monitor, for the benefit of all stakeholders;

11. The Nordstrom Canada Entities intend to return to this Court to seek a Meeting Order during the requested extended Stay Period;

12. The Nordstrom Canada Entities have sufficient cash resources to continue their wind down through to December 22, 2023;

13. The Monitor supports the request to extend the Stay Period and the Co-Tenancy Stay;

14. The Nordstrom Canada Entities have acted, and continue to act, in good faith and with due diligence in pursuing a controlled and orderly wind down;

KERP Charge

15. As all required payments under the KERP have been made, it is just and appropriate for the KERP Charge to be discharged;

Employee Trust

16. As all matters related to the Employee Trust are or will soon be completed, it is just and appropriate for the Employee Trust to be wound up and terminated, and related releases be granted, upon the delivery by the Monitor of the Employee Trust Termination Certificate;

- 7 -

Other Grounds

17. The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;

18. 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 sections 106 and 137 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended; and

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

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

20. The affidavit of Misti Heckel sworn September 20, 2023;

21. The Sixth Report of the Monitor, to be filed; and

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

- 8 -

September 20, 2023

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

Jeremy Dacks (LSO# 41851R)

Tel: 416.862.4923
Email: jdacks@osler.com

Martino Calvaruso (LSO# 57359Q)

Tel: 416.862.5960
Email: mcalvaruso@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**

Court File No: CV-23-00695619-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
NORDSTROM CANADA RETAIL, INC., NORDSTROM CANADA HOLDINGS, LLC AND
NORDSTROM CANADA HOLDINGS II, LLC

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

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

Jeremy Dacks (LSO# 41851R)

Tel: 416.862.4923

Email: jdacks@osler.com

Martino Calvaruso (LSO# 57359Q)

Tel: 416.862.5960

Email: mcalvaruso@osler.com

Marleigh Dick (LSO# 79390S)

Tel: 416.862.4725

Email: mdick@osler.com

Lawyers for the Applicants

TAB 2

|Court File No. CV-23-00695619-00CL

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 **NORDSTROM CANADA RETAIL,**
INC., NORDSTROM CANADA HOLDINGS, LLC and
NORDSTROM CANADA HOLDINGS II, LLC

APPLICANTS

AFFIDAVIT OF MISTI HECKEL
(Sworn September 20, 2023)

I, Misti Heckel, of the City of Renton, in the State of Washington, MAKE OATH AND
SAY:

1. I am the President of Nordstrom Canada Retail, Inc. ("**Nordstrom Canada**"), and President and Treasurer of Nordstrom Canada Holdings, LLC ("**NCH**") and Nordstrom Canada Holdings II, LLC ("**NCHII**"), and together with Nordstrom Canada and NCH, the "**Applicants**"). Together, the Applicants and Nordstrom Canada Leasing LP ("**Canada Leasing LP**") are defined herein as the "**Nordstrom Canada Entities**".

2. In addition to my role as President of Nordstrom Canada and President and Treasurer of NCH and NCHII, I am currently the Vice President - Tax of Nordstrom, Inc. ("**Nordstrom US**"), the indirect parent of the Nordstrom Canada Entities. In my role, I have oversight of the tax function for the Nordstrom Canada Entities and am involved in the financial and tax matters related

- 2 -

to the Nordstrom Canada Entities. I am familiar with the business, and have relied upon the books and records, of the Nordstrom Canada Entities. As such, I have personal knowledge of the matters deposed to herein. Where I have relied on other sources of information, I have so stated, and I believe them to be true. In preparing this affidavit, I have also consulted with members of the senior management teams of the Applicants and Nordstrom US, as applicable, and Nordstrom US' and the Applicants' respective legal advisors. The Nordstrom Canada Entities and Nordstrom US do not waive or intend to waive any applicable privilege by any statement herein.

3. This affidavit is made in support of a motion by the Applicants for an order (the **“September Stay Extension Order”**), among other things, extending the Stay Period (and by extension, the Co-Tenancy Stay) (each as defined below) to and including December 22, 2023, approving the wind up and termination of the Employee Trust (as defined and described below) and granting certain releases related thereto, and discharging the KERP Charge (as defined and described below).

4. All references to monetary amounts in this affidavit are in Canadian dollars unless noted otherwise.

5. This affidavit is organized into the following sections:

A.	Background and Update on the CCAA Proceedings	3
(a)	Final Reconciliation of Liquidation Sale	10
(b)	Concession and Beauty Vendors	12
(c)	Lease Transaction Process	14
(d)	Landlords	15
(e)	Employees	17
(i)	Wind-Up and Termination of Employee Trust	18
(ii)	Discharge of KERP Charge	20
(f)	Claims Process	22

- 3 -

(g)	Additional Updates	23
B.	Development of the Plan of Compromise or Arrangement	23
C.	Status of Resolution of Nordstrom Full-Line Store Claims.....	24
D.	Status of Resolution of Nordstrom Rack Landlord Claims	24
E.	Extension to the Stay Period	25

A. Background and Update on the CCAA Proceedings

6. On March 2, 2023 (the “**Filing Date**”), the Applicants were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) pursuant to an Initial Order (the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). The stay of proceedings and other benefits of the Initial Order were extended to Canada Leasing LP.

7. In support of the Initial Order, I swore an affidavit dated March 1, 2023 (the “**Initial Heckel Affidavit**”), which described, among other things, the events leading to the Nordstrom Canada Entities’ insolvency, their urgent need for relief under the CCAA, and their intended liquidation and responsible and orderly wind down within these CCAA proceedings. A copy of the Initial Heckel Affidavit can be found on the Monitor’s Website (as defined below).

8. Among other things, the Initial Order:

- (a) granted an initial stay of proceedings against the Nordstrom Canada Entities, the Monitor, and their respective employees, directors, advisors, officers and representatives acting in such capacities until March 12, 2023 (the “**Stay Period**”);
- (b) granted a “**Co-Tenancy Stay**” of potential rights, including termination rights and claims for rent reduction or abatement, that may be asserted by third-party tenants

- 4 -

and occupants in commercial properties where Nordstrom Canada stores are located that arise as a result of the making of the Initial Order for the Stay Period;

- (c) granted an initial stay of proceedings against Nordstrom US and its direct and indirect subsidiaries (other than the Nordstrom Canada Entities) until March 12, 2023, relating to claims in connection with any indebtedness, indemnity, liability or obligation of Nordstrom US in respect of obligations that are the primary liability of or related to the Nordstrom Canada Entities, including indemnities granted by Nordstrom US under any Canadian real property leases (the “**Parent Stay**”); and
- (d) approved the creation of an Employee Trust and appointed Ursel Phillips Fellows Hopkinson LLP as Employee Representative Counsel (each as defined in the Initial Heckel Affidavit).

9. In accordance with the Initial Order, Alvarez & Marsal Canada Inc., in its capacity as monitor within these CCAA proceedings (the “**Monitor**”), established a website (<http://www.alvarezandmarsal.com/NordstromCanada>) to post information and documents regarding these CCAA proceedings, including Orders, motion materials, Monitor’s reports, and the service list (the “**Monitor’s Website**”).

10. On March 10, 2023, the Court granted an Amended and Restated Initial Order, among other things: (i) extending the Stay Period (including the Co-Tenancy Stay) and the Parent Stay to March 20, 2023; (ii) increasing the quantum of the Administration Charge and the Directors’ Charge; (iii) increasing the quantum of pre-filing amounts the Nordstrom Canada Entities are authorized, but not required, to pay with the consent of the Monitor; and (iv) approving a key employee retention

- 5 -

plan (the “**KERP**”) and granting a related KERP Charge (as defined in the Amended and Restated Initial Order). A copy of the Amended and Restated Initial Order is attached as **Exhibit “A”**.

11. I swore an affidavit dated March 8, 2023 (the “**Second Heckel Affidavit**”), in support of the Amended and Restated Initial Order, providing an update on the Nordstrom Canada Entities’ activities after the granting of the Initial Order. A copy of the Second Heckel Affidavit can be found on the Monitor’s Website.

12. On March 20, 2023, the Court granted an order (the “**Sale Approval Order**”) that, among other things:

- (a) approved an amended and restated consulting agreement between Nordstrom Canada and Canada Leasing LP (together, the “**Merchant**”) and a contractual joint venture comprised of Hilco Merchant Retail Solutions ULC, Gordon Brothers Canada, ULC, Tiger Asset Solutions Canada, ULC and B. Riley Retail Canada ULC (together, the “**Consultant**”) dated March 16, 2023 (the “**Consulting Agreement**”);
- (b) approved sale guidelines (the “**Sale Guidelines**”) for the orderly liquidation of Merchandise and FF&E (each as defined in the Sale Approval Order) at each of the Merchant’s stores through a “store closing”, “everything must go”, “everything on sale” or similar themed sale (the “**Liquidation Sale**”);

- 6 -

- (c) authorized the Merchant, with the assistance of the Consultant, to undertake the Liquidation Sale in accordance with the terms of the Sale Approval Order, the Consulting Agreement, and the Sale Guidelines; and
- (d) extended the Stay Period (including the Co-Tenancy Stay) and the Parent Stay to June 30, 2023.

13. As discussed in my affidavit sworn March 14, 2023 (the “**Third Heckel Affidavit**”), the Nordstrom Canada Entities and the Monitor engaged with the Landlords regarding the Sale Approval Order and Sale Guidelines. The Sale Approval Order and Sale Guidelines as ultimately approved by the Court reflected the result of such Landlord engagement.

14. Further details regarding the Consulting Agreement and the Sale Guidelines are found in the Third Heckel Affidavit. A copy of the Third Heckel Affidavit and the Sale Approval Order, including the final Sale Guidelines, can be found on the Monitor’s Website.

15. On March 22, 2023, Canada Leasing LP entered into a Consulting Services Agreement with Jones Lang LaSalle Real Estate Services, Inc. (“**JLL**”) under which JLL was retained to engage its landlord, tenant, distribution and potential purchaser relationships, as well as its knowledge of the Canadian leasing market, in support of the potential sale, assignment, or transfer of the Nordstrom Canada Entities’ Leases, among other things.

16. On May 30, 2023, the Court granted an order (the “**Claims Procedure Order**”), which, among other things:

- 7 -

- (a) approved a claims process for the identification, quantification, and resolution of Claims (as defined in the Claims Procedure Order) as against the Nordstrom Canada Entities and their respective current and former directors and officers;
- (b) established the Claims Bar Date and the Restructuring Period Claims Bar Date (each as defined in the Claims Procedure Order); and
- (c) extended the Stay Period (including the Co-Tenancy Stay) and Parent Stay to September 29, 2023.

17. I swore an affidavit dated May 19, 2023 (the “**Fourth Heckel Affidavit**”), in support of the Claims Procedure Order providing an update on the Nordstrom Canada Entities’ activities after the granting of the Amended and Restated Initial Order. A copy of the Fourth Heckel Affidavit can be found on the Monitor’s Website.

18. On July 17, 2023, the Court granted two Approval and Vesting Orders (collectively, the “**Approval and Vesting Orders**”) which, among other things, approved the transactions contemplated by an Assignment and Assumption of Leases between Canada Leasing LP and Winners Merchants International L.P. (“**Winners LP**”) with respect to the Deerfoot Meadows and Vaughan Mills Nordstrom Rack Leases (the “**Winners Agreement**”), and an Assignment and Assumption of Lease between Canada Leasing LP and G2MC Inc. (“**G2MC**”) with respect to the Heartland Nordstrom Rack Lease (the “**G2MC Agreement**”).

19. I swore an affidavit dated July 11, 2023 (the “**Fifth Heckel Affidavit**”), in support of the Approval and Vesting Orders describing the lease transaction process, the Winners Agreement,

- 8 -

and the G2MC Agreement. A copy of the Fifth Heckel Affidavit can be found on the Monitor's Website.

20. Since the Stay Period was last extended on May 30, 2023, the Nordstrom Canada Entities have made significant progress in these CCAA proceedings, including by:

- (a) completing the Liquidation Sale for the six Nordstrom full-line stores and seven Nordstrom Rack stores and working to finalize the final reconciliation of all funds realized in the Liquidation Sale (as discussed below);
- (b) closing the transaction under the G2MC Agreement;
- (c) completing the wind down of their retail operations across Canada, including by terminating their employees, closing all Nordstrom Canada stores, disclaiming or otherwise terminating all Leases not subject to transactions pursuant to the lease transaction process, and continuing to develop and implement an extensive proactive communication and consultation plan with stakeholders as part of the orderly wind down;
- (d) in close consultation with the Monitor, implementing the Claims Process and working to resolve creditor Claims filed in the Claims Process;
- (e) reaching agreements in principle (subject to the execution of mutually acceptable definitive documentation) on (i) the Claims of Cadillac Fairview Corporation and its affiliates (collectively, "**Cadillac Fairview**"), the Landlord of five of the former Nordstrom full-line stores in Canada, in the CCAA estate and the claims associated

- 9 -

with the indemnities granted by Nordstrom US to Cadillac Fairview, and (ii) the Claims of Oxford Properties Group (“**Oxford**”), the Landlord of the former Nordstrom Yorkdale full-line store in Canada, in the CCAA estate and the claims associated with the indemnity granted by Nordstrom US to Oxford, in each case, to resolve such indemnity claims and to provide a framework for the resolution of the respective Claims in the CCAA estate. These agreements are a significant milestone in the CCAA proceedings, as Cadillac Fairview and Oxford’s Claims were collectively by far the largest third-party Claims filed in the Claims Process, and will resolve all issues surrounding the Leases for the Nordstrom full-line stores in Canada;

- (f) working, in consultation with the Monitor, to resolve the claims of the remaining Nordstrom Rack Landlords; and
- (g) as a result of the significant progress in the CCAA proceedings set out herein, the Nordstrom Canada Entities have been able to commence the planning and structuring associated with developing a plan of compromise or arrangement (the “**Plan**”) to present to their creditors and the Court in a timely manner.

21. The Nordstrom Canada Entities are seeking an extension of the Stay Period in order to continue to work, in consultation with the Monitor, to resolve Claims filed in the Claims Process and to develop and finalize the Plan to be presented to creditors. It is the current intention of the Nordstrom Canada Entities to bring a motion seeking a Meeting Order during the requested

- 10 -

extended Stay Period. The Nordstrom Canada Entities are not seeking a further extension of the Parent Stay.

(a) Final Reconciliation of Liquidation Sale

22. Following the granting of the Sale Approval Order on March 20, 2023, the Liquidation Sale commenced on the morning of March 21, 2023, and continued in accordance with the Sale Approval Order until May 14, 2023, for Nordstrom Rack stores, and June 12, 2023, for Nordstrom full-line stores.

23. Under the terms of the Consulting Agreement, as consideration for its services, the Consultant was entitled to payment of a base fee equal to 1.5% of gross receipts, calculated using the “gross rings” (net only of sales taxes), from the sales of Merchandise¹ during the Sale term and 15% of the gross proceeds (net only of sales taxes), from the sales of FF&E. The Consultant was also entitled to payment of an incentive fee (the “**Additional Incentive Compensation**”) equal to the aggregate sum of the percentages set forth below (i.e., calculated back to first dollar) for the corresponding Gross Recovery Percentage achieved, provided however, that no Additional Incentive Compensation will be earned or payable where the Gross Recovery Percentage² is less than 131%:

¹ Capitalized terms in this section not otherwise defined have the meanings given to them in the Third Heckel Affidavit.

² The Gross Recovery Percentages are based on a relationship between Cost Value and Retail Price — a “Cost Factor” of 43%. For every 25 basis points increase (or decrease) in the Cost Factor, each Additional Incentive Compensation Gross Recovery Percentage threshold will decrease (or increase) by 80 basis points. For certainty, in no event will the combined Merchandise Fee and Additional Incentive Compensation equal more than 3.1% of Gross Proceeds.

- 11 -

Gross Recovery Percentage	Additional Incentive Compensation
131%-133.99%	An additional 0.4% of Gross Proceeds (total fee equal to 1.9% of Gross Proceeds)
134%-136.99%	An additional 0.4% of Gross Proceeds (total fee equal to 2.3% of Gross Proceeds)
137%-139.99%	An additional 0.4% of Gross Proceeds (total fee equal to 2.7% of Gross Proceeds)
Above 140%	An additional 0.4% of Gross Proceeds (total fee equal to 3.1% of Gross Proceeds)

24. Pursuant to the Consulting Agreement, the Nordstrom Canada Entities and the Consultant, in consultation with the Monitor, were required to complete the final reconciliation and settlement of all revenues, costs and expenses with respect to the Liquidation Sale (the “**Final Reconciliation**”) by no later than 45 days following the earlier of: (i) the date of the termination of the Liquidation Sale; or (ii) the date upon which the Consulting Agreement was terminated in accordance with its terms. The Consulting Agreement requires all amounts payable as between the Nordstrom Canada Entities and the Consultant to be settled within 10 days of the completion of the Final Reconciliation.

25. The Liquidation Sale generated total receipts of approximately \$103.7 million from the sale of the Nordstrom Canada Entities’ merchandise, and \$7.8 million from the sale of the Nordstrom Canada Entities’ FF&E. The Nordstrom Canada Entities also earned \$0.6 million, or 7.5% of the gross proceeds, from the sale of the Additional Consultant Goods. The Nordstrom Canada Entities, with the assistance of the Monitor, are in the process of finalizing the Final Reconciliation and will report further to the Court once it is complete.

- 12 -

(b) Concession and Beauty Vendors

26. On May 25, 2023, counsel to the Nordstrom Canada Entities, in consultation with the Monitor, sent letters to the concession and beauty vendors outlining guidelines for the retrieval by these vendors of any “no value” inventory, such as testers, boxes, wrapping, and gifts with purchase, owned by the vendors and located at Nordstrom full-line stores. The letters advised the concession and beauty vendors they were permitted to retrieve the “no value” inventory on June 8 and 9, 2023, and that any “no value” inventory remaining after the pickup period would be disposed of by the Nordstrom Canada Entities.

27. Where applicable, the letters also provided guidelines for the sale and/or removal of any remaining FF&E located at Nordstrom full-line stores, whether owned by the Nordstrom Canada Entities, the concession or beauty vendor, or jointly owned. This process was determined in consultation with the Monitor. A schedule outlining the ownership of the FF&E used to sell the concession or beauty vendor’s merchandise at the Nordstrom full-line stores was attached to each of the letters, as well as the proposed purchase prices provided by the Consultant. The letters advised the concession and beauty vendors that:

- (a) any FF&E wholly-owned by the concession or beauty vendor was required to be removed by the vendor at the conclusion of the Liquidation Sale;
- (b) any FF&E wholly-owned by the Nordstrom Canada Entities would be sold as part of the Liquidation Sale, however the concession and beauty vendors would first be given an opportunity to purchase the FF&E used to sell their merchandise or make a request for the removal of the vendor’s logos and marks from the FF&E; and

- 13 -

- (c) for any jointly owned FF&E, the concession or beauty vendor would first be given an opportunity to purchase the Nordstrom Canada Entities' interest in the FF&E or make a request for the removal of the vendor's logos and marks from the FF&E. If an offer to purchase was not made, the jointly owned FF&E would be sold as part of the Liquidation Sale, and the concession or beauty vendor would be paid their proportionate share of the net proceeds of the FF&E, as per their respective ownership interests.

28. Further to the letters of May 25, 2023, counsel to the Nordstrom Canada Entities sent letters to certain of the concession and beauty vendors on August 4, 2023, regarding the distribution of proceeds resulting from the sale of any jointly owned FF&E located at Nordstrom full-line stores. The letters stated that the sale of the jointly owned FF&E was completed, and that the vendor would be paid its proportionate share of the sale proceeds, net of the fee payable to the Consultant. The letters contained the amount that would be paid by the Nordstrom Canada Entities to the concession or beauty vendor. Such amounts have now been paid, as applicable.

29. Extensive efforts were made by the Nordstrom Canada Entities to "de-brand" any remaining branded FF&E. On August 11, 2023, counsel to the Nordstrom Canada Entities sent letters to certain of the concession and beauty vendors that had requested the removal of the vendor's logos and marks from FF&E, pursuant to the May 25, 2023 letters. The letters advised of the completion of the "de-branding" and provided general photographic evidence of the removal of the logos and marks from the FF&E.

- 14 -

30. Finally, on September 14, 2023, counsel to the Nordstrom Canada Entities sent letters to concession and beauty vendors who submitted Claims in the Claims Process to advise of costs related to the disposal of their FF&E.

(c) Lease Transaction Process

31. Since the granting of the Approval and Vesting Orders on July 17, 2023, the transaction under the G2MC Agreement for the Heartland Lease³ has closed. Pursuant to the G2MC Agreement, the closing date of the transaction for the Heartland Lease was to be the date that is two Business Days immediately following the date on which all conditions to closing were satisfied or waived by Canada Leasing LP and G2MC. The transaction was conditional upon the granting of the Approval and Vesting Order. All conditions to closing were satisfied on July 20, 2023, and the Monitor delivered the Monitor's Certificate on such date.

32. A copy of the Monitor's Certificate confirming completion of the transaction with respect to the Heartland Lease is attached as **Exhibit "B"**.

33. The closing date for the assignment and assumption of the Vaughan Mills Lease and the Deerfoot Meadows Lease is February 1, 2024, pursuant to the Winners Agreement.

34. As discussed in the Fifth Heckel Affidavit, the Winners Agreement also contemplated a transaction for the assignment of the Train Yards Lease to Winners LP. Following the execution of the Winners Agreement, the parties were unable to negotiate a Landlord Waiver and Amendment of Lease with respect to the Train Yards Lease. As a result, and instead, the Train

³ Capitalized terms in this section not otherwise defined have the meanings given to them in the Fifth Heckel Affidavit.

- 15 -

Yards Landlord exercised its right under the Train Yards Lease (exercisable within 30 days of receiving notice of the proposed assignment to Winners LP) to terminate the Lease. Therefore, on September 1, 2023, the Train Yards Lease was terminated and keys to the Train Yards Nordstrom Rack store were returned to the Train Yards Landlord.

(d) Landlords

35. As discussed in the Fourth Heckel Affidavit, no expressions of interest were received in the lease transaction process for the South Edmonton Common, Willowbrook Langley, and One Bloor Street East Nordstrom Rack locations. As a result, the Nordstrom Canada Entities, with the approval of the Monitor, issued notices of disclaimer to the Landlords of the South Edmonton Common and Willowbrook Langley Nordstrom Rack stores on May 3, 2023, and the One Bloor Street East Nordstrom Rack location on May 5, 2023.

36. The keys were turned over to the Landlords of the South Edmonton Common and Willowbrook Langley Nordstrom Rack stores on May 31, 2023, and to the Landlord of the One Bloor Street East Nordstrom Rack location on June 5, 2023. Each of the stores were turned over to the Landlord in a “broom swept” and clean condition.

37. As discussed in the Fifth Heckel Affidavit, no executable transactions acceptable to the applicable Landlords for the assignment of the Nordstrom Canada full-line store Leases emerged as a result of the lease transaction process. Therefore, on June 22, 2023, the Nordstrom Canada Entities, with the approval of the Monitor, issued notices of disclaimer to the Landlords of all six of Nordstrom Canada’s full-line store Leases to disclaim all of the full-line Leases, related

- 16 -

amendment, assignment and extension agreements and subleases of premises subject to full-line Leases. Such disclaimers became effective on July 22, 2023.

38. After the completion of the Liquidation Sale, representatives of the Nordstrom Canada Entities, the Monitor, the Consultant, the Landlords, and counsel to the Nordstrom Canada Entities conducted walkthroughs at each of the Nordstrom full-line stores to identify any remaining FF&E to be removed in order to bring the store into a “broom swept” and clean condition. These walkthroughs took place between June 2 and June 7, 2023.

39. After the removal of any remaining FF&E, a second set of walkthroughs were conducted prior to vacating the premises to ensure the Nordstrom full-line stores were turned over in a condition satisfactory to the Landlords. These walkthroughs took place between June 30 and July 10, 2023. The Landlords for the Nordstrom full-line stores confirmed that the keys and vacant possession had been returned to the Landlords by execution of receipts dated as follows:

Full-Line Store	Date of Store Turnover Receipt
Yorkdale Shopping Centre	July 5, 2023
Pacific Centre	July 11, 2023
Chinook Centre	July 21, 2023
Rideau Centre	July 21, 2023
Eaton Centre	July 23, 2023
Sherway Gardens	July 23, 2023

40. The Nordstrom Canada Entities assisted with a number of issues related to transitioning the premises back to the Landlords including, among other things, cancellation of utility contracts and telecom accounts, and providing store alarm codes, locations for store manuals and blueprints, and information regarding access to lighting, HVAC, and other store systems, as requested by the Landlord representatives on a store-by-store basis.

- 17 -

41. In addition, the Nordstrom Canada Entities have been facilitating the removal of exterior signage from all Nordstrom full-line and Nordstrom Rack stores. This has required extensive coordination with the Landlords and municipalities, and a phased approach to signage removal where such removal requires municipal permits.

42. The Nordstrom Canada Entities set up mail forwarding from all Nordstrom full-line and Nordstrom Rack stores to a Canadian PO box to ensure that any essential communications are still being received by the Nordstrom Canada Entities following the turnover of all stores.

(e) Employees

43. The Nordstrom Canada Entities, directly and through their counsel, together with the Monitor, have engaged in regular communication with Employee Representative Counsel regarding employee matters to ensure that employee questions and concerns are being considered and addressed, including with respect to Claims filed by Employee Representative Counsel in the Claims Process. As discussed in the Fourth Heckel Affidavit, on March 21, 2023, all employees of Nordstrom Canada, with the exception of two senior managerial employees, were provided notice of termination.

44. Of the 311 Nordstrom Rack employees, 296 employees were provided with notice of termination effective May 16, 2023, and 15 employees were provided with notice of termination effective May 31, 2023. Of the 1,948 Nordstrom full-line store employees, 1,930 employees were provided with notice of termination effective June 13, 2023, and 18 employees were provided with notice of termination effective June 30, 2023.

- 18 -

45. With respect to the two remaining managerial employees, one was provided with notice of termination effective immediately on September 5, 2023, and the other remaining employee will be terminated shortly. As a result, the Nordstrom Canada Entities will be taking the necessary steps to wrap up their remaining employee benefits plans.

(i) **Wind-Up and Termination of Employee Trust**

46. The Initial Order approved of the creation of the Employee Trust for the benefit of employees of Nordstrom Canada, funded outside the estate by Nordstrom US. The Nordstrom Canada Entities and Nordstrom US wished to provide Nordstrom Canada employees with a measure of financial security during the wind down process. Nordstrom US therefore agreed to fund the Employee Trust to ensure that all Nordstrom Canada employees received, *inter alia*, the full amount of the minimum termination and severance pay owed to them under applicable employment standards legislation as soon as possible without having to await the results of a claims process and implementation of a plan with distributions on account of proven claims.

47. The agreement establishing the Employee Trust (the “**Trust Agreement**”) provided that the Monitor is the administrator (the “**Administrator**”), Gale Rubenstein, in her personal capacity, is the trustee (the “**Trustee**”), and Nordstrom US is the settlor of the Employee Trust (“**Settlor**”).

48. Nordstrom US, as Settlor, made an initial contribution of \$14 million on March 13, 2023, and an additional final contribution of \$1.2 million on September 13, 2023. The contributions

- 19 -

required by Nordstrom US remain within the Maximum Required Trust Contribution of \$25 million.⁴

49. To date, the Employee Trust has reimbursed Nordstrom Canada \$14,592,883 that was paid to Beneficiaries of the Employee Trust for Eligible Employee Claims (including Top Up Claims and Benefit Claims). The Administrator and Nordstrom Canada have been actively engaged with Employee Representative Counsel and the Trustee regarding the payment of Eligible Employee Claims and the underlying calculations of Regular Wages for a Regular Work Week. The amounts funded by Nordstrom US have also been used to pay for the costs and expenses associated with the Employee Trust.

50. The Administrator received 29 Notices of Dispute regarding Eligible Employee Claims, all of which have been resolved.

51. As of the date of this affidavit, all but two employees have met the Deemed Release Terms as defined in the Trust Agreement. A deemed full and final release of the Eligible Employee's Eligible Employee Claim is effective 60 days after the final payment to the Eligible Employee.

52. It is anticipated that the Employee Trust would be wound-up and terminated mid-November 2023 following the completion of remaining activities, including tax filings and related payments (if any). The Nordstrom Canada Entities have worked closely with Employee Representative Counsel, the Administrator, Nordstrom US, and the Trustee on all matters related to the Employee Trust. I understand that Employee Representative Counsel and the Trustee are

⁴ All capitalized terms in this section not otherwise defined have the meanings given to them in the Trust Agreement.

- 20 -

supportive of the wind-up and termination of the Employee Trust upon the completion of remaining activities. Employee Representative Counsel intends to put a notice on their website advising former employees of the intended termination of the Employee Trust.

53. Pursuant to the proposed September Stay Extension Order, the Nordstrom Canada Entities are seeking a release of the Monitor as Administrator, Gale Rubenstein as Trustee, and Nordstrom US as Settlor of the Employee Trust from their respective obligations under the Trust Agreement and from any claims relating to their activities as Administrator, Trustee and Settlor, respectively. It is proposed in the draft September Stay Extension Order that the Employee Trust be wound-up and terminated upon the Monitor delivering a certificate stating that the Monitor has received written confirmations from the Trustee, the Administrator, the Settlor, Nordstrom Canada and Employee Representative Counsel, as applicable, that, (i) no further actions are required to be done pursuant to the terms of the Employee Trust, including that all required payments under the Employee Trust have been made; and (ii) such persons confirm their consent to the termination and wind-up of the Employee Trust.

54. I am also informed by the Monitor that it supports the relief requested to wind-up and terminate the Employee Trust.

(ii) Discharge of KERP Charge

55. The Amended and Restated Initial Order approved the KERP for 228 store-level employees, and 37 non-store employees, and granted the KERP Charge up to a maximum aggregate amount of approximately \$2.6 million as security for payments under the KERP.

- 21 -

56. The KERP was developed by Nordstrom Canada, in consultation with the Monitor, and as supported by Employee Representative Counsel, to incentivize certain key active employees to remain in their positions through the CCAA proceedings. The KERP provided for a one-time lump sum payment to eligible employees who were identified as critical for a successful CCAA proceeding. The vast majority of KERP participants and KERP funds were directed towards store-level employees, with a view to maximizing value through the wind down of store operations.

57. The division of payments under the KERP is described in the Second Heckel Affidavit. Payments to employees under the KERP were in lieu of any other incentive compensation arrangement to which the participants may have claimed to be entitled and were conditional upon the terms and conditions set out in the KERP award letter provided to eligible employees.

58. Nordstrom Canada, in consultation with the Monitor, has since made all applicable KERP payments to eligible employees in accordance with the terms of the KERP. A total of 231 eligible employees have received a total of approximately \$2.3 million in KERP payments. Specifically, \$480,000 in KERP payments were made in June 2023, \$1.7 million in KERP payments were made in July 2023, \$32,000 in KERP payments were made in August 2023, and \$38,000 in KERP payments were made in September 2023. No further payments are remaining under the terms of the KERP.

59. The Nordstrom Canada Entities, directly and through their counsel, together with the Monitor, have engaged in regular communication with Employee Representative Counsel to ensure that employee questions and concerns regarding the KERP have been considered and addressed.

- 22 -

60. In light of the above, it is proposed in the draft September Stay Extension Order that the KERP Charge be terminated, released, and discharged as of the date of such Order.

(f) Claims Process

61. As discussed above, the Court granted the Claims Procedure Order on May 30, 2023, a copy of which is attached as **Exhibit “C”**. The Monitor arranged for a notice to claimants to be published in *The Globe and Mail* (National Edition) on June 8, 2023, containing information about the Claims Process⁵, Claims Bar Date, and Restructuring Period Claims Bar Date.

62. As set out in the Claims Procedure Order, the Nordstrom Canada Entities, in consultation with the Monitor, are in the process of reviewing all the Proofs of Claim received in the Claims Process.

63. The Nordstrom Canada Entities have identified and made available representatives with the appropriate knowledge and expertise to review the Nordstrom Canada Entities’ records with respect to the Claims filed in the Claims Process. As the vast majority of Claims filed in the Claims Process by number are vendor Claims, representatives of the Nordstrom Canada Entities, in consultation with the Monitor, are in the process of communicating with such Claimants, and reconciling differences between Proofs of Claim and the Nordstrom Canada Entities’ records.

64. In addition, the Nordstrom Canada Entities and their counsel meet with the Monitor weekly to discuss the status of the Claims Process and the efforts made to resolve creditor Claims in an

⁵ Capitalized terms not otherwise defined in this section have the meanings given to them in the Claims Procedure Order.

- 23 -

efficient and streamlined manner. I understand that the Monitor will be providing a comprehensive update on the Claims Process in its report to be filed in conjunction with this motion.

(g) Additional Updates

65. On June 8, 2023, Nordstrom US and the Nordstrom Canada Entities entered into an agreement to amend the terms and conditions of the Wind-Down Agreement (as defined in the Initial Order) (the “**Amending Agreement**”). The Amending Agreement amends the Books and Records section of the Wind-Down Agreement, and adds retention of books and records as a Service (as defined in the Wind-Down Agreement) to be provided by Nordstrom US to the Nordstrom Canada Entities. The Wind-Down Agreement and Amending Agreement are attached as **Exhibits “D” and “E”**.

66. The Nordstrom.ca website has also been updated to advise customers that all Nordstrom Canada stores closed as of June 13, 2023, and provides answers to frequently asked questions for both customers and vendors.

B. Development of the Plan of Compromise or Arrangement

67. The Nordstrom Canada Entities and their counsel, in consultation with the Monitor, and where appropriate Nordstrom US and its counsel, are in the process of developing the terms and framework of a Plan to efficiently distribute the proceeds of realization to creditors. This involves the consideration of corporate, tax, insolvency and other structuring issues to ensure that any Plan presented to the creditors and the Court is fair and reasonable and deserving of approval. As set out above, the current intention of the Nordstrom Canada Entities is to complete their development

- 24 -

and drafting of a Plan, and to seek a Meeting Order from the Court during the requested extended Stay Period.

C. Status of Resolution of Nordstrom Full-Line Store Claims

68. As set out in the Initial Heckel Affidavit, the six former Nordstrom full-line store Leases are subject to indemnities granted by Nordstrom US in favour of the applicable Landlord.

69. Agreements in principle (subject to the execution of mutually agreeable definitive documentation) on (a) the Claims of Cadillac Fairview, the Landlord of five of the former Nordstrom full-line stores in Canada, in the CCAA estate and the claims associated with the indemnities granted by Nordstrom US to Cadillac Fairview, and (b) the Claims of Oxford, the Landlord of the former Nordstrom Yorkdale full-line store in Canada, in the CCAA estate and the claims associated with the indemnity granted by Nordstrom US to Oxford, in each case, have been reached to resolve such indemnity claims and to provide a framework for the resolution of the respective Claims in the CCAA estate. These agreements are a significant milestone in the CCAA proceedings, as Cadillac Fairview and Oxford's Claims were collectively by far the largest third-party Claims filed in the Claims Process, and will resolve all issues surrounding the Leases for the Nordstrom full-line stores in Canada.

D. Status of Resolution of Nordstrom Rack Landlord Claims

70. The Nordstrom Canada Entities, with the assistance of the Monitor, have also begun discussions with all of the remaining Nordstrom Rack Landlords regarding a resolution of their

- 25 -

Claims in the estate. Based on the progress of those discussions to date, the Nordstrom Canada Entities currently anticipate that resolution of such Claims will be completed in a timely manner.

E. Extension to the Stay Period

71. The Initial Order granted a Stay Period until and including March 12, 2023. The Stay Period (including by extension the Co-Tenancy Stay) and the Parent Stay were subsequently extended to March 20, 2023, June 30, 2023, and later to September 29, 2023.

72. The Applicants are seeking to extend the Stay Period, including by extension the Co-Tenancy Stay, up to and including December 22, 2023. As set out above, the Nordstrom Canada Entities have made significant progress in these CCAA proceedings since the most recent Stay extension motion. In particular, the Nordstrom Canada Entities have completed the orderly wind down and closure of their stores, implemented a Claims Process and reached an agreement in principle on a framework to resolve the largest Claims filed in the Claims Process, and commenced, in earnest, the development of the Plan.

73. An extension of the Stay Period, including the Co-Tenancy Stay, is necessary to allow the Claims Process to unfold as contemplated by the Claims Procedure Order and to allow the Nordstrom Canada Entities and their counsel to continue developing a Plan, in consultation with the Monitor, for the benefit of all stakeholders. With respect to the Co-Tenancy Stay, the Nordstrom Canada Entities and the Monitor have not been contacted by any party affected by the Co-Tenancy Stay to state they are being prejudiced by the Co-Tenancy Stay. The Nordstrom Canada Entities believe that maintaining the Co-Tenancy Stay during the next stage of the case

- 26 -

when resolving Claims and developing the Plan will continue to provide stability to the CCAA proceedings. The Nordstrom Canada Entities are not seeking an extension of the Parent Stay.

74. The Nordstrom Canada Entities have confirmed, in consultation with the Monitor, that they have sufficient cash resources to continue their wind down through to December 22, 2023. I understand that the Monitor will be filing its sixth report with the Court prior to the hearing of this motion, which will include an updated cash flow forecast for the Nordstrom Canada Entities.

75. I believe that the Nordstrom Canada Entities have acted, and continue to act, in good faith and with due diligence in pursuing a controlled and orderly wind down. I believe that the proposed extension of the Stay Period, including the Co-Tenancy Stay, are in the best interests of the Nordstrom Canada Entities and their stakeholders. I am also informed by the Monitor that it supports the request to extend the Stay Period and the Co-Tenancy Stay.

SWORN BEFORE ME over
videoconference this 20th day of September,
2023 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.
The affiant is located in the City of Renton, in
the State of Washington and the commissioner
is located in the City of Toronto, in the
Province of Ontario.



Commissioner for Taking Affidavits
(or as may be)
HANNAH DAVIS
LSO# 85047N



MISTI HECKEL

This is Exhibit “A” referred to in the Affidavit of Misti Heckel
sworn September 20, 2023.



Commissioner for Taking Affidavits (or as may be)

HANNAH DAVIS



Court File No. CV-23-00695619-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.

JUSTICE MCEWEN

)
)
)

FRIDAY, THE 10TH

DAY OF MARCH, 2023

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 NORDSTROM CANADA RETAIL, INC.,
NORDSTROM CANADA HOLDINGS, LLC and NORDSTROM
CANADA HOLDINGS II, LLC

AMENDED AND RESTATED INITIAL ORDER
(amending the Initial Order dated March 2, 2023)

THIS APPLICATION, made by Nordstrom Canada Retail, Inc. ("**Nordstrom Canada**"), Nordstrom Canada Holdings, LLC and Nordstrom Canada Holdings II, LLC (collectively, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Misti Heckel sworn March 1, 2023, and the Exhibits thereto (the "**Initial Heckel Affidavit**"), the affidavit of Misti Heckel sworn March 8, 2023, and the Exhibits thereto, the pre-filing report dated March 1, 2023, of Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as proposed monitor of the Nordstrom Canada Entities (as hereinafter defined), and the first report dated March 8, 2023, of A&M, in its capacity as monitor of the Nordstrom Canada Entities (in such capacity, the "**Monitor**"), and on hearing the submissions of counsel to the Applicants and Nordstrom Canada Leasing LP ("**Canada Leasing LP**", and together with the Applicants, the "**Nordstrom Canada Entities**"), the Monitor, Employee Representative Counsel (as hereinafter defined) 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 Heckel Affidavit.

PLAN OF ARRANGEMENT

3. **THIS COURT ORDERS** that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

APPLICATION

4. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies. Although not an Applicant, Canada Leasing LP shall have the benefits of the protections and authorizations provided by this Order.

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that the Nordstrom Canada Entities 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 Nordstrom Canada Entities shall continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property. The Nordstrom Canada Entities shall each be authorized and empowered to continue to retain and employ the employees, contractors, advisors, consultants, agents, experts, appraisers, valuers, 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.

6. **THIS COURT ORDERS** that the Nordstrom Canada Entities shall be entitled to continue to use the central cash management system currently in place as described in the Initial Heckel Affidavit or, with the consent of the Monitor, replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System 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 Nordstrom Canada Entities 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 Nordstrom Canada Entities, 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 with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. **THIS COURT ORDERS** that the Nordstrom Canada Entities 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 Nordstrom Canada Entities:

- (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 or future amounts owing in respect of customer rebates, refunds, discounts or other amounts on account of similar customer programs or obligations;
- (c) all outstanding or future amounts related to honouring customer obligations, including customer pre-payments, deposits, gift cards, programs (including, The Nordy Club rewards program and the redemptions of Nordstrom Notes) 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 Nordstrom Canada Entities at their standard rates and charges;
- (e) with the consent of the Monitor, amounts owing for goods or services supplied to the Nordstrom Canada Entities prior to the date of this Order, by:
 - (i) 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 up to a maximum aggregate amount of \$1.5 million, if, in the opinion of the Nordstrom Canada Entities following consultation with the Monitor, such supplier or service provider is critical to the Orderly Wind-down (as hereinafter defined).

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Nordstrom Canada Entities shall be entitled but not required to pay all reasonable expenses incurred by them in carrying on the Business in the ordinary course during the Orderly Wind-down 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 Nordstrom Canada Entities following the date of this Order or, with the consent of the Monitor, payments to obtain the release or delivery of goods contracted for prior to the date of this Order.

9. **THIS COURT ORDERS** that the Nordstrom Canada Entities 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 Nordstrom Canada Entities' 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 Nordstrom Canada Entities in connection with the sale of goods and services by the Nordstrom Canada Entities, 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 remitted until on or after the date of this Order;
- (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 Nordstrom Canada Entities; and
- (d) taxes under the *Income Tax Act* (Canada) or other relevant taxing statute giving rise to any statutory deemed trust amounts in favour of the Crown in right of Canada or any Province thereof or any political subdivision thereof or any other taxation authority.

10. **THIS COURT ORDERS** that, until a real property lease, including a sublease and related documentation (each, a "**Lease**") to which any Nordstrom Canada Entity is a party is disclaimed in accordance with the CCAA or otherwise consensually terminated, such Nordstrom Canada Entity 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 Nordstrom Canada Entities or the making of this Order) or as otherwise may be negotiated between such Nordstrom Canada Entity 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. Without in any way impairing, limiting or lessening the priority, protections, rights or remedies of Canada Leasing LP, any Rent in respect of Premises Fixturing Costs payable by Nordstrom Canada to Canada Leasing LP under a Lease shall be stayed and suspended until further Order of this Court.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Nordstrom Canada Entities 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 Nordstrom Canada Entities 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 for the purpose of the Orderly Wind-down or pursuant to this Order or any other Order of the Court.

ORDERLY WIND-DOWN

12. **THIS COURT ORDERS** that the Nordstrom Canada Entities shall, subject to such requirements as are imposed by the CCAA, 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 \$250,000 in any one transaction or \$1 million in the aggregate in any series of related transactions; provided that, with respect to leased premises, the Nordstrom Canada Entities may, subject to the requirements of the CCAA and paragraphs 10, 13 and 14 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 Nordstrom Canada Entity deems appropriate;
- (c) pursue all offers for sales of material parts of the Business or the Property, in whole or part, subject to prior approval of this Court being obtained before any sale (except as permitted by paragraph 12(a) above);
- (d) perform their obligations under the Wind-Down Agreement, including with respect to the provision of and payment for shared services;
- (e) in consultation with, and with the oversight of the Monitor, (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 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; and
- (f) apply to this Court for such approval, vesting or other Orders as may be necessary to consummate sale transactions for all or any part of the Property, including, without limitation, approval of a consulting or agency agreement concerning the liquidation of inventory, furniture, fixtures, and equipment forming part of the Property, and any related relief,

all of the foregoing to permit the Nordstrom Canada Entities to proceed with an orderly wind-down of the Business (the "**Orderly Wind-down**").

13. **THIS COURT ORDERS** that the Nordstrom Canada Entities shall provide each of the relevant Landlords with notice of the Nordstrom Canada Entities' 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 the Nordstrom Canada Entities' entitlement to remove any such fixture under the provisions of the applicable Lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such

Landlord and the Nordstrom Canada Entities, or by further Order of this Court upon application by the Nordstrom Canada Entities on at least two (2) days notice to such Landlord and any such secured creditors. If the Nordstrom Canada Entities disclaim the Lease governing such leased premises in accordance with Section 32 of the CCAA, the Nordstrom Canada Entities 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 of the Lease shall be without prejudice to the Nordstrom Canada Entities' claim to the fixtures in dispute.

14. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the Landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Nordstrom Canada Entities and the Monitor at least twenty-four (24) hours' prior written notice; and (b) at the effective time of the disclaimer, 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 Nordstrom Canada Entities 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

15. **THIS COURT ORDERS** that until and including March 20, 2023, 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 Nordstrom Canada Entities or the Monitor, or 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 Nordstrom Canada Entities and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Nordstrom Canada Entities, 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.

16. **THIS COURT ORDERS** that during the Stay Period, no Person having any agreements or arrangements with the owners, operators, managers or landlords of commercial shopping

centres or other commercial properties (including retail, office and industrial (warehouse) properties) in which there is located a store, office or warehouse owned or operated by the Nordstrom Canada Entities shall take any Proceedings or exercise any rights or remedies under such agreements or arrangements that may arise upon and/or as a result of the making of this Order, the declarations of insolvency by the Nordstrom Canada Entities or as a result of any steps taken by the Nordstrom Canada Entities pursuant to this Order and, without limiting the generality of the foregoing, no Person shall terminate, accelerate, suspend, modify, determine or cancel any such arrangement or agreement or be entitled to exercise any rights or remedies in connection therewith.

17. **THIS COURT ORDERS** that, until and including March 20, 2023, no Proceeding shall be commenced or continued against or in respect of Nordstrom, Inc. and its direct and indirect subsidiaries (other than the Nordstrom Canada Entities) (collectively, "**Nordstrom US**") arising out of or in connection with any right, remedy or claim of any Person against Nordstrom US in connection with any indebtedness, indemnity, liability or obligation of any kind whatsoever of Nordstrom US under contract, statute or otherwise, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by indemnity, guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution, indemnity or otherwise, with respect to any matter, action, cause or chose in action, whether existing at present or commenced in future, which indebtedness, indemnity, liability or obligation is derivative of the primary liability of or related to the Nordstrom Canada Entities, except with the written consent of the Nordstrom Canada Entities, Nordstrom US and the Monitor, or with leave of this Court; provided that, this paragraph shall not apply to any present or future bank providing the Cash Management System in connection with any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

18. **THIS COURT ORDERS** that, without in any way altering, increasing, creating or eliminating any obligation or duty to mitigate losses or damages of any Landlord: (a) any Landlord claim pursuant to an indemnity, guarantee or surety executed by Nordstrom US in relation to any Nordstrom Canada Entity shall be unaffected and shall not be released or affected in any way in any Plan filed by the Applicants under the CCAA, or any proposal filed by the Nordstrom Canada

Entities under the Bankruptcy and Insolvency Act (Canada) (“BIA”); and (b) any Landlord claim pursuant to an indemnity, guarantee or surety executed by Nordstrom US in relation to any Nordstrom Canada Entity shall be unaffected by any determination of any rights, remedies and claims of such Landlords as against the Nordstrom Canada Entities, whether made in the within proceedings under the CCAA or in any subsequent proposal or bankruptcy proceedings under the BIA, other than that any recoveries under such proceedings received by such Landlords shall constitute a reduction and offset to such claim.

19. **THIS COURT ORDERS** that, to the extent any prescription, time or limitation period relating to any Proceeding against or in respect of any Nordstrom Canada Entity 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

20. **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 Nordstrom Canada Entities 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 Nordstrom Canada Entities and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Nordstrom Canada Entities 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

21. **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, licence or permit in favour of or held by the Nordstrom Canada Entities, except with the prior written consent of the Nordstrom Canada Entities and the Monitor, or leave of this Court. Without limiting the foregoing, no right, option, remedy, and/or

exemption in favour of the relevant Nordstrom Canada Entities shall be or shall be deemed to be negated, suspended, waived and/or terminated as a result of this Order.

CONTINUATION OF SERVICES

22. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Nordstrom Canada Entities or statutory or regulatory mandates for the supply or license of goods and/or services, including without limitation all computer software, 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 Nordstrom Canada Entities, 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 Nordstrom Canada Entities, and that the Nordstrom Canada Entities 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 Nordstrom Canada Entities in accordance with normal payment practices of the Nordstrom Canada Entities or such other practices as may be agreed upon by the supplier or service provider and the applicable Nordstrom Canada Entities and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

23. **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 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 Nordstrom Canada Entities. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

EMPLOYEE TRUST

24. **THIS COURT ORDERS** that the creation of the Employee Trust, as described in the Initial Heckel Affidavit, is hereby approved on substantially the terms and conditions set out in the Trust Agreement attached as Exhibit "T" to the Initial Heckel Affidavit, including, without

limitation, the appointment of Gale Rubenstein, as trustee (the “**Trustee**”), and the Monitor, as administrator (the “**Administrator**”), of the Employee Trust, and authorizes and directs the Monitor to act in such capacity, and the parties thereto to execute the Trust Agreement.

25. **THIS COURT ORDERS** that the Nordstrom Canada Entities are authorized to process or cause to be processed all amounts received from the Employee Trust, including making payments to the Beneficiaries (as defined in the Trust Agreement), subject to and in accordance with the terms and conditions of the Trust Agreement.

26. **THIS COURT ORDERS** that the amounts received by the Nordstrom Canada Entities from the Employee Trust, (a) when in the hands of the Nordstrom Canada Entities; and (b) when paid to any payment processor, shall be deemed to be held in trust for and on behalf of the Beneficiaries, subject to and in accordance with the Trust Agreement and shall not constitute property of the Nordstrom Canada Entities including, without limitation, under the CCAA and BIA, and shall not be subject to the claims of any Person other than as provided under the Trust Agreement.

27. **THIS COURT ORDERS** that the creation, establishment, funding and administration of the Employee Trust shall not, in whole or in part, directly or indirectly, (a) cause Nordstrom US to be or be deemed to be; or (b) in any way be relied upon to claim or assert that Nordstrom US is or is deemed to be, either (i) an employer, or (ii) a joint, common or related employer under contract, statute, common law or otherwise of any employee of the Nordstrom Canada Entities.

28. **THIS COURT ORDERS** that:

- (a) each Beneficiary shall be deemed to release the Releasees (as defined in the Trust Agreement) on the payment of a distribution from the Employee Trust in respect of such Beneficiary’s Eligible Employee Claim (as defined in the Trust Agreement), to the extent of such distribution (the “**Payment Release**”);
- (b) each Beneficiary shall be deemed to release the Releasees in respect of the full amount of such Beneficiary’s Eligible Employee Claim, sixty (60) days after the final payment to such Beneficiary under the Employee Trust or such later date as the Monitor, in its sole discretion, may designate; provided that, such Beneficiary has not delivered a notice of dispute to the Monitor and Employee Representative Counsel, substantially

in the manner and form attached as Schedule "A" hereto, within forty-five (45) days of the final payment to such Beneficiary; provided further that, in the event of any insufficiency of funds in the Employee Trust to cover a Beneficiary's total Eligible Employee Claim, only the Payment Release shall be effective and there shall be no deemed full and final release of the full Eligible Employee Claim; and

- (c) the Settlor (as defined in the Trust Agreement) shall be deemed to be fully and completely subrogated to all rights of recovery of the Beneficiaries against Nordstrom Canada, in an amount equal to the aggregate gross amount paid to such Beneficiaries directly or indirectly from the Employee Trust.

29. **THIS COURT ORDERS** that without limiting the authorizations, protections and indemnities in favour of the Trustee set forth in the Trust Agreement, no action or proceeding may be commenced against the Trustee in respect of the Employee Trust without leave of this Court.

EMPLOYEE REPRESENTATIVE COUNSEL

30. **THIS COURT ORDERS** that Ursel Phillips Fellows Hopkinson LLP ("**Employee Representative Counsel**") is hereby appointed as employee representative counsel to represent the interests of (a) all store-level employees; (b) all non-store level employees, other than (i) non-store level employees who will be eligible for a KERP payment, (ii) directors and officers of the Nordstrom Canada Entities, and (iii) the Senior Vice President, Regional Manager for Canada (collectively, the "**Represented Employees**") in these CCAA proceedings, in any proceedings under the BIA or in any other proceedings respecting the insolvency of the Nordstrom Canada Entities which may be brought before this Court (collectively, the "**Insolvency Proceedings**"), for any employment, human rights or other workplace law issues affecting such Represented Employees in the Insolvency Proceedings, including, without limitation, with respect to the Trust Agreement, the Claims Process (as defined in the Trust Agreement) and the settlement or compromise of any rights, entitlements or claims of the Represented Employees (the "**Purpose**").

31. **THIS COURT ORDERS** that the Employee Representative Counsel shall be entitled but not required to commence the process of identifying no more than three (3) Represented Employees to be nominated as Court-appointed representatives (the "**Employee Representatives**") as soon as practicable following the date hereof. The Employee

Representatives shall, upon appointment, represent all Represented Employees (excluding the Opt-Out Individuals (as hereinafter defined), if any) in the Insolvency Proceedings, to act in the overall best interests of the Represented Employees and to advise and where appropriate instruct Employee Representative Counsel, in each case, solely for the Purpose. Employee Representative Counsel may rely upon the advice, information and instructions received from the Employee Representatives in carrying out its mandate without further communications with or instructions from the Represented Employees, except as may be recommended by Employee Representative Counsel or ordered by this Court.

32. **THIS COURT ORDERS** that, with the exception of Opt-Out Individuals, (a) the Employee Representatives and Employee Representative Counsel shall represent all Represented Employees in the Insolvency Proceedings; (b) the Represented Employees shall be bound by the actions of the Employee Representatives and Employee Representative Counsel in the Insolvency Proceedings; and (c) the Employee Representatives shall be entitled, on the advice of Employee Representative Counsel, to reach any settlement agreements, advocate on behalf of the Represented Employees for the Purpose and settle or compromise any rights, entitlements or claims of the Represented Employees, subject to approval of this Court.

33. **THIS COURT ORDERS** that the Nordstrom Canada Entities shall provide Employee Representative Counsel, the Employee Representatives and their respective advisors, subject to confidentiality arrangements acceptable to the Nordstrom Canada Entities and the Monitor, without charge, the following information, documents and data (the “**Information**”) to only be used for the Purpose in the Insolvency Proceedings: (a) the names, last known addresses and last known telephone numbers and e-mail addresses (if any) of the Represented Employees (excluding Opt-Out Individuals, if any, who have opted out prior to delivery of the Information); and (b) upon request of Employee Representative Counsel, such documents and data as may be reasonably relevant to matters relating to the issues affecting the Represented Employees in the Insolvency Proceedings, and that, in so providing all such Information, the Nordstrom Canada Entities are not required to obtain express consent from such Represented Employees authorizing disclosure of Information to Employee Representative Counsel for the Purpose and, further, in accordance with section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, section 18(1)(i) of the *British Columbia Personal Information Protection Act* and section 20 of the *Alberta Personal Information Protection Act*, this Order shall be sufficient to authorize the

disclosure of the Information for the Purpose, without the knowledge or consent of the individual Represented Employees.

34. **THIS COURT ORDERS** that notice of the appointment of Employee Representative Counsel shall be provided by (a) the Nordstrom Canada Entities delivering a letter on behalf of Employee Representative Counsel to the Represented Employees explaining the terms of such appointment; (b) the inclusion of the details of such appointment in the CCAA Notice (as hereinafter defined); and (c) the posting of notice of such appointment on the Monitor's Website (as hereinafter defined) and on Employee Representative Counsel's website.

35. **THIS COURT ORDERS** that any individual Represented Employee who does not wish to be represented by the Employee Representatives and Employee Representative Counsel in the Insolvency Proceedings shall, within thirty (30) days of the date of the letter pursuant to paragraph 34 above, notify the Monitor, in writing that such Represented Employee is opting out of representation by the Employee Representatives and Employee Representative Counsel by delivering to the Monitor an opt-out notice in the form attached as Schedule "B" hereto (each an "**Opt-Out Notice**"), and shall thereafter not be bound by the actions of the Employee Representatives or Employee Representative Counsel and shall represent themselves or be represented by any counsel that such Represented Employee may retain exclusively at their own expense (any such Represented Employee that delivers an Opt-Out Notice in compliance with the terms hereof, an "**Opt-Out Individual**"). The Monitor shall deliver copies of all Opt-Out Notices received to the Nordstrom Canada Entities and Employee Representative Counsel as soon as reasonably practicable.

36. **THIS COURT ORDERS** that, subject to the terms of the engagement letter between Nordstrom Canada and Employee Representative Counsel, Employee Representative Counsel shall be paid its reasonable and documented fees and disbursements by the Nordstrom Canada Entities on a monthly basis, promptly upon rendering its accounts to the Nordstrom Canada Entities for fulfilling its mandate in accordance with this Order, and subject to such redactions to the invoices as are necessary to maintain solicitor-client privilege between Employee Representative Counsel and the Represented Employees. In the event of any disagreement with respect to such fees and disbursements, such disagreement may be remitted to this Court for determination.

37. **THIS COURT ORDERS** that no action or proceeding may be commenced against Employee Representative Counsel or the Employee Representatives in respect of the performance of their duties under this Order, without leave of this Court on seven (7) days' notice to Employee Representative Counsel or the Employee Representatives, as the case may be, the Nordstrom Canada Entities and the Monitor.

38. **THIS COURT ORDERS** that Employee Representative Counsel is authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including dealing with any Court, regulatory body or other government ministry, department or agency, and to take all such steps as are necessary or incidental thereto. Employee Representative Counsel and Employee Representatives shall have no liability as a result of their appointment or the fulfilment of their duties in carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on their part.

KEY EMPLOYEE RETENTION PLAN

39. **THIS COURT ORDERS** that the Key Employee Retention Plan (the "**KERP**"), as described in the Initial Heckel Affidavit, is hereby approved and the Nordstrom Canada Entities are authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

40. **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 \$2.6 million (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 54 and 56 hereof.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

41. **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 Nordstrom Canada Entities with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Nordstrom Canada Entities 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

42. **THIS COURT ORDERS** that the Nordstrom Canada Entities shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Nordstrom Canada Entities 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.

43. **THIS COURT ORDERS** that the directors and officers of the Nordstrom Canada Entities 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 \$13.25 million, as security for the indemnity provided in paragraph 42 of this Order. The Directors' Charge shall have the priority set out in paragraphs 54 and 56 herein.

44. **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 Nordstrom Canada Entities' 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 42 of this Order.

APPOINTMENT OF MONITOR

45. **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 Nordstrom Canada Entities with the powers and obligations set out in the CCAA or set forth herein and that the Nordstrom Canada Entities and their shareholders, partners, members, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Nordstrom Canada Entities 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.

46. **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 Nordstrom Canada Entities' receipts and disbursements;
- (b) assist the Nordstrom Canada Entities with the Orderly Wind-down;
- (c) 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, certain shared services provided to and by the Nordstrom Canada Entities under the Wind-Down Agreement during the Orderly Wind-down and such other matters as may be relevant to the proceedings herein;
- (d) advise the Nordstrom Canada Entities in their preparation of the Nordstrom Canada Entities' cash flow statements and the dissemination of other financial information;
- (e) advise the Nordstrom Canada Entities in their development of the Plan and any amendments to the Plan;
- (f) assist the Nordstrom Canada Entities, to the extent required by the Nordstrom Canada Entities, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) 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 Nordstrom Canada Entities, to the extent that is necessary to adequately assess the Nordstrom Canada Entities' business and financial affairs or to perform its duties arising under this Order;
- (h) liaise and consult with any Assistants and any liquidator selected through the Liquidation Solicitation Process, to the extent required, with respect to all matters relating to the Property, the Business, the Orderly Wind-down and such other matters as may be relevant to the proceedings herein;
- (i) administer the Employee Trust, in its role as Administrator, in consultation with the Trustee thereof, the Nordstrom Canada Entities and Employee Representative Counsel;

- (j) 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;
- (k) be at liberty to serve as a “foreign representative” of the Nordstrom Canada Entities in any proceeding outside of Canada;
- (l) assist the Nordstrom Canada Entities, to the extent required by the Nordstrom Canada Entities, with any matters relating to any foreign proceeding commenced in relation to any of the Nordstrom Canada Entities; and
- (m) perform such other duties as are required by this Order or by this Court from time to time.

47. **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.

48. **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*, and the *Alberta Occupational Health and Safety Act* 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.

49. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Nordstrom Canada Entities with information provided by the Nordstrom Canada Entities 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 Nordstrom Canada Entities 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 Nordstrom Canada Entities may agree.

50. **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, including, for greater certainty, in the Monitor's capacity as Administrator of the Employee Trust, 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.

51. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, counsel to the Nordstrom Canada Entities, and counsel to the directors and officers of the Nordstrom Canada Entities, 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 Nordstrom Canada Entities as part of the costs of these proceedings. The Nordstrom Canada Entities are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor, counsel to the Nordstrom Canada Entities and counsel to the directors and officers of the Nordstrom Canada Entities, on such terms as such parties may agree and is hereby authorized to pay to the Monitor, counsel to the Monitor, counsel to the Nordstrom Canada Entities, counsel to the directors and officers of the Nordstrom Canada Entities and Employee Representative Counsel, retainers, *nunc pro tunc*, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

52. **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

53. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, counsel to the Nordstrom Canada Entities, Employee Representative Counsel (up to the maximum amount of \$75,000) and counsel to the directors and officers of the Nordstrom Canada Entities, 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 \$1.5 million, 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 54 and 56 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

54. **THIS COURT ORDERS** that the priorities of the Administration Charge, the Directors' Charge and the KERP Charge (collectively, the "**Charges**"), as among them, shall be as follows:

- (a) First – Administration Charge (to the maximum amount of \$1.5 million);
- (b) Second – KERP Charge (to the maximum amount of \$2.6 million); and
- (c) Third – Directors' Charge (to the maximum amount of \$13.25 million).

55. **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.

56. **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.

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

58. **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 Nordstrom Canada Entities, and notwithstanding any provision to the contrary in any Agreement:

- (i) the creation of the Charges shall not create or be deemed to constitute a breach by the Nordstrom Canada Entities of any Agreement to which they are a party,
- (ii) 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, and
- (iii) the payments made by the Nordstrom Canada Entities pursuant to this Order 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.

59. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Nordstrom Canada Entities’ interests in such real property leases.

SERVICE AND NOTICE

60. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the Globe & Mail a notice containing the information prescribed under the CCAA (the “**CCAA Notice**”); 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 Nordstrom Canada Entities’ books and records), a notice to all known creditors having a claim against the Nordstrom Canada Entities 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.

61. **THIS COURT ORDERS** that any employee of any of the Nordstrom Canada Entities who is sent a notice of termination of employment or any other communication by the Nordstrom Canada Entities 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 Nordstrom Canada Entities’ books and records; provided, however, that any communication that is sent to an employee of the Nordstrom Canada Entities by electronic message to the individual’s corporate email address and/or the individual’s personal email address as last shown in the Nordstrom Canada Entities’ books and records shall be deemed to have been received twenty-four (24) hours after the time such electronic message was sent, notwithstanding the mailing of any notices of termination of employment or other employee communication.

62. **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: <http://www.alvarezandmarsal.com/NordstromCanada> (the “**Monitor’s Website**”).

63. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in these proceedings (the “**Service List**”). The Monitor shall post the Service List, as may be updated from time to time, on the Monitor’s Website, provided that the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

64. **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 Nordstrom Canada Entities 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 Nordstrom Canada Entities’ creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Nordstrom Canada Entities 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.

65. **THIS COURT ORDERS** that the Nordstrom Canada Entities 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 Nordstrom Canada Entities 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

66. **THIS COURT ORDERS** that the Nordstrom Canada Entities 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.

67. **THIS COURT ORDERS** that nothing 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 the Nordstrom Canada Entities, the Business or the Property.

68. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, or regulatory or administrative body having jurisdiction in Canada, the United States or in any other jurisdiction, to give effect to this Order and to assist the Nordstrom Canada Entities, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Nordstrom Canada Entities 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 Nordstrom Canada Entities and the Monitor and their respective agents in carrying out the terms of this Order.

69. **THIS COURT ORDERS** that the Nordstrom Canada Entities and the Monitor be at liberty and is hereby authorized and empowered to 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 the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

70. **THIS COURT ORDERS** that any interested party (including the Nordstrom Canada Entities 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.

71. **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

A handwritten signature in black ink, appearing to be 'McEwen', is written over a horizontal line.

SCHEDULE "A"

NOTICE OF DISPUTE REGARDING ELIGIBLE EMPLOYEE CLAIM

I, _____ (insert name and employee number if known), am disputing that I have been paid in full in respect of my Eligible Employee Claim, as such term is defined in the Trust Agreement. ***Please see the Monitor's website at www.alvarezandmarsal.com/NordstromCanada or Employee Representative Counsel's website at www.upfhlaw.ca for further information. ***

I am a _____ (insert position) in the store located at _____ (insert address/location).

The basis for my objection is:

(insert full particulars regarding dispute, including all facts and calculations on which you are relying)

Based on the foregoing, I claim that I am owed the sum of \$ _____.

Dated at _____ this _____ day of _____, 2023.

Signature: _____

Address: _____

Tel: _____

Email: _____

METHOD OF DELIVERY

This notice of dispute must be sent to Employee Representative Counsel and to the Monitor at the following addresses:

To Employee Representative Counsel:

Ursel Phillips Fellows Hopkinson LLP
555 Richmond Street West
Suite 1200
Toronto, ON M5V 3R1

Attention: Employee Representative Counsel
Email: NordstromCanada@upfhlaw.ca

To the Monitor at:

Alvarez & Marsal Canada Inc., in its
capacity as Court-appointed Monitor of the
Nordstrom Canada Entities
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Attention: Nordstrom Canada Monitor
Email: NordstromCanada@alvarezandmarsal.com

NOTE:

THIS MUST BE SENT TO EMPLOYEE REPRESENTATIVE COUNSEL AND THE MONITOR NO LATER THAN FORTY-FIVE (45) DAYS AFTER YOU RECEIVE YOUR LAST PAYMENT FROM NORDSTROM CANADA'S PAYROLL

SCHEDULE "B"

FORM OF REPRESENTED EMPLOYEE OPT-OUT NOTICE

To: Alvarez & Marsal Canada Inc., in its capacity as Court-appointed
Monitor of the Nordstrom Canada Entities
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Attention : Nordstrom Canada Monitor
Email : NordstromCanada@alvarezandmarsal.com

I hereby provide written notice that I do not wish to be represented by Ursel Phillips Fellows Hopkinson LLP, employee representative counsel (the "**Employee Representative Counsel**") for the Represented Employees of Nordstrom Canada Retail, Inc., Nordstrom Canada Holdings, LLC, Nordstrom Canada Holdings II, LLC and Nordstrom Canada Leasing LP (collectively, the "**Nordstrom Canada Entities**") in their proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**"). I understand that by opting out of this representation, if I wish to take part in the CCAA Proceedings, then I would need to do so as an independent party. I am responsible for retaining my own legal counsel should I choose to do so, and that I would be personally liable for the costs of my own legal representation.

I understand that a copy of this Opt-Out Form will be provided to the Employee Representative Counsel and to the Nordstrom Canada Entities.

Witness

Signature

Name [please print]: _____

Address: _____

Telephone: _____

Note: To opt out, this form must be completed and received at the above address on or before _____, 2023.

Court File No: CV-23-00695619-00CL

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 NORDSTROM CANADA RETAIL, INC.,
NORDSTROM CANADA HOLDINGS, LLC and NORDSTROM CANADA HOLDINGS II, LLC

Applicants

Ontario

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

AMENDED AND RESTATED 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

Jeremy Dacks (LSO# 41851R)

Tel: 416.862.4923

Email: jdacks@osler.com

Martino Calvaruso (LSO# 57359Q)

Tel: 416.862.6665

Email: mcalvaruso@osler.com

Marleigh Dick (LSO# 79390S)

Tel: 416.862.4725

Email: mdick@osler.com

Lawyers for the Applicable

This is Exhibit “B” referred to in the Affidavit of Misti Heckel
sworn September 20, 2023.



Commissioner for Taking Affidavits (or as may be)

HANNAH DAVIS

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 NORDSTROM CANADA RETAIL, INC.,
NORDSTROM CANADA HOLDINGS, LLC and NORDSTROM
CANADA HOLDINGS II, LLC

MONITOR'S CERTIFICATE

RECITALS

- A. All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Approval and Vesting Order (Heartland) of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated July 17, 2023 (the "**Approval Order**").
- B. Pursuant to the Approval Order, the Court approved the Assignment Agreement and provided for the vesting in the Purchaser of Canada Leasing LP's right, title and interest in and to the Purchased Assets described in the Assignment Agreement, which vesting is to be effective with respect to the Purchased Assets described in an Assignment Agreement upon the delivery by the Monitor to the Purchaser and Canada Leasing LP of a certificate confirming (i) the conditions to closing as set out in such Assignment Agreement have been satisfied or waived by the Purchaser and Canada Leasing LP, as applicable; and (ii) the Transaction has been completed to the satisfaction of the Monitor.
- C. The Purchased Assets subject to this Monitor's Certificate are the Lease and all related rights, benefits and advantages as described in the Assignment Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and Canada Leasing LP has received the Consideration (as defined in the Assignment Agreement) payable pursuant to the Assignment Agreement between the Purchaser and Canada Leasing LP;
2. The Monitor has received written notice from the Purchaser and Canada Leasing LP that the conditions to closing as set out in the Assignment Agreement have been satisfied or waived by the Purchaser and Canada Leasing LP, as applicable; and
3. The Transaction has been completed to the satisfaction of the Monitor.

This Monitor's Certificate was delivered by the Monitor at 7:50 p.m. ET on July 20, 2023.

Alvarez & Marsal Canada Inc., in its capacity
as Monitor of the Nordstrom Canada Entities,
and not in its personal or corporate capacity

By: 

Name: Al Hutchens

Title: Senior Vice-President

This is Exhibit “C” referred to in the Affidavit of Misti Heckel
sworn September 20, 2023.



Commissioner for Taking Affidavits (or as may be)

HANNAH DAVIS



Court File No. CV-23-00695619-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE

)

TUESDAY, THE 30TH

CHIEF JUSTICE MORAWETZ

)

DAY OF MAY, 2023

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 NORDSTROM CANADA RETAIL, INC.,
NORDSTROM CANADA HOLDINGS, LLC and NORDSTROM
CANADA HOLDINGS II, LLC

CLAIMS PROCEDURE ORDER

THIS MOTION, made by Nordstrom Canada Retail, Inc., Nordstrom Canada Holdings, LLC, and Nordstrom Canada Holdings II, LLC (collectively the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an order, inter alia, (i) establishing a claims procedure for the identification and quantification of certain claims against the Applicants and Nordstrom Canada Leasing LP (collectively, the "**Nordstrom Canada Entities**") and the current and former directors and officers of the Nordstrom Canada Entities; and (ii) extending the Stay Period and stay of proceedings in favour of Nordstrom US (as each is respectively defined in paragraphs 15 and 17 of the Initial Order in the CCAA Proceedings (as defined below) dated March 2, 2023, as amended and restated on March 10, 2023, the "**Initial Order**"), was heard this day by judicial video-conference via Zoom in Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Misti Heckel sworn May 19, 2023, including the exhibits thereto, the Third Report of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the “**Monitor**”) dated May 24, 2023, and on hearing the submissions of respective counsel for the Nordstrom Canada Entities, the Monitor, and such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Hannah Davis sworn May 23, 2023, filed:

SERVICE

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

DEFINITIONS AND INTERPRETATION

2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Initial Order.

3. **THIS COURT ORDERS** that nothing in this Order shall have the effect of amending the Initial Order in the CCAA Proceedings, and to the extent that there is any conflict or inconsistency between this Order and the Initial Order, the terms of the Initial Order shall prevail to the extent of such conflict. Without limiting the foregoing, nothing in this Order or in the Claims Process shall limit or affect in any way paragraph 18 of the Initial Order and shall not extinguish, bar, or affect in any manner, any Landlord claim pursuant to an indemnity, guarantee or surety executed by Nordstrom US in relation to any Nordstrom Canada Entity.

4. **THIS COURT ORDERS** that for the purposes of this Order, the following terms shall have the following meanings:

- (a) **"Assessments"** means current or future claims of His Majesty the King in Right of Canada or of any province or territory or municipality or any other taxation authority in any Canadian or non-Canadian jurisdiction, including, without limitation, amounts which may arise or have arisen under any current or future notice of assessment, notice of objection, notice of reassessment, notice of appeal, audit, investigation, demand or similar request from any taxation authority;
- (b) **"Bar Date"** means the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable pursuant to the terms of this Order;
- (c) **"Business Day"** means, except as otherwise specified herein, a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (d) **"CCAA Proceedings"** means the CCAA proceedings commenced by the Applicants in the Court under Court File No. CV-23-00695619-00CL;
- (e) **"Characterization"** means, for the purposes of this Order, solely whether the Claim is a secured or unsecured Claim, priority, property or trust Claim, Pre-Filing Claim, Restructuring Period Claim or D&O Claim;
- (f) **"Claim"** means:
 - (i) any right or claim of any Person against any of the Nordstrom Canada Entities, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of any such Nordstrom Canada Entity to such Person, in existence on the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated,

fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any right or claim with respect to any Assessment, or contract, or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against any of the Nordstrom Canada Entities with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which right or claim, including in connection with indebtedness, liability or obligation, is based in whole or in part on facts that existed prior to the Filing Date, including any claim against any of the Nordstrom Canada Entities for indemnification by any Director or Officer in respect of a Pre-Filing D&O Claim (each, a **“Pre-Filing Claim”**, and collectively, the **“Pre-Filing Claims”**);

- (ii) any right or claim of any Person against any of the Nordstrom Canada Entities in connection with any indebtedness, liability or obligation of any kind whatsoever of any such Nordstrom Canada Entity to such Person arising out of the restructuring, disclaimer, termination or breach by such Nordstrom Canada Entity on or after the Filing Date of any contract, lease or other agreement, whether written or oral, and including any right or claim

with respect to any Assessment (each, a **"Restructuring Period Claim"**, and collectively, the **"Restructuring Period Claims"**);

- (iii) any right or claim of any Person against one or more of the Directors and/or Officers arising based in whole or in part on facts that existed prior to the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessments and any right or ability of any Person to advance a claim for contribution, indemnity or otherwise against any of the Directors and/or Officers with respect to any matter, action, cause or chose in action, whether existing at present or arising or commenced in the future, for which any Director or Officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a Director or Officer (each a **"Pre-Filing D&O Claim"**, and collectively, the **"Pre-Filing D&O Claims"**); and

- (iv) any right or claim of any Person against one or more of the Directors and/or Officers arising after the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or

anticipatory in nature, including any Assessments and any right or ability of any Person to advance a claim for contribution, indemnity or otherwise against any of the Directors and/or Officers with respect to any matter, action, cause or chose in action, whether existing at present or arising or commenced in the future, for which any Director or Officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a Director or Officer (each a **"Restructuring Period D&O Claim"**, collectively, the **"Restructuring Period D&O Claims"**);

provided, however, that in any case **"Claim"** shall not include an Excluded Claim or any right or claim of any Person that was previously released, barred, estopped, and/or permanently stayed, but shall include any Claim arising through subrogation against any Nordstrom Canada Entity or any Director or Officer;

- (g) **"Claimant"** means (i) a Person asserting a Pre-Filing Claim or a Restructuring Period Claim against any Nordstrom Canada Entity, or (ii) a Person asserting a D&O Claim against any of the Directors or Officers;
- (h) **"Claims Bar Date"** means, in respect of a Pre-Filing Claim or Pre-Filing D&O Claim, 5:00 p.m. on August 4, 2023;
- (i) **"Claims Officer"** means the individual(s) designated by the Court pursuant to paragraph 46 of this Order;
- (j) **"Claims Process"** means the procedures outlined in this Order in connection with the assertion of Claims against the Nordstrom Canada Entities and/or the Directors and Officers;

- (k) **"Court"** means the Ontario Superior Court of Justice (Commercial List);
- (l) **"D&O Claim"** means any Pre-Filing D&O Claim or Restructuring Period D&O Claim, and **"D&O Claims"** means, collectively, the Pre-Filing D&O Claims and the Restructuring Period D&O Claims;
- (m) **"D&O Claim Instruction Letter"** means the letter containing instructions for completing the D&O Proof of Claim form, substantially in the form attached as Schedule "H" hereto;
- (n) **"D&O Proof of Claim"** means the proof of claim to be filed by Claimants in connection with any D&O Claim, substantially in the form attached as Schedule "I" hereto, which shall include all available supporting documentation in respect of such D&O Claim;
- (o) **"Director"** means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of any of the Nordstrom Canada Entities, in such capacity;
- (p) **"Employee"** means anyone who is or was or may be deemed to be or have been, whether by contract, statute, operation of law or otherwise, a current or former employee of any of the Nordstrom Canada Entities whether on a full-time, part-time or temporary basis, other than a Director or Officer, including any individuals on disability leave, parental leave or other absence;
- (q) **"Employee Letter"** means the letter to Employee Letter Recipients, substantially in the form attached as Schedule "J" hereto, that shall, among other things, provide a link to access the Monitor's Website (which will include a link to the Notice of

Dispute of Negative Notice Claim form and the General Claims Package) and be delivered to such Employees who were employed as at the Filing Date and who have no known Claim against any of the Nordstrom Canada Entities including on account of the fact that such Employee has received or are expected to receive their applicable statutory, contractual and common law entitlements in respect of termination and severance pay, through continued employment during their notice period and/or payment received from the Employee Trust;

- (r) **“Employee Letter Recipient”** means an Employee who was employed at the Filing Date that (i) is not a Known Employee Claimant with a Known Employee Claim valued at greater than \$0.00, and (ii) is not otherwise sent a Statement of Negative Notice Claim by the Nordstrom Canada Entities, in consultation with the Monitor;
- (s) **“Excluded Claim”** means any:
 - (i) Claim that may be asserted by any beneficiary of the Administration Charge, the Directors’ Charge, the KERP Charge, or any other charge granted by the Court in the CCAA Proceedings, with respect to such charges;
 - (ii) Claim that may be asserted by the Consultant (as defined in paragraph 58 herein);
 - (iii) Claim that may be asserted by any of the Nordstrom Canada Entities against any Directors and/or Officers; and
 - (iv) any Claim set forth in (i), (ii) or (iii) above that arises through subrogation;

- (t) **"Filing Date"** means March 2, 2023;
- (u) **"General Claims Package"** means the document package to be disseminated by the Monitor in accordance with the terms of this Order, which shall consist of a Proof of Claim form, a Proof of Claim Instruction Letter, a D&O Proof of Claim form, a D&O Claim Instruction Letter, and such other materials as the Nordstrom Canada Entities, in consultation with the Monitor, may consider appropriate;
- (v) **"Intercompany Claim"** means any Claim that may be asserted against any Nordstrom Canada Entity by or on behalf of (i) any other Nordstrom Canada Entity or (ii) Nordstrom US or any of its affiliated companies, partnerships, or other corporate entities other than the Nordstrom Canada Entities;
- (w) **"Known Employee Claimants"** means Employees with Known Employee Claims;
- (x) **"Known Employee Claims"** means any right or Claim of any Employee against any of the Nordstrom Canada Entities subject to the Known Employee Claims Methodology;
- (y) **"Known Employee Claims Methodology"** means the methodology and assumptions for the calculation of Known Employee Claims, as described in paragraph 75 of the Heckel Affidavit;
- (z) **"Landlord"** shall have the meaning given to such term in the Initial Order and shall include all landlords who are party to any lease at any location in respect of which any of the Nordstrom Canada Entities were a tenant or subtenant as at the Filing Date;

- (aa) **"Meeting"** means any meeting of the creditors of the Nordstrom Canada Entities called for the purpose of considering and voting in respect of a Plan;
- (bb) **"Monitor's Intercompany Claims Report"** shall have the meaning set out in paragraph 44 herein;
- (cc) **"Monitor's Website"** means <https://www.alvarezandmarsal.com/NordstromCanada>;
- (dd) **"Negative Notice Claim"** means a Pre-Filing Claim and/or Restructuring Period Claim, as applicable, that is set out in a Statement of Negative Notice Claim or referred to in a Employee Letter, and prepared by the Nordstrom Canada Entities, in consultation with the Monitor, which Claim shall be: (i) valued in accordance with the assessment of such Claim by the Nordstrom Canada Entities, in consultation with the Monitor, based on the books and records of the Nordstrom Canada Entities (including Claims with a quantum of \$0.00) and any negotiations with such Negative Notice Claimants, and (ii) deemed to be accepted in the amount and Characterization set out therein unless otherwise disputed by a Negative Notice Claimant in accordance with the procedures outlined herein, and which shall include the following:
 - (i) Claims of Employees (including Known Employee Claimants); and
 - (ii) Claims of any other Persons to whom the Nordstrom Canada Entities, in consultation with the Monitor, determine to send a Negative Notice Claims Package based on the books and records of the Nordstrom Canada Entities, but which shall not include any Claim of any Landlord;

- (cc) **“Negative Notice Claimant”** means any Person to whom a Statement of Negative Notice Claim or Employee Letter is addressed and delivered by the Monitor in accordance with the procedures outlined herein, which shall not include any Landlord of the Nordstrom Canada Entities;
- (ff) **“Negative Notice Claims Package”** means the package of document(s) to be disseminated by the Monitor to all Negative Notice Claimants in accordance with the terms of this Order, which shall consist of:
- (i) a Statement of Negative Notice Claim and a Notice of Dispute of Negative Notice Claim form, to all Negative Notice Claimants other than Employees that are not Known Employee Claimants; or
 - (ii) an Employee Letter to all Employee Letter Recipients,
- as applicable, and such other materials as the Nordstrom Canada Entities, in consultation with the Monitor, may consider appropriate;
- (gg) **“Notice of Dispute of Negative Notice Claim”** means the notice, substantially in the form attached as Schedule “G” hereto, which may be submitted or delivered to the Monitor by a Negative Notice Claimant disputing a Statement of Negative Notice Claim, with reasons for its dispute;
- (hh) **“Notice of Dispute of Revision or Disallowance”** means the notice, substantially in the form attached as Schedule “E” hereto, which may be delivered to the Monitor by a Claimant disputing a Notice of Revision or Disallowance received by such Claimant;

- (ii) **"Notice of Revision or Disallowance"** means the notice, substantially in the form attached as Schedule "D" hereto, which may be prepared by the Nordstrom Canada Entities, in consultation with the Monitor, and delivered by the Monitor to a Claimant revising or disallowing, in part or in whole, a Claim submitted by such Claimant in a Proof of Claim or D&O Proof of Claim for voting and/or distribution purposes;
- (jj) **"Notice to Claimants"** means the notice for publication by the Monitor as described in paragraph 18 herein, substantially in the form attached as Schedule "A" hereto;
- (kk) **"Officer"** means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of any of the Nordstrom Canada Entities, in such capacity;
- (ll) **"Order"** means this Claims Procedure Order;
- (mm) **"Person"** means any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust (including a real estate investment trust), unincorporated organization, joint venture, government or any agency or instrumentality thereof, or any other entity;
- (nn) **"Plan"** means any proposed plan of compromise or arrangement that may be filed in respect of any or all of the Nordstrom Canada Entities pursuant to the CCAA as the same may be amended, supplemented or restated from time to time in accordance with the terms thereof;

- (oo) **“Proof of Claim”** means the proof of claim to be submitted or delivered to the Monitor by a Claimant in respect of any Pre-Filing Claim and/or Restructuring Period Claim for which such Claimant has not received a Statement of Negative Notice Claim, substantially in the form attached as Schedule “C” hereto, which shall include all available supporting documentation in respect of such Claim;
- (pp) **“Proof of Claim Instruction Letter”** means the letter containing instructions for completing the Proof of Claim form, substantially in the form attached as Schedule “B” hereto;
- (qq) **“Restructuring Period Claims Bar Date”** means, in respect of a Restructuring Period Claim or Restructuring Period D&O Claim, the later of (i) thirty (30) days after the date on which the Monitor sends a Negative Notice Claims Package or General Claims Package, as appropriate, with respect to a Restructuring Period Claim or Restructuring Period D&O Claim, and (ii) the Claims Bar Date; and
- (rr) **“Statement of Negative Notice Claim”** means the applicable statement to be prepared by the Nordstrom Canada Entities, in consultation with the Monitor, and disseminated by the Monitor to each Negative Notice Claimant in accordance with the terms of this Order, which shall state the amount (if any) and Characterization of such Negative Notice Claimant’s Negative Notice Claim and shall include a description of any security (if any) in respect of such Negative Notice Claim, and which statement shall be substantially in the form attached as Schedule “F” hereto.

5. **THIS COURT ORDERS** that, except where otherwise specified herein, all references as to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise

indicated herein, and any reference to an event occurring on a day that is not a Business Day shall mean the next following day that is a Business Day.

6. **THIS COURT ORDERS** that all references to the word “including” shall mean “including without limitation”, all references to the singular herein include the plural, the plural include the singular, and any gender includes all genders.

GENERAL PROVISIONS

7. **THIS COURT ORDERS** that notwithstanding any other provisions of this Order, the solicitation by the Nordstrom Canada Entities and the Monitor of Proofs of Claim and D&O Proofs of Claim, the delivery by the Monitor of Statements of Negative Notice Claim and Employee Letters, and the filing by any Claimant of any Proof of Claim, D&O Proof of Claim, Notice of Dispute of Negative Notice Claim, or Notice of Dispute of Revision or Disallowance shall not, for that reason only, grant any Person any rights, including without limitation, in respect of the amount and Characterization of its Claims or its standing in the CCAA Proceedings, except as specifically set out in this Order.

8. **THIS COURT ORDERS** that the Monitor, in consultation with the Nordstrom Canada Entities, and if applicable, the relevant Directors and Officers or their counsel, are hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner or content in which any forms submitted or delivered hereunder are completed and executed and the time in which they are submitted, and may, where the Monitor, in consultation with the Nordstrom Canada Entities, and if applicable, the relevant Directors and Officers or their counsel, are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order, including in respect of the completion, execution and time of delivery of such forms; provided that it is recognized and understood that certain Claims may be contingent

in nature and therefore may not contain particulars of such Claims that are not yet known as at the time they are filed. With respect to any Claim filed by any Landlord in the Claims Process, no valuations, expert reports or similar evidence shall be required to accompany such Claim by the Claims Bar Date. In the event that any such Claim filed by such Landlord is not resolved consensually and is directed to a Claims Officer or the Court for determination, such Landlord shall have the right to provide additional documentary evidence and support at that time, including, but not limited to, reports from experts and consultants.

9. **THIS COURT ORDERS** that amounts claimed in Assessments shall be subject to this Order and there shall be no presumption of validity or deeming of the amount due in respect of any Claim set out in any Assessment for voting and distribution purposes in the CCAA Proceedings.

KNOWN EMPLOYEE CLAIMS METHODOLOGY

10. **THIS COURT ORDERS** that the Known Employee Claims Methodology is hereby approved.

11. **THIS COURT ORDERS** that the Known Employee Claims shall be calculated by the Nordstrom Canada Entities, in consultation with the Monitor and with the assistance of Employee Representative Counsel, in accordance with the Known Employee Claims Methodology based on the books and records of the Nordstrom Canada Entities relating to such Known Employee Claims.

12. **THIS COURT ORDERS AND DECLARES** that:

- (a) the Known Employee Claims Methodology shall be final and binding on all Employees represented by Employee Representative Counsel;
- (b) the Known Employee Claims Methodology shall be final and binding on all Employees not represented by Employee Representative Counsel who do not submit a Notice of Dispute of Negative Notice Claim by the applicable Bar Date;
- (c) no Employee who did not submit a Notice of Dispute of Negative Notice Claim by the applicable Bar Date, shall directly or indirectly assert, advance, re-assert or re-file any Claim determined pursuant to the Known Employee Claims Methodology, as set out in their Statement of Negative Notice Claim or referred to in their Employee Letter;
- (d) any Claim that is determined pursuant to the Known Employee Claims Methodology and set out in a Statement of Negative Notice Claim or referred to in an Employee Letter that is directly or indirectly asserted, advanced, re-asserted or re-filed by or on behalf of an Employee, shall be disallowed unless submitted pursuant to a Notice of Dispute of Negative Notice Claim by the applicable Bar Date; and
- (e) any Employee shall be permitted to file a Proof of Claim by the applicable Bar Date in respect of any Claim that such Employee may assert that is not contemplated by the Known Employee Claims Methodology.

MONITOR'S ROLE

13. **THIS COURT ORDERS** that, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA, the Initial Order and any other orders of the Court in the CCAA Proceedings, the Monitor shall assist the Nordstrom Canada Entities in connection with the administration of the Claims Process set out herein, including the determination and resolution of Claims, if applicable, and is hereby authorized, directed and empowered to take such other actions and fulfill such other roles as are authorized by this Order or incidental thereto.

14. **THIS COURT ORDERS** that, in carrying out the terms of this Order, the Monitor: (a) shall have all of the protections given to it by the CCAA, the Initial Order, any other orders of the Court in the CCAA Proceedings, and this Order, or as an officer of the Court, including the stay of proceedings in its favour, (b) shall incur no liability or obligation as a result of the carrying out of the provisions of this Order, other than in respect of its gross negligence or wilful misconduct, (c) shall be entitled to rely on the books and records of the Nordstrom Canada Entities and any information provided by or on behalf of any of the Nordstrom Canada Entities, all without independent investigation, provided that Intercompany Claims are subject to independent review by the Monitor as provided in paragraph 44, (d) shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information, and (e) may seek such assistance as may be reasonably required to carry out its duties and obligations pursuant to this Order from the Nordstrom Canada Entities or any of their affiliated companies, partnerships, or other corporate entities, including making such inquiries and obtaining such records and information as it deems appropriate in connection with the Claims Process.

NOTICE TO CLAIMANTS

15. **THIS COURT ORDERS** that as soon as practicable, but no later than 5:00 p.m. on the tenth (10th) Business Day following the date of this Order, the Monitor shall cause the Negative

Notice Claims Packages to be sent to every Negative Notice Claimant, other than Employees (including Known Employees Claimants), at their last known municipal or e-mail address as recorded in the Nordstrom Canada Entities' books and records. The Monitor and the Nordstrom Canada Entities shall specify in the Statement of Negative Notice Claim included in such Negative Notice Claims Package, the amount and Characterization of the Negative Notice Claimant's Negative Notice Claim.

16. **THIS COURT ORDERS** that on the fifteenth (15th) Business Day following the date of this Order or as soon as practicable thereafter, the Monitor shall cause the applicable Negative Notice Claims Package to be sent to each Employee who was employed at the Filing Date at its last known municipal or e-mail address as recorded in the Nordstrom Canada Entities' books and records. With respect to Known Employee Claimants, the Monitor and the Nordstrom Canada Entities shall specify in the Statement of Negative Notice Claim or Employee Letter included in their Negative Notice Claims Packages, the amount (if any) and Characterization of each such Negative Notice Claimant's Negative Notice Claim.

17. **THIS COURT ORDERS** that as soon as practicable, but no later than 5:00 p.m. on the tenth (10th) Business Day following the date of this Order, the Monitor shall cause a General Claims Package to be sent to: (a) each Person that appears on the Service List (except Persons that are likely to assert only Excluded Claims, in the reasonable opinion of the Nordstrom Canada Entities and the Monitor), (b) any Person who has requested a Proof of Claim in respect of any potential Claim that is not captured in a Statement of Negative Notice Claim or Employee Letter, and (c) any Person known to the Nordstrom Canada Entities or the Monitor as having a potential Claim based on the books and records of the Nordstrom Canada Entities that is not captured in any Statement of Negative Notice Claim or Employee Letter.

18. **THIS COURT ORDERS** that the Monitor shall cause the Notice to Claimants (or a condensed version thereof, as the Monitor, in consultation with the Nordstrom Canada Entities, may deem appropriate) to be published once in *The Globe and Mail* (National Edition) as soon as practicable after the date of this Order.

19. **THIS COURT ORDERS** that, as soon as practicable, but no later than 5:00 p.m. on the tenth (10th) Business Day following the date of this Order, the Monitor shall cause the Notice to Claimants, the General Claims Package and a blank form of Notice of Dispute of Negative Notice Claim to be posted to the Monitor's Website.

20. **THIS COURT ORDERS** that to the extent any Claimant requests documents or information relating to the Claims Process prior to the Claims Bar Date or the applicable Restructuring Period Claims Bar Date, or if the Nordstrom Canada Entities or the Monitor become aware of any further Claims after the mailings contemplated in paragraphs 15 and 17, the Monitor shall forthwith send such Claimant a General Claims Package or Negative Notice Claims Package, as appropriate, shall direct such Claimant to the documents posted on the Monitor's Website, or shall otherwise respond to the request for documents or information as the Nordstrom Canada Entities, in consultation with the Monitor, may consider appropriate in the circumstances.

21. **THIS COURT ORDERS** that any notices of disclaimer delivered after the date of this Order to potential Claimants in connection with any action taken by the Nordstrom Canada Entities to restructure, disclaim, terminate or breach any contract, lease or other agreement, whether written or oral, pursuant to the terms of the Initial Order, shall be accompanied by a Negative Notice Claims Package or General Claims Package, as appropriate. To the extent that any such potential Claimants are Landlords, such notices of disclaimer shall be accompanied by a General Claims Package and not a Negative Notice Claims Package.

22. **THIS COURT ORDERS** that the Claims Process and the forms of Notice to Claimants, Proof of Claim Instruction Letter, D&O Claim Instruction Letter, Statement of Negative Notice Claim, Proof of Claim, D&O Proof of Claim, Notice of Revision or Disallowance, Notice of Dispute of Revision or Disallowance, Notice of Dispute of Negative Notice Claim, and Employee Letter are hereby approved. Notwithstanding the foregoing, the Nordstrom Canada Entities, in consultation with the Monitor, may, from time to time, make minor non-substantive changes to the forms as they may consider necessary or desirable.

23. **THIS COURT ORDERS** that the sending of the Negative Notice Claims Packages and the General Claims Packages to the applicable Persons as described above, the publication of the Notice to Claimants, each in accordance with this Order, and the completion of the other requirements of this Order, shall constitute good and sufficient service and delivery of notice of (a) this Order, (b) the Claims Bar Date, and (c) the Restructuring Period Claims Bar Date, on all Persons who may be entitled to receive notice and who may wish to assert a Claim, and no other notice or service need be given or made and no other document or material need be sent to or served upon any Person in respect of this Order.

CLAIMS PROCEDURE FOR NEGATIVE NOTICE CLAIMS

(A) Negative Notice Claims

24. **THIS COURT ORDERS** that if a Negative Notice Claimant wishes to dispute the amount (if any) or Characterization of its Negative Notice Claim, (including the application of the Known Employee Claims Methodology, as applicable) as set out in its Statement of Negative Notice Claim or referred to in its Employee Letter, such Negative Notice Claimant shall deliver to the Monitor a Notice of Dispute of Negative Notice Claim, which must be received by the Monitor in accordance with paragraph 56 by no later than the applicable Bar Date. Such Negative Notice Claimant shall specify in its Notice of Dispute of Negative Notice Claim the details of the dispute

with respect to its Claim and shall specify whether it disputes the determination of the Claim for voting and/or distribution purposes, provided that, in respect of a Notice of Dispute of Negative Notice Claim submitted by an Employee, the Employee shall be deemed to dispute the determination of its Claim for both voting and distribution purposes unless otherwise specified in such Notice of Dispute of Negative Notice Claim.

25. **THIS COURT ORDERS** that if a Negative Notice Claimant does not deliver to the Monitor a completed Notice of Dispute of Negative Notice Claim such that it is received by the Monitor by the applicable Bar Date, disputing its Claim as set out in its Statement of Negative Notice Claim or referred to in its Employee Letter for voting and/or distribution purposes, then (a) such Negative Notice Claimant shall be deemed to have accepted the amount (if any) and Characterization of the Negative Notice Claimant's Claim(s) as set out in its Statement of Negative Notice Claim or referred to in its Employee Letter, as applicable, for voting and distribution purposes, and (b) any and all of the Negative Notice Claimant's rights to dispute the Claim(s) as set out in its Statement of Negative Notice Claim or referred to in its Employee Letter or to otherwise assert or pursue the Claim(s) set out in its Statement of Negative Notice Claim or referred to in its Employee Letter, other than as they are set out in such Statement of Negative Notice Claim or Employee Letter, shall be forever extinguished and barred without further act or notification. Nothing in this paragraph affects any separate and distinct Claims of a Negative Notice Claimant that are not captured in whole or in part in its Statement of Negative Notice Claim or referred to in its Employee Letter and are separately asserted by such Negative Notice Claimant in a Proof of Claim or D&O Proof of Claim submitted in accordance with this Order.

(B) Adjudication and Resolution of Negative Notice Claims

26. **THIS COURT ORDERS** that, if the Nordstrom Canada Entities, in consultation with the Monitor, disagree with the Claim(s) as set out in the Notice of Dispute of Negative Notice Claim, the Nordstrom Canada Entities and the Monitor shall attempt to resolve such dispute and settle the purported Claims with the Negative Notice Claimant for voting and/or distribution purposes. In the event that a dispute is not settled within a time period or in a manner satisfactory to the Nordstrom Canada Entities, the Nordstrom Canada Entities shall, at their election and in consultation with the Monitor, refer the dispute raised in the Notice of Dispute of Negative Notice Claim to a Claims Officer or the Court for adjudication, and the Monitor shall send written notice of such referral to the Negative Notice Claimant.

CLAIMS PROCEDURE FOR ALL OTHER CLAIMS

(A) Pre-Filing Claims and Pre-Filing D&O Claims

27. **THIS COURT ORDERS** that any Claimant that intends to assert a Pre-Filing Claim or a Pre-Filing D&O Claim that is not captured in a Statement of Negative Notice Claim or Employee Letter shall file a Proof of Claim or D&O Proof of Claim, as applicable, with the Monitor on or before the Claims Bar Date. A Proof of Claim or D&O Proof of Claim, as applicable, must be filed with the Monitor by every Claimant in respect of every Pre-Filing Claim and every Pre-Filing D&O Claim that is not captured in a Statement of Negative Notice Claim or Employee Letter, regardless of whether or not a legal proceeding in respect of such Pre-Filing Claim or Pre-Filing D&O Claim has been previously commenced.

28. **THIS COURT ORDERS** that any Claimant (other than any Negative Notice Claimant in respect of its Negative Notice Claim as set out in a Statement of Negative Notice Claim or referred to in a Employee Letter) that does not file a Proof of Claim or D&O Proof of Claim, as applicable, in accordance with paragraph 27 so that such Proof of Claim or D&O Proof of Claim is actually

received by the Monitor on or before the Claims Bar Date, or such later date as the Monitor, in consultation with the Nordstrom Canada Entities or the Directors and Officers or their counsel, as applicable, may agree in writing or the Court may otherwise direct:

- (a) be and is hereby forever barred, estopped and enjoined from asserting or enforcing any such Pre-Filing Claim(s) or Pre-Filing D&O Claim(s) against the Nordstrom Canada Entities and the Directors and Officers, as applicable, and all such Pre-Filing Claims or Pre-Filing D&O Claims shall be forever extinguished;
- (b) will not be permitted to vote at any Meeting on account of such Pre-Filing Claim(s) or Pre-Filing D&O Claim(s);
- (c) will not be entitled to receive further notice with respect to the Claims Process or these proceedings with respect to such Pre-Filing Claim(s) or Pre-Filing D&O Claim(s); and
- (d) will not be permitted to participate in any distribution under any Plan or otherwise on account of such Pre-Filing Claim(s) or Pre-Filing D&O Claim(s).

(B) Restructuring Period Claims

29. **THIS COURT ORDERS** that, upon becoming aware of a circumstance giving rise to a potential Restructuring Period Claim or Restructuring Period D&O Claim after the mailings contemplated in paragraphs 15 and 17 are completed, the Monitor, in consultation with the Nordstrom Canada Entities, shall send the Negative Notice Claims Package or General Claims Package, as appropriate, to the Claimant in respect of such Restructuring Period Claim or Restructuring Period D&O Claim in the manner provided for herein.

30. **THIS COURT ORDERS** that any Claimant that intends to assert a Restructuring Period Claim or a Restructuring Period D&O Claim that is not captured in a Statement of Negative Notice Claim or Employee Letter shall file a Proof of Claim or D&O Proof of Claim, as applicable, with the Monitor on or before the Restructuring Period Claims Bar Date. For the avoidance of doubt, a Proof of Claim or D&O Proof of Claim must be filed with the Monitor by every Claimant in respect of every Restructuring Period Claim and every Restructuring Period D&O Claim that is not captured in a Statement of Negative Notice Claim or Employee Letter, regardless of whether or not a legal proceeding in respect of such Restructuring Period Claim or Restructuring Period D&O Claim has been previously commenced.

31. **THIS COURT ORDERS** that any Claimant (other than any Negative Notice Claimant in respect of its Negative Notice Claim as set out in a Statement of Negative Notice Claim or referred to in a Employee Letter) that intends to assert a Restructuring Period Claim or Restructuring Period D&O Claim, that does not file a Proof of Claim or D&O Proof of Claim, as applicable, in accordance with paragraph 30 so that such Proof of Claim or D&O Proof of Claim is actually received by the Monitor on or before the Restructuring Period Claims Bar Date, or such later date as the Monitor, in consultation with the Nordstrom Canada Entities or the Directors and Officers or their counsel as applicable, may agree in writing or the Court may otherwise direct:

- (a) be and is hereby forever barred, estopped and enjoined from asserting or enforcing any such Restructuring Period Claim(s) or Restructuring Period D&O Claim(s) against the Nordstrom Canada Entities or the Directors and Officers, as applicable and all such Restructuring Period Claims or Restructuring Period D&O Claims shall be forever extinguished;

- (b) will not be permitted to vote at any Meeting on account of such Restructuring Period Claim(s) or Restructuring Period D&O Claim(s);
- (c) will not be entitled to receive further notice with respect to the Claims Process or these proceedings with respect to such Restructuring Period Claim(s) or Restructuring Period D&O Claim(s); and
- (d) will not be permitted to participate in any distribution under any Plan or otherwise on account of such Restructuring Period Claim(s) or Restructuring Period D&O Claim(s).

32. **THIS COURT ORDERS** that the provisions of paragraphs 27 to 31 and 46 to 50 herein shall not apply to Intercompany Claims.

33. **THIS COURT ORDERS** that, notwithstanding anything to the contrary herein, a Proof of Claim filed by a Landlord (but not a D&O Proof of Claim filed by a Landlord) may consist of a claim setting out in summary form its known or estimated damages, losses and claims in order to facilitate further discussions among the Nordstrom Canada Entities, the Monitor, and such Landlord with a view to settling the claims of such Landlord. If such discussions are not successful and any such claim is contested, in full or in part in the Claims Process, such Landlord shall be permitted, on not less than 45 days' written notice from the Monitor, to file a further or amended definitive Proof of Claim (including, in so doing, to provide affidavit or expert evidence to support its claim).

(C) Adjudication and Resolution of Claims Other than Intercompany Claims

34. **THIS COURT ORDERS** that paragraphs 35 to 43 and paragraphs 46 to 50 herein shall not apply to the adjudication of Intercompany Claims.

35. **THIS COURT ORDERS** that the Monitor shall make reasonable efforts to promptly deliver a copy of any D&O Proofs of Claim, Notices of Revision or Disallowance with respect to any D&O Claim, and Notices of Dispute of Revision or Disallowance with respect to any D&O Claim, to the applicable Directors and Officers named therein and/or their counsel.

36. **THIS COURT ORDERS** that: (a) the Nordstrom Canada Entities, in consultation with the Monitor, shall accept, revise or reject each Claim set out in each Proof of Claim for voting and/or distribution purposes, and (b) with respect to a D&O Claim set out in a D&O Proof of Claim, the Nordstrom Canada Entities, in consultation and with the consent of the Monitor, the applicable Directors and Officers named in respect of such D&O Claim and/or their counsel, shall accept, revise or reject such D&O Claim, provided that the Nordstrom Canada Entities shall not accept or revise any portion of a D&O Claim absent consent of the applicable Directors and Officers (which may be communicated by their counsel) or further Order of the Court.

37. **THIS COURT ORDERS** that, if the Nordstrom Canada Entities, in consultation with the Monitor (and with the consent of the Monitor in respect of any D&O Claim), agree with the amount and Characterization of the Claim as set out in any Proof of Claim or D&O Proof of Claim filed in accordance with paragraphs 27 or 30 herein and intend to accept the Claim in accordance with paragraph 36, the Monitor shall notify such Claimant of the acceptance of its Claim by the Nordstrom Canada Entities.

38. **THIS COURT ORDERS** that, if the Nordstrom Canada Entities, in consultation with the Monitor (and with the consent of the Monitor in respect of any D&O Claim), disagree with the amount or Characterization of the Claim as set out in any Proof of Claim or D&O Proof of Claim filed in accordance with paragraphs 27 or 30 herein, the Nordstrom Canada Entities shall, in consultation with the Monitor and any applicable Directors or Officers and/or their counsel,

attempt to resolve such dispute and settle the purported Claim with the Claimant for voting and/or distribution purposes.

39. **THIS COURT ORDERS** that, if the Nordstrom Canada Entities, in consultation with the Monitor, intend to revise or reject a Claim that has been filed in accordance with paragraphs 27 or 30 herein for voting and/or distribution purposes, the Monitor shall notify the applicable Claimant that its Claim has been revised or rejected for voting and/or distribution purposes, and the reasons therefor, by sending a Notice of Revision or Disallowance to the Claimant.

40. **THIS COURT ORDERS** that any Claimant who intends to dispute a Notice of Revision or Disallowance sent pursuant to paragraph 39 above with respect to a Claim for voting and/or distribution purposes shall deliver a completed Notice of Dispute of Revision or Disallowance, along with the reasons for its dispute, to the Monitor in accordance with paragraph 56 by no later than thirty (30) days after the date on which the Claimant is deemed to have received the Notice of Revision or Disallowance, or such other date as may be agreed to by the Monitor, in consultation with the Nordstrom Canada Entities, in writing.

41. **THIS COURT ORDERS** that, where a Claimant who receives a Notice of Revision or Disallowance does not file a completed Notice of Dispute of Revision or Disallowance by the time set out in paragraph 40, then such Claimant's Claim for voting and distribution purposes shall be deemed to be as determined in the Notice of Revision or Disallowance and any and all of the Claimant's rights to dispute the Claim as determined in the Notice of Revision or Disallowance or to otherwise assert or pursue such Claim other than as determined in the Notice of Revision or Disallowance for voting and/or distribution purposes shall be forever extinguished and barred without further act or notification.

42. **THIS COURT ORDERS** that upon receipt of a Notice of Dispute of Revision or Disallowance in respect of a Claim, the Nordstrom Canada Entities, in consultation with the Monitor (and with the consent of the Monitor in respect of any D&O Claim) and any applicable Directors or Officers and/or their counsel, shall attempt to resolve such dispute and settle the purported Claim with the Claimant, and in the event that a dispute raised in a Notice of Dispute of Revision or Disallowance is not settled within a time period or in a manner satisfactory to the Nordstrom Canada Entities and any applicable Directors or Officers, the Nordstrom Canada Entities shall, at their election and in consultation with the Monitor (and with the consent of the Monitor in respect of any D&O Claim), refer the dispute raised in the Notice of Dispute of Revision or Disallowance to a Claims Officer or the Court for adjudication, and the Monitor shall send written notice of such referral to the Claimant.

43. **THIS COURT ORDERS** that notwithstanding any other provisions of this Order, the Nordstrom Canada Entities, in consultation with the Monitor (and with the consent of the Monitor in respect of any D&O Claim) and any applicable Directors or Officers and/or their counsel, may, at their election, refer any Claim to a Claims Officer or the Court for adjudication at any time, and the Monitor shall send written notice of such referral to the applicable parties.

INTERCOMPANY CLAIMS

44. **THIS COURT ORDERS** that the Monitor shall prepare a report to be served on the Service List and filed with the Court detailing its review of all Intercompany Claims identified by the Monitor and assessing in detail with reasonably sufficient particulars and analysis the amount and Characterization of such Claims (the "**Monitor's Intercompany Claims Report**"). The Monitor's Intercompany Claims Report shall be served on or before the Claims Bar Date and shall contain a recommendation with respect to the next steps to be taken, if any, with respect to the

determination and adjudication of Intercompany Claims. Nothing in the Monitor's Intercompany Claims Report shall bind the Court with respect to its determination of the Intercompany Claims as the Court sees fit, including without limitation, the validity, priority, enforceability or quantum of such Intercompany Claims.

45. **THIS COURT ORDERS** that each Intercompany Claim identified in the Monitor's Intercompany Claims Report shall be deemed to have been properly submitted through a Proof of Claim in respect of such Intercompany Claim as if such Claim was a Pre-Filing Claim or Restructuring Period Claim, as applicable, in accordance with the requirements of this Order. An Intercompany Claim identified in the Monitor's Intercompany Claims Report shall not be accepted or deemed to be accepted by the Nordstrom Canada Entities or the Monitor unless and until such Intercompany Claim has been approved by this Court upon a motion on notice to the Service List.

CLAIMS OFFICER

46. **THIS COURT ORDERS** that the Hon. Mr. Dennis O'Connor, K.C. and Mr. Kevin McElcheran, and such other Persons as may be appointed by the Court from time to time on a motion by the Nordstrom Canada Entities or the Monitor, be and are hereby appointed as the Claims Officers for the Claims Process.

47. **THIS COURT ORDERS** that the decision as to whether a disputed Claim should be adjudicated by the Court or a Claims Officer shall be in the discretion of the Nordstrom Canada Entities, in consultation with the Monitor.

48. **THIS COURT ORDERS** that, where a disputed Claim has been referred to a Claims Officer, the Claims Officer shall determine the amount (if any) and Characterization of such disputed Claim in accordance with this Order and, to the extent necessary, may determine whether

any Claim or part thereof constitutes an Excluded Claim, and shall provide written reasons. Where a disputed Claim has been referred to a Claims Officer, the Claims Officer shall determine all procedural matters which may arise in respect of his or her determination of these matters, including any participation rights for any stakeholder and the manner in which any evidence may be adduced, subject to paragraph 8 as it relates to evidence permitted to be filed by a Landlord following the Claims Bar Date. The Claims Officer shall have the discretion to mediate any dispute that is referred to such Claims Officer at its election. The Claims Officer shall also have the discretion to determine by whom and to what extent the costs of any hearing or mediation before a Claims Officer shall be paid.

49. **THIS COURT ORDERS** that the Monitor, the Claimant, the applicable Nordstrom Canada Entity and/or, in respect of any D&O Claim, the relevant Directors or Officers, may, within ten (10) days of such party receiving notice of a Claims Officer's determination of the amount and Characterization of a Claimant's Claim or any other matter determined by the Claims Officer in accordance with paragraph 48, appeal such determination to the Court by filing a notice of appeal, and the appeal shall be initially returnable for scheduling purposes within ten (10) days of filing such notice of appeal.

50. **THIS COURT ORDERS** that, if no party appeals any determination of any Claims Officer within the time set out in paragraph 49 above, the decision of the Claims Officer in determining the amount and Characterization of the Claimant's Claim or any other matter determined by the Claims Officer in accordance with paragraph 48 shall be final and binding upon the applicable Nordstrom Canada Entity, the applicable Directors and Officers in respect of any D&O Claim, the Monitor, and the Claimant, and there shall be no further right of appeal, review or recourse to the Court from the final determination of the Claims Officer.

NOTICE TO TRANSFEREES

51. **THIS COURT ORDERS** that from the date of this Order until seven (7) days prior to the first distribution in the CCAA Proceedings or any other proceeding, including a bankruptcy, to the extent required, leave is hereby granted to permit a Claimant to provide to the Monitor notice of assignment or transfer of a Claim to any third party.

52. **THIS COURT ORDERS** that, subject to the terms of any subsequent Order of this Court, if the holder of a Claim transfers or assigns its Claim to another Person in accordance with paragraph 51, none of the Monitor nor any of the Nordstrom Canada Entities shall be obligated to give notice to or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until written notice of such transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received by the Monitor and acknowledged by the Nordstrom Canada Entities or the Monitor in writing and thereafter such transferee or assignee shall, for the purposes hereof, constitute the "Claimant" in respect of such Claim and the Nordstrom Canada Entities and the Monitor shall thereafter only be required to deal with such transferee or assignee and not the original Claimant. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken or not taken in respect of such Claim in accordance with this Order prior to receipt by the Monitor and written acknowledgement by the Nordstrom Canada Entities or the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which the Nordstrom Canada Entities and/or the applicable Directors and Officers may be entitled with respect to such Claim. A transferee or assignee of a Claim shall not be entitled to set-off, apply, merge, consolidate or combine any Claim assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to any of the Nordstrom Canada Entities or the applicable Directors and Officers.

53. **THIS COURT ORDERS** that no transfer or assignment shall be effective for voting and/or distribution purposes at any Meeting unless sufficient notice and evidence of such transfer or assignment has been received by the Monitor no later than 5:00 p.m. on the date that is seven (7) days prior to the date fixed by the Court for any Meeting, failing which the original Claimant shall have all applicable rights as the "Claimant" with respect to such Claim as if no transfer or assignment of the Claim had occurred.

STAY EXTENSION

54. **THIS COURT ORDERS** that (a) the Stay Period is hereby extended until and including September 29, 2023; and (b) the stay of proceedings granted in favour of Nordstrom US pursuant to paragraph 17 of the Initial Order is hereby extended until and including September 29, 2023.

SERVICE AND NOTICE

55. **THIS COURT ORDERS** that the Nordstrom Canada Entities and the Monitor may, unless otherwise specified by this Order, serve and deliver or cause to be served and delivered the Negative Notice Claims Packages, the General Claims Packages, and any letters, notices or other documents, to the appropriate Claimants or any other interested Persons by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or email to such Persons at the physical or electronic address, as applicable, shown on the books and records of the Nordstrom Canada Entities or, where applicable, as set out in such Claimant's Proof of Claim, D&O Proof of Claim or Notice of Dispute of Negative Notice Claim. Any such service and delivery shall be deemed to have been received: (a) if sent by ordinary mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario), and the tenth Business Day after mailing internationally, (b) if sent by courier or personal delivery, on the next Business Day following dispatch, and (c) if delivered by email by 5:00 p.m. on a Business

Day, on such Business Day, and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

56. **THIS COURT ORDERS** that any notice or communication required to be provided or delivered by a Claimant to the Monitor under this Order shall, unless otherwise specified in this Order, be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if delivered by prepaid ordinary mail, registered mail, courier, personal delivery or email addressed to:

Alvarez & Marsal Canada Inc.,
in its capacity as Court-appointed Monitor of the Nordstrom Canada Entities
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON, M5J 2J1
Canada

Attention: Nordstrom Canada Monitor

Email: NordstromCanada@alvarezandmarsal.com

Any such notice or communication delivered by a Claimant shall be deemed received upon actual receipt by the Monitor thereof during normal business hours on a Business Day, or if delivered outside of normal business hours, the next Business Day.

57. **THIS COURT ORDERS** that if, during any period during which notices or other communications are being given pursuant to this Order, a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary or registered mail and then not received shall not be effective, and all notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or email in

accordance with this Order, in each case unless otherwise determined by the Monitor, in its reasonable discretion and in consultation with the Nordstrom Canada Entities.

MISCELLANEOUS

58. **THIS COURT ORDERS AND DECLARES** that the Liquidation Sale Approval Order of the Honourable Chief Justice Morawetz dated March 20, 2023 in the CCAA Proceedings and the sale guidelines attached as Schedule "A" thereto, are hereby amended such that the "Consultant" shall be defined as "Hilco Merchant Retail Solutions ULC, Gordon Brothers Canada ULC, Tiger Asset Solutions Canada, ULC, and B. Riley Retail Canada, ULC".

59. **THIS COURT ORDERS** that the Nordstrom Canada Entities or the Monitor may from time to time apply to this Court to extend the time for any action which the Nordstrom Canada Entities or the Monitor are required to take if reasonably required to carry out their respective duties and obligations pursuant to this Order and for advice and directions concerning the discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

60. **THIS COURT ORDERS** that nothing in this Order shall prejudice the rights and remedies of any Directors or Officers or other Persons under the Directors' Charge or any applicable insurance policy or prevent or bar any Person from seeking recourse against or payment from the Nordstrom Canada Entities' insurance or any Director's or Officer's liability insurance policy or policies that exist to protect or indemnify the Directors or Officers or other Persons, whether such recourse or payment is sought directly by the Person asserting a Claim from the insurer or derivatively through the Director or Officer or any Nordstrom Canada Entity; provided, however, that nothing in this Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Order limit, remove, modify or alter any defence to such Claim

available to the insurer pursuant to the provisions of any insurance policy or at law; and further provided that any Claim or portion thereof for which the Person receives payment directly from, or confirmation that he or she is covered by, the Nordstrom Canada Entities' insurance or any Director's or Officer's liability insurance or other liability insurance policy or policies that exist to protect or indemnify the Directors or Officers or other Persons shall not be recoverable as against a Nordstrom Canada Entity or Director or Officer, as applicable.

61. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body or agency having jurisdiction in Canada or in the United States of America, or in any other foreign jurisdiction, to give effect to this Order and to assist the Nordstrom Canada Entities, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies and agencies are hereby respectfully requested to make such orders and to provide such assistance to the Nordstrom Canada Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Nordstrom Canada Entities and the Monitor and their respective agents in carrying out the terms of this Order.


Chief Justice Geoffrey B. Morawetz

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

Court File No: CV-23-00695619-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **NORDSTROM
CANADA RETAIL, INC., NORDSTROM CANADA HOLDINGS, LLC** and **NORDSTROM CANADA
HOLDINGS II, LLC**

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD OF THE APPLICANTS VOLUME 1
(MOTION FOR STAY EXTENSION)

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

Jeremy Dacks (LSO# 41851R)

Tel: 416.862.4923
Email: jdacks@osler.com

Martino Calvaruso (LSO# 57359Q)

Tel: 416.862.5960
Email: mcalvaruso@osler.com

Marleigh Dick (LSO# 79390S)

Tel: 416.862.4725
Email: mdick@osler.com

Lawyers for the Applicants