

Court File No. BK-24-03050418-0031
Estate /Court File No. BK-31-3050418

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF THE BODY SHOP CANADA LIMITED, IN THE
CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

**MOTION RECORD OF
THE BODY SHOP CANADA LIMITED
(MOTION RETURNABLE JULY 5, 2024)**

June 24, 2024

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TO: THE SERVICE LIST

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OF ONTARIO

**NOTICE OF MOTION
(Returnable July 5, 2024)**

THE BODY SHOP CANADA (“**TBS Canada**” or the “**Company**”) will make a motion to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on July 5, 2024, at 10:00 am or as soon thereafter as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard (*choose appropriate option*)

- ☐ In writing under subrule 37.12.1(1) because it is ;
- ☐ In writing as an opposed motion under subrule 37.12.1(4);
- ☐ In person;
- ☐ By telephone conference;
- ☒ By video conference.

at the following location:

THE MOTION IS FOR

1. An Order (the “**Initial Order**”), in substantially the form attached at Tab 3 of this Motion Record that, among other things:

- (a) declares that TBS Canada is a company to which the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) applies;
- (b) authorizes the continuation under the CCAA of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) proposal proceedings commenced on March 1, 2024, pursuant to the Notice of Intention to Make a Proposal filed by TBS Canada (the “**NOI**”);
- (c) appoints Alvarez & Marsal Canada Inc. (“**A&M**” or in such capacity, the “**Monitor**”) an officer of this Court to monitor the business and financial affairs of TBS Canada;
- (d) provides for a stay of proceedings in respect of TBS Canada up to and including October 8, 2024 (the “**Stay Period**”);
- (e) continues the Administration Charge (as defined below);
- (f) declares that the directors and officers of TBS Canada shall be indemnified for obligations and liabilities that they may incur in their capacity as directors or officers after the commencement of these proceedings;
- (g) continues the D&O Charge (as defined below);

- (h) approves an amendment to the KERP (defined below) and continues the KERP Charge (defined below); and
- 2. An Order (the “**Sale Process Order**”) substantially in the form attached at Tab 5 of this Motion Record approving the sale and investor solicitation process (the “**Sale Process**”) to identify one or more financiers, purchasers of and/or investors in the Company, the Business and/or Assets (each as defined in the Sale Process);
- 3. An Order (the “**Discharge and Termination Order**”), substantially in the form attached at Tab 6 of this Motion Record that, among other things:
 - (a) approves the activities and conduct of A&M in its capacity as proposal trustee (in such capacity, the “**Proposal Trustee**”) as set out in the Fifth Report of the Proposal Trustee and report of the proposed Monitor (the “**Report**”);
 - (b) approves the fees and disbursements of Proposal Trustee and its legal counsel, as described in the Report;
 - (c) discharges A&M as the Proposal Trustee upon the filing of a certificate and terminates these NOI Proceedings (defined below);
 - (d) provides for a release of the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Company from all claims, liabilities and obligations of any kind based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of the proposed Discharge and Termination Order in any way

relating to the NOI Proceeding or with respect to their conduct in the NOI Proceeding, other than any claim or liability arising out of gross negligence or wilful misconduct;

- (e) strictly, in the alternative, an Order extending the period within which TBS Canada must file a proposal from July 12, 2024 up to and including August 26, 2024, pursuant to section 50.4(9) of the BIA; and

- 4. Such further and other relief as this Court may deem just and equitable.

THE GROUNDS FOR THE MOTION are as follows:

Background and Overview

5. The material facts, including TBS Canada's corporate history and structure, operations and assets, creditors, financial position, and recent pre-filing marketing efforts are set forth in detail in the Affidavit of Jordan Seale sworn June 24, 2024 (the "**Searle Affidavit**").

6. TBS Canada is a retailer specializing in the sale of skincare, haircare, bath and body products with 72 stores across Canada. The Company also has a U.S. affiliate – Buth-Na-Bodhaige Inc. ("**TBS US**"). TBS Canada and TBS US are indirect wholly owned subsidiaries of The Body Shop International Limited ("**TBS International**" or the "**UK Parent**"), which is indirectly owned by Aurelius IV UK Acquico Eight Limited.

7. TBS Canada historically relied on the UK Parent for a variety of shared services integral to their operations. Among other things, TBS International licenses the Company the right to use "The Body Shop" brand in Canada and supplies TBS Canada with all of

its inventory. These services are compensated through a cash management and pooling arrangement.

8. The Company found itself in a liquidity crisis when TBS International unexpectedly filed for administration on February 13, 2024 (the “**UK Administration**”), and funding for TBS Canada was cut off with no advance notice. Specifically, the failure of the UK Parent to remit amounts owing to TBS Canada's creditors after it had swept the Company's bank accounts resulted in a severe liquidity crisis for TBS Canada.

9. TBS Canada filed an NOI on March 1, 2024 (the proceedings commenced by such filing, being the “**NOI Proceedings**”). A&M was appointed as the Proposal Trustee in the NOI Proceedings.

10. TBS Canada's restructuring efforts since March 1, 2024 (the “**NOI Filing Date**”) have focused on: (a) improving its liquidity position; and (b) pursuing a going-concern solution for the business in Canada, including through a Sale Process (defined below) whereby the Company is soliciting parties that may be interested in acquiring the Company, its business or assets.

11. There is currently a sale process underway in respect of the UK Parent in the UK Administration (the “**UK Sale Process**”). Given the highly integrated nature of the operations of TBS International and TBS Canada, any going-concern solution for the Company is heavily reliant on the outcome of the UK Sale Process.

12. If not for the stay of proceedings afforded by the BIA, the Company would not have sufficient funds to satisfy its liabilities and continue its operations. TBS Canada cannot meet its obligations as they generally become due and is therefore insolvent.

13. The CCAA offers the most flexibility for the Company to reorganize its business. If certain deadlines are not met, or if the creditors reject a BIA proposal from the Company, the NOI Proceedings will automatically transition into bankruptcy.

14. TBS Canada requires the protections afforded under the CCAA in order to: (i) maintain the *status quo*; (ii) obtain the breathing room required in order for the Company to allow for the UK Sale Process to conclude: and (iii) continue its Sale Process in an effort to maximize value for the benefit of its stakeholders.

Financial Situation of the Applicant

15. As of May 31, 2024, the Company has liabilities with a book value of approximately \$25 million and cannot meet its obligations generally as they become due.

16. TBS Canada is therefore insolvent.

Creditors

17. The following parties have security registrations against TBS Canada:

- (a) Enterprise Fleet Management Canada, Inc. (the “**Enterprise Security**”);
- (b) HSBC Bank Canada and HongKong Bank of Canada (the “**RBC Registrations**”); and
- (c) Aurelius IV UK Acquico Seven Limited (the “**Aurelius Security**”).

18. The Enterprise Security relates to corporate vehicles that are leased by the Company for certain of its employees. The Aurelius Security is in the process of being released. The Company does not owe any amounts in respect of the RBC Registrations.

19. The Company's liabilities of \$25 million (book value) consist of trade payables, intercompany payables, non-current liabilities, and accrued and other liabilities, including amounts owing to the Company's former employees, landlords and trade creditors.

Relief Sought

Continuation Under the CCAA

20. TBS Canada seeks to continue the NOI Proceedings under the CCAA pursuant to section 11.6 of the CCAA. The CCAA is the best forum for these insolvency proceedings and presents the best possible chance of maximizing value for all stakeholders of TBS Canada.

21. TBS Canada is a federally incorporated corporation with liabilities in excess of \$5 million.

22. The Proposal Trustee supports TBS Canada's motion to continue the NOI Proceeding under the CCAA.

23. The proposed Monitor has consented to act as Monitor in the CCAA proceedings.

Objective of the CCAA Proceeding

24. TBS Canada requires the stay of proceeding and other protections afforded under the CCAA in order to maintain the *status quo* and obtain the breathing room required to

complete its Sale Process and maintain its going concern value in an effort to maximize value for its stakeholders.

Stay

25. The Company is seeking a stay of proceedings until October 8, 2024.

26. TBS Canada, with the assistance of the Proposed Monitor, has prepared a 13-week cash flow forecast for the period ending October 11, 2024 that demonstrates that the Company will have sufficient liquidity to meet its obligations during the requested stay.

Priority Charges

27. TBS Canada is seeking the continuation of the following Court-ordered charges granted in the NOI Proceeding (collectively, the “**Charges**”) as part of the relief by the Initial Order, in the following priority:

- (a) **First:** a charge up to a maximum amount of \$700,000 to secure the fees and disbursements of the professional advisors of the Company, the Monitor and its counsel (the “**Administration Charge**”);
- (b) **Second:** a charge up to a maximum amount of \$2,100,000 in favour of the Company’s director and officers (the “**D&O Charge**”). TBS Canada is seeking to have the D&O Charge continue in the CCAA proceeding to indemnify its director and officers in respect of liabilities they may incur during the CCAA proceedings;

- (c) **Third:** a charge up to the maximum amount of \$315,000 to secure amounts owing to certain employees and contractors of TBS Canada who are the beneficiaries of a key employee retention plan, as amended, and whose ongoing engagement with the Company is critical to its ability to successfully pursue a going concern transaction (the “**KERP Charge**”).

28. The Charges will rank behind the Enterprise Security but ahead of the Aurelius Security and RBC Registrations.

The Sale Process

29. The proposed Sale Process will enable TBS Canada to market its business and assets effectively to maximize returns for its stakeholders.

30. The Sale Process is designed to be flexible. The Company, with the assistance of the proposed Monitor, will solicit interested parties that wish to make a binding proposal to acquire the Company, TBS Canada’s business or all or substantially all or any part of the Company’s assets.

31. The deadline for submitting bids in the Sale Process will be established once a purchaser for the assets of the UK Parent has been identified in the UK Sale Process.

Discharge and Termination Order

32. TBS Canada is requesting approval of the Proposal Trustee’s fees and activities and the fees of its counsel, as set out in the Report.

33. The Company is also seeking to discharge the Proposal Trustee and terminate these NOI proceedings if the Initial Order is granted.

34. The proposed Discharge and Termination Order provides for a release of the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Company from all claims, liabilities and obligations of any kind based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of the proposed Discharge and Termination Order in any way relating to this NOI Proceeding or with respect to their conduct in the NOI Proceeding, other than any claim or liability arising out of gross negligence or wilful misconduct on the part of the Released Parties.

35. Strictly in the alternative, if this Court does not grant the proposed Initial Order at this time, TBS Canada seeks an extension of the stay period under the NOI Proceedings and up to and including August 26, 2024.

Statutory Regime Relied On

36. The provisions of the BIA, including section 50.4(9), and the statutory, inherent and equitable jurisdiction of this Court.

37. The provisions of the CCAA, including sections 2(1), 3(1), 10(2), 11.02, 11.6, 11.7, 11.51, 11.52 and the statutory, inherent and equitable jurisdiction of this Court.

38. Rules 1.04, 2.03, 3.02, 16.04 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and section 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended.

39. Such further grounds as counsel may advise.

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

- (a) the Searle Affidavit, and the Exhibits thereto;
- (b) the Report;
- (c) the Consent of A&M to act as Monitor in the CCAA proceedings;
- (d) such further and other evidence as counsel may advise and this Court may permit.

June 24, 2024

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Proceeding commenced at Toronto

**NOTICE OF MOTION
THE BODY SHOP CANADA LIMITED**

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**AFFIDAVIT #5 OF JORDAN SEARLE
Sworn June 24, 2024**

I, Jordan Searle, of the City of Toronto, in the Province of Ontario, MAKE
OATH AND SAY:

1. I am the General Manager, North America and the sole director of The Body Shop Canada Limited ("**TBS Canada**" or the "**Company**"). I have been the General Manager since February 10, 2023. I am also a former officer and director of TBS Canada's U.S. affiliate, Buth-Na-Bodhaige Inc. ("**TBS US**"). I have been actively engaged in the discussions and negotiations surrounding the financial circumstances of TBS Canada since prior to the commencement of these proceedings. As such I have personal knowledge of the matters referred to in this Affidavit. Where I have relied upon other sources of information, I have stated the source of that information and verily believe such information to be true.

2. On March 1, 2024 (the “**NOI Filing Date**”), TBS Canada filed a notice of intention to make a proposal (the “**NOI**”) under the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the “**BIA**”). Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed to act as the proposal trustee (the “**Proposal Trustee**”).

3. This Affidavit is sworn in support of TBS Canada’s application for:

- (a) an order (the “**Initial Order**”), among other things:
 - (i) converting the NOI proceeding to a proceeding under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;
 - (ii) appointing A&M as the Court-appointed monitor of TBS Canada (in such capacity, the “**Monitor**”);
 - (iii) providing for a stay of proceedings in respect of TBS Canada up to and including October 8, 2024;
 - (iv) continuing the Administration Charge (defined below);
 - (v) approving an indemnity by TBS Canada in favour of its director and officers for any liability that may be incurred after the commencement of this proceeding and continuing the D&O Charge (defined below);and

- (vi) amending the KERP (defined below), continuing the KERP Charge (defined below) and other employee matters;
- (b) an order (the “**Sale Process Order**”), that, among other things, approves a sale process to identify one or more purchasers of the Company, its business or its assets; and
- (c) an order (the “**Discharge and Termination Order**”), among other things:
 - (i) approving the activities and conduct of the Proposal Trustee as set out in the Fifth Report of the Proposal Trustee and report of the proposed Monitor filed in connection with this motion (the “**Report**”);
 - (ii) approving the fees and disbursements of Proposal Trustee and its legal counsel, as described in the Report;
 - (iii) discharging A&M as the Proposal Trustee and terminating these NOI proceedings;
 - (iv) releasing the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Company from all claims, liabilities and obligations of any kind based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of the proposed Discharge and Termination Order in any way relating to these NOI proceedings or with respect to their

conduct in the NOI proceedings, other than any claim or liability arising out of gross negligence or wilful misconduct; and

- (v) strictly, in the alternative, an Order extending the period within which TBS Canada must file a proposal from July 12, 2024 up to and including August 26, 2024, pursuant to section 50.4(9) of the BIA.

BACKGROUND AND OVERVIEW

(i) Events Leading up to the Filing of the NOI

4. On February 13, 2024, The Body Shop International Limited (“**TBS International**” or the “**UK Parent**”) filed for administration (the “**UK Administration**”) in the United Kingdom, which I understand is the dominant legal procedure for restructuring insolvent companies in England and Wales. Tony Wright, Geoff Rowley and Alastair Massey of FRP Advisory were appointed as joint administrators of the UK Parent (collectively, the “**UK Administrator**”).

5. TBS Canada and TBS US are wholly owned subsidiaries of TBS International and have historically relied on the UK Parent for a variety of shared services integral to their operations. The UK Parent managed the shared services through a cash management and pooling system.

6. In Canada, TBS Canada’s funds were deposited into TBS Canada’s bank accounts, collected by TBS International in the UK, and then used by TBS International

to pay TBS Canada's payables as well as intercompany expenses, including for inventory and other shared services, at the direction of the Company.

7. In the weeks leading up to the UK Administration, the UK Parent swept cash from the Company but failed to remit payment for amounts owing to TBS Canada's vendors, suppliers and landlords. This caused an immediate liquidity crisis for TBS Canada, as all funding for the Company and its Canadian operations was cut off with no advance notice.

8. TBS Canada urgently required a stay of proceedings to give it the breathing room needed to review and advance its restructuring options. As a result, the Company filed the NOI on March 1, 2024 (the "**NOI Filing Date**").

9. TBS US was similarly faced with a liquidity crisis and commenced proceedings under chapter 7 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York (the "**Chapter 7 Proceedings**") on March 8, 2024. Mr. Kenneth Silverman from Rimon P.C. has been appointed as the trustee for TBS US in the Chapter 7 Proceedings (the "**Chapter 7 Trustee**").

10. Since the NOI Filing Date, TBS Canada has acted in good faith and made diligent efforts to pursue a going-concern solution for the continuation of "The Body Shop" business in Canada but those efforts were predicated on the UK Parent restructuring its business in the UK Administration.

11. As more particularly described herein, the UK Administrator has determined that a restructuring of TBS International is not possible. The UK Administrator is now pursuing a sale of the business and assets of the UK Parent.

12. The future structure of TBS Canada, including whether it will remain a subsidiary of the UK Parent post-sale, remains uncertain. Despite this, there appears to be significant interest from potential buyers in continuing the Canadian operation.

13. Since the NOI Filing Date, TBS Canada, with the assistance of the Proposal Trustee, has been pursuing a going-concern solution for the Company. In light of recent developments in the UK Administration, TBS Canada is not confident it will have the time needed to pursue potential going-concern solutions and complete negotiations with potential buyers in the context of this NOI proceeding.

14. A CCAA proceeding will allow the Company to continue to operate and provide it with the time and flexibility needed to continue efforts to sell TBS Canada, or its business and assets, through a Court-approved sale process.

15. The remainder of this Affidavit addresses TBS Canada's financial circumstances and the relief sought. A table of contents in respect of the remainder of this Affidavit is set out below.

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PART I – TBS CANADA’S FINANCIAL CIRCUMSTANCES

A. OVERVIEW OF THE APPLICANT

(i) Corporate Structure

16. The Company and TBS US are wholly-owned subsidiaries of TBS International. TBS International is owned by Natura (Brasil) International B.V. (“**Natura**”), which is owned by Aurelius IV UK Acquico Eight Ltd. (“**Aurelius Purchaser**”). The shares of Natura (and indirectly TBS International) were acquired by Aurelius Purchaser on or about December 2023.

17. TBS International and all of its foreign subsidiaries are ultimately owned by Aurelius Investment Lux One SARL (together with Aurelius Purchaser and Aurelius Seven (defined below) “**Aurelius**”). A copy of The Body Shop’s global organizational chart is attached to my Affidavit as **Exhibit “A”**.

(ii) The Business of TBS Canada

18. TBS Canada is a federally incorporated corporation, specializing in the sale of skincare, haircare, bath and body products. The Company’s merchandise is marketed under “The Body Shop” brand, which has enjoyed a reputation for offering naturally and ethically sourced beauty products.

Leases

19. TBS Canada does not own any real property. TBS Canada currently operates its retail business in 72 leased stores across Canada (other than Quebec and the Territories).¹ As at July 1, 2024, the Company will operate 71 retail stores because TBS Canada's retail in location in Chinook, British Columbia, is closing at the end of June. The closure of this store is occurring in the ordinary course as the lease for the location has come to an end. TBS Canada also holds leases for storage areas adjacent to certain of its stores and for its head office located in Toronto.

20. The Company's registered head office is located at 1 Yorkdale Road, Suite 510, Toronto, Ontario. The majority of the Company's stores are located in Ontario. A breakdown of TBS Canada's stores by Province as of July 1, 2024 is set out below:

Stores by Province	
Ontario	35
British Columbia	14
Alberta	11
Manitoba	4
Nova Scotia	3
Saskatchewan	1
New Brunswick	1
Prince Edward Island	1
Newfoundland	1
TOTAL	71

¹ On the NOI Filing Date, the Company operated 105 stores but has closed 33 of its stores as part of its restructuring efforts.

E-Commerce and Wholesale

21. TBS Canada's website is accessible at: <https://www.thebodyshop.com/en-ca/>.

The Company stopped fulfilling online orders on the NOI Filing Date.

22. TBS Canada also operates a wholesale business whereby it sells products direct to certain retailers (e.g. Shoppers Drug Mart).

Employees

23. TBS Canada currently employs approximately 570 individuals in Canada and has engaged approximately 30 independent contractors in the United States.² As of the NOI Filing Date, TBS Canada employed 784 individuals across Canada but the Company made certain headcount reductions as part of its restructuring efforts, which are more particularly described below.

24. TBS Canada is not party to a collective agreement. None of its employees are represented by a union or other employee association.

25. TBS Canada provides health benefits to its employees, but it does not provide or administer any pension plans or RRSP plans. TBS Canada has continued to pay the wages and benefits of its current employees in the ordinary course.

² The US-based independent contractors were formerly employed by TBS US. They provided shared services to TBS Canada and were deemed necessary to the ongoing operations of TBS Canada.

Gift Cards

26. Historically, TBS Canada's customers could purchase gift cards in-store, online or through other retail outlets, to be redeemed for merchandise in either the Company's brick-and-mortar stores or through its website. Following the NOI Filing Date, the Company stopped selling and honouring gift cards.

(iii) Merchandising and Supply

27. TBS Canada does not own "The Body Shop" brand or related intellectual property. TBS Canada has the right to purchase inventory and market and sell "The Body Shop" branded items pursuant to a Selective Master Distribution & Franchise Agreement between TBS Canada and TBS International and general terms and conditions which supplement such agreement (together, the "**Franchise Agreement**"). A copy of the Franchise Agreement and general terms and conditions are attached to my Affidavit as **Exhibit "B"**.

28. Under the Franchise Agreement, TBS Canada receives all of its inventory from the UK Parent for sale in its retail stores. Historically, TBS Canada would procure inventory from the UK Parent as follows:

- (a) the UK Parent shipped products designated for TBS Canada to TBS US, which held them at its distribution centre located in the United States (the "**US Distribution Centre**");

- (b) TBS US would then transport the inventory to the US-Canadian border, where it was picked up by third-party couriers on TBS Canada's behalf and shipped to the US-Canadian border;
- (c) under the Franchise Agreement, the UK Parent holds title to the inventory located in the US Distribution Centre until it is shipped to TBS Canada;
- (d) TBS Canada would receive invoices from TBS International to record the intercompany inventory transactions at a predetermined purchase price;
- (e) the inventory was "paid" for by TBS Canada through intercompany accounting between TBS Canada and TBS International, which is more particularly described below.

29. The UK Administration and the Chapter 7 Proceedings disrupted TBS Canada's ability to receive inventory from the US Distribution Centre in the ordinary course. TBS Canada, with the assistance of the Proposal Trustee, engaged with the Chapter 7 Trustee and UK Administrator and settled arrangements for TBS Canada to secure inventory during the NOI proceedings. As part of these efforts, TBS Canada has, among other things, (a) entered into a license arrangement with the Chapter 7 Trustee to allow TBS Canada to access inventory stored in the US Distribution Centre, (b) engaged certain former TBS US employees as independent contractors to operate the US Distribution Centre and pick and pack the Company's inventory orders, and (c) entered into transactions with the UK Administrator for the acquisition of inventory to replenish the Canadian store network.

30. As a result of these efforts, the Company is projected to have sufficient merchandise levels to continue operations into October 2024. TBS Canada, with the assistance of the Proposal Trustee, continues to hold discussions with the UK Administrators to procure additional inventory from the US Distribution Centre to support the Company's inventory needs for the remainder of the calendar year.

(iv) Shared Services, Cash Management and Intercompany Account

Shared Services

31. TBS International has historically been in full control of several functions of TBS Canada, including legal, accounting/finance, treasury, tax, human resources, payroll, information technology, real estate, marketing, procurement and logistic services (the “**Shared Services**”). The Shared Services are provided pursuant to an agreement for the provision of services by and between TBS International and TBS Canada dated November 16, 2016, a copy of which is attached to my Affidavit as **Exhibit “C”** (the “**Services Agreement**”).

32. TBS Canada is also party to a market supply and royalty letter with TBS International dated January 1, 2016, a copy of which is attached to my Affidavit as **Exhibit “D”** (the “**Market Supply Agreement**”). Under the Market Supply Agreement, the UK Parent implemented a transfer pricing policy that would, depending on TBS Canada's operating income, either (a) require the Company to pay a franchise fee for use of the

franchise system in operating “The Body Shop” stores in Canada, or (b) require the UK Parent to make payments to TBS Canada.

33. The costs and fees associated with inventory purchases from the UK Parent and the Shared Services are calculated monthly and recorded through TBS Canada’s intercompany ledger (the “**Intercompany Account**”), subject to adjustments in accordance with the Market Supply Agreement based on the operating income of the Company.

Cash Management System and Intercompany Account

34. By letter agreement dated September 21, 2015 (the “**Letter Agreement**”), TBS Canada authorized HSBC Bank Canada (which has now been acquired by the Royal Bank of Canada) to set up a process whereby TBS International was permitted to sweep the seven bank accounts held by TBS Canada (the “**Bank Accounts**”) daily and remit payments on behalf of TBS Canada (the “**Cash Pooling Arrangement**”).

35. TBS International and TBS Canada are parties to a financing agreement dated July 19, 2017 and an amendment thereto dated June 26, 2018 (collectively, the “**Financing Agreement**”). The Financing Agreement is attached to my Affidavit as **Exhibit “E”**.

36. The Letter Agreement, the Services Agreement and the Financing Agreement, taken together, (a) provide TBS International with the authority to make decisions regarding the operations and cash management of TBS Canada, and (b) provide TBS

International with full control over the Bank Accounts, including the authority to automatically sweep all cash held in the Bank Accounts and remit payments on behalf of TBS Canada.

37. The daily cash sweeps were recorded through the Intercompany Account, as an intercompany receivable for TBS Canada. The intercompany receivables were recorded through the following loan facilities that were established by the Financing Agreement between the UK Parent and TBS Canada: (a) revolving loan facilities made available by TBS International and the Company to each other (each, a “**Revolving Loan Facility**”), (b) an overdraft facility, pursuant to which TBS Canada had the ability to draw amounts from TBS International (“**Overdraft Facility**”), and (c) a deposit facility under which TBS Canada deposited amounts to be drawn (or swept) by the UK Parent (“**Deposit Facility**”).

38. Under the Services Agreement and Financing Agreement, the cash management system and Cash Pooling Arrangement were structured such that:

- (a) transfers would be made as required to or by TBS International from or to TBS Canada in an amount determined by TBS International. To the extent that funds were transferred from the Company to TBS International, it was recorded as a deposit under the Deposit Facility and to the extent that money was transferred from TBS International to TBS Canada, it was recorded as a loan under the Overdraft Facility; and

- (b) from time to time, the (i) aggregate amount of deposits were deemed as loans from the Company to TBS International under the relevant Revolving Loan Facility and (ii) the amount outstanding under the Overdraft Facility were deemed as loans from TBS International to the Company under the relevant Revolving Loan Facility. The effect of the designation of the deemed loans was to bring the balance on the Overdraft Facility and the Deposit Facility to zero.

39. If TBS Canada generated excess cash (i.e. the cash sweeps were greater than the cost of inventory and Shared Services), TBS Canada would be in a net receivable position for the given month.

40. On February 12, 2024, the Cash Pooling Arrangements were terminated by HSBC Bank Canada pursuant to the letter attached to my Affidavit as **Exhibit “F”**.

41. On March 4, 2024, this Court made an order in the NOI proceeding (the “**March 4 Order**”) that provided that HSBC Bank Canada (now Royal Bank of Canada (“**RBC**”)) was not permitted to transfer any funds out of the Bank Accounts, except with the prior written consent of the Company or the Proposal Trustee or leave of the Court. The March 4 Order is attached to my Affidavit as **Exhibit “G”**.

42. Certain individuals who are employed by TBS International retain signing authority on the Bank Accounts but their authority is restricted by the March 4 Order. As a result, the UK Parent is no longer permitted to sweep cash from the Bank Accounts but still

retains the authority to approve payments and disbursements from those accounts, at the direction of the Company. TBS Canada seeks a continuation of the protections in the March 4 Order in respect of the Bank Accounts in the Initial Order.

43. As more fully described in the Fourth Report of the Proposal Trustee, dated May 27, 2024, as at the commencement of the UK Administration (being February 13, 2024), TBS Canada was in an intercompany receivable position with the UK Parent in the amount of approximately \$44 million. On May 17, 2024, the Company submitted a proof of debt (the “**Proof of Debt**”) in the UK Administration setting out the Company’s claim. The Proof of Debt is attached to my Affidavit as **Exhibit “H”**.

B. FINANCIAL POSITION AND CASH FLOW

44. TBS Canada’s most recent balance sheet was prepared as of May 31, 2024, a copy of which is attached to this Affidavit as **Exhibit “I”**.

(i) Assets

45. As of May 31, 2024, TBS Canada had assets with a book value of approximately \$85.8 million consisting of the following:

- (a) approximately \$7.3 million in cash on hand;
- (b) approximately \$4.8 million in inventory;

- (c) approximately \$2.2 million in trade, miscellaneous and sales taxes receivables;
- (d) approximately \$53.9 million in intercompany receivables; and
- (e) approximately \$17.6 million in fixed and intangible assets.

(ii) Liabilities

46. As of May 31, 2024, TBS Canada liabilities with a book value of approximately \$25 million, consisting of the following:

- (a) approximately \$5.9 million in trade payables, including approximately \$4.0 million that relate to the period prior to the commencement of the NOI proceeding;
- (b) approximately \$11.9 million in intercompany payables;
- (c) approximately \$5.2 million in accrued and other liabilities, consisting of amounts relating to both the period prior to and after the commencement of the NOI proceeding, including certain amounts owing to the Company's former employees and landlords, each of which is described in greater detail below; and
- (d) approximately \$2.0 million in non-current liabilities, consisting of book value amounts primarily relating to the Company's leases.

C. STAKEHOLDERS

(i) Parties with Security Registrations

47. Attached as **Exhibit “J”** are the search results (the “**Searches**”) conducted against the Company under the personal property security regimes in each province and territory in Canada.

48. The Searches show the following parties have security registrations against TBS Canada: (a) Enterprise Fleet Management Canada, Inc. in the Provinces of British Columbia, Alberta, Nova Scotia and Ontario (the “**Enterprise Security**”), (b) in favour of HSBC Bank Canada and Hong Kong Bank of Canada (which have now been acquired by the Royal Bank of Canada) in Saskatchewan (collectively, the “**RBC Registrations**”), and (c) in favour of Aurelius IV UK Acquico Seven Limited (“**Aurelius Seven**”) in every province and territory in Canada (the “**Aurelius Security**”).

49. The Enterprise Security relates to corporate vehicles that are leased by the Company for certain of its employees. I am not aware of what the RBC Registrations relate to and I do not believe any amounts are owing to RBC in connection with the RBC Registrations.

50. As described above, the Aurelius Purchaser indirectly acquired all of the shares of TBS International in December 2023. In connection with that acquisition, Aurelius Seven entered into a loan agreement (the “**Aurelius Loan Agreement**”) with TBS International,

pursuant to which GBP £2,720,741.98 was made available to TBS International on a secured basis to assist with the funding of the acquisition of the UK Parent.

51. The obligations of the UK Parent under the Aurelius Loan Agreement are guaranteed by TBS Canada on a secured basis. The (a) guarantee and indemnity agreement and (b) security agreement signed by TBS Canada in this regard are attached to my Affidavit as **Exhibit “K”**. The obligations are payable on demand. To date, TBS Canada has not received any such demand from Aurelius Seven or any of its affiliates.

52. I understand from counsel to the Company, Davies Ward Phillips & Vineberg LLP (“**Davies**”), that Aurelius Seven has agreed to enter into a formal agreement to release all security granted in its favour in relation to the monies that were advanced to TBS International, including the security granted by TBS Canada. The relevant release documents are in the process of being settled.

(ii) Unsecured Obligations

Employee Liabilities

53. In an effort to improve its liquidity position, TBS Canada closed 33 underperforming stores (the “**Closing Stores**”) after the NOI Filing Date and terminated the employment of 197 employees whose employment related to the Closing Stores. TBS Canada also terminated approximately 20 head office employees (together with the 197 terminated employees, the “**Former Employees**”).

54. The Former Employees have claims against TBS Canada of approximately \$2.1 million in the aggregate in respect of statutory termination and severance pay, health benefits coverage, group RRSP contributions, vacation pay, bonuses and in some circumstances, reasonable notice damages at common law.

55. On April 12, 2024, TBS Canada was served with a motion brought by Stephanie Hood, a Former Employee, seeking an order, among other things, appointing Koskie Minsky LLP as representative counsel to the Former Employees. That motion is scheduled to be heard on July 4, 2024.

Landlords

56. TBS Canada owes certain of its landlords for rent arrears that accrued prior to the NOI Filing Date (primarily representing February 2024 rent), and potentially certain other landlords for claim amounts related to the 33 Closing Stores whose leases were disclaimed.

Trade Creditors

57. Based on the Company's current books and records, the Company owes approximately \$4 million in pre-NOI Filing Date accounts payable to trade creditors. Other than landlord amounts referenced above, the majority of this balance relates to providers of utilities, delivery and logistics services, marketing and media services, store operation services, and professional fees.

D. INSOLVENCY OF TBS CANADA

58. As described above, TBS Canada's insolvency was directly caused by actions taken by the UK Parent. Specifically, the failure of the UK Parent to remit amounts owing to TBS Canada's vendors, suppliers, and landlords after it swept the Bank Accounts. This sudden and unannounced cessation of funds resulted in a severe liquidity crisis for TBS Canada, effectively halting all financial support for the Company and its operations within Canada.

59. As a result, TBS Canada has significant overdue payables that it cannot satisfy—the key fact that led to the commencement of the NOI proceedings.

60. Since the NOI Filing Date, TBS Canada has continued to operate its business in the ordinary course. However, if the Company did not have the benefit of the stay of proceedings afforded by the BIA (and that it seeks to continue under the CCAA), TBS Canada would not have sufficient funds to satisfy its liabilities, which as described above and reported on the balance sheet (Exhibit "I"), exceed \$13.1 million (net of the intercompany payable amount) and certain incremental claims that relate to the restructuring activities implemented during the NOI proceeding.

61. In light of the foregoing, TBS Canada cannot meet its obligations generally as they become due and is therefore insolvent.

E. CONTINUATION OF NOI PROCEEDING UNDER THE CCAA

62. TBS Canada's restructuring efforts thus far have focused on (a) improving its liquidity position, and (b) pursuing a going-concern solution for the business in Canada.

63. TBS Canada seeks to continue its restructuring efforts initiated through this NOI proceeding under the CCAA to provide it with sufficient time to pursue a going concern sale and maximize recoveries for its stakeholders.

64. Given that TBS International owns the right to the "The Body Shop" brand and all of the Company's inventory is sourced from the UK Parent, the ability of TBS Canada to emerge from these restructuring proceedings and continue as a going concern is directly contingent on the outcome of the UK Administration.

65. Until recently, the UK Administrator stated that the primary objective of the UK Administration was a rescue of TBS International through a company voluntary arrangement ("**CVA**"), which the Company's UK counsel, Macfarlanes LLP ("**Macfarlanes**"), advises is a debtor-led statutory insolvency procedure in England and Wales that can be used for a company to reach an arrangement with its creditors.

66. The Company has advanced discussions with the UK Parent and the UK Administrator in connection with implementing a transaction that would allow TBS Canada to continue as a going concern. In this regard, TBS Canada recently provided these parties with a confidential term sheet that would provide for a going concern solution for

the Canadian business, but that term sheet was predicated on the implementation of the CVA.

67. On or about May 17, 2024, I learned that due to stakeholder negotiations breaking down, a CVA was no longer viable, and the UK Administrators were instead seeking a sale of the business and assets of TBS International.

68. It is not clear at this time whether any sale will preserve the current organizational structure that includes TBS Canada as a subsidiary of the UK Parent. I believe however, that there has been a sufficient level of interest from parties in preserving the Canadian business to warrant continuing to pursue a going concern sale and sale process in the context of a CCAA proceeding.

69. As more particularly described below, the Proposal Trustee has engaged with a number of retail focused investors and commenced a Sale Process (defined below) in respect of the Company. TBS Canada is seeking this Court's approval to continue to pursue the Sale Process in tandem with the sale process being run by the UK Administrators (the **"UK Sale Process"**) with the goal of securing a going-concern solution for the Company or its assets.

70. I am advised by Davies that under the BIA, the Company must file a proposal by September 1, 2024, otherwise it is deemed bankrupt.

71. A deadline of September 1, 2024 will not provide TBS Canada with sufficient time to file a proposal in light of recent developments in the UK Administration and its impact

on TBS Canada. Given the progress that the Company has made in stabilizing its operations and the interest it has received in preserving the business, I believe that the process under the CCAA would be the preferable procedure to allow TBS Canada to continue to pursue the Sale Process due to its flexible nature.

72. I am advised that A&M (in its capacity as the Proposal Trustee and the proposed Monitor) supports TBS Canada's motion to continue the NOI proceeding under the CCAA and consents to its appointment as Monitor.

PART II – RELIEF SOUGHT

A. THE SALE PROCESS

(i) The Initial Phase of the Sale Process

73. Commencing in early June 2024, the Proposal Trustee engaged with a select group of approximately 20 private equity and retail focused investors located in Canada, the United States and internationally, inviting them to execute a confidentiality agreement, obtain access to a data room and explore the opportunity of acquiring the Company, its business or assets. As of the date of this affidavit, ten parties have executed the confidentiality agreement and been granted access to the data room (the "**Data Room**").

(ii) Continuation of the Sale Process

74. As part of this motion, TBS Canada is seeking approval to continue the sale process (the "**Sale Process**") described in paragraph 73 above, and establish formal

procedures for the sale of the Company, or all or any portion of its business and assets in the context of a CCAA proceeding. The Sale Process and the procedures (the **"Procedures"**) for the Sale Process are attached as **Exhibit "L"** to my Affidavit.

75. The Sale Process was designed having regard to the interrelated nature of TBS Canada and the UK Parent. As described above, TBS Canada doesn't own "The Body Shop" trademark or its intellectual property. Rather, the Company licenses the right to sell "The Body Shop" products pursuant to the Franchise Agreement. As a result, the bid deadline (the **"Bid Deadline"**) under the Sale Process will not be established until *after* a purchaser has been identified in the UK Sale Process and there is clarity regarding whether the Company will remain a subsidiary of the UK Parent or if the new owner of the UK Parent or its assets will provide the opportunity for a new operator to license the "The Body Shop" intellectual property for continued use in Canada.

76. Pursuant to the Sale Process, within five business days after a purchaser has been identified in the UK Sale Process, the Monitor shall send a process letter (the **"Process Letter"**) to (a) the service list for the CCAA proceeding, and (b) each party that has approached the Company, the Proposal Trustee, the Monitor, the UK Parent or the UK Administrators indicating an interest in the Company or its business or assets, as well as strategic parties that TBS Canada or the Monitor believe may have interest (the **"Interested Parties"** and each, an **"Interested Party"**). The Monitor will also post the Process Letter on its website maintained for this matter.

77. The Process Letter will establish the Bid Deadline and inform Interested Parties of other key dates, all of which are scheduled in relation to the Bid Deadline. The key dates and relevant features of the Sale Process are described in greater detail below.

Key Dates

78. The key dates of the Sale Process are as follows:

Milestone	Deadline
Commencement of Sale Process	Ongoing
Solicitation of interest and distribution of confidentiality agreement	Ongoing
Distribution of the Process Letter to Interested Parties	Five Business Days after a purchaser has been identified in the UK Sale Process for some or all of the assets of the UK Parent, or such other date as the Company and the Monitor determine
Bid Deadline (5:00pm EST)	The date that is set out in the Process Letter or such other later date or time as may be agreed by the Company, in consultation with the Monitor
Selection of Successful Bid	No later than five business days after the Bid Deadline, or such other date as the Company may determine, in consultation with the Monitor
Sale Approval Motion	As soon as practicable after the selection of the Successful Bid
Outside Date	The date that is set out in the Process Letter (the “ Outside Date ”)

Material Features of the Sale Process

79. The Sale Process is a public, transparent process that may attract other prospective bidders in addition to those that have already been identified as Interested Parties.

80. The proposed Monitor, with the assistance of the Company, will continue to solicit Interested Parties who were not already identified by providing them with a written description of the opportunity, outlining the Procedures and providing a confidentiality agreement. Any Interested Party that has executed a confidentiality agreement will be given access to the Data Room.

81. The Company, with the assistance of the Proposal Trustee, will continue to engage and hold discussions with a number of Interested Parties in the expectation that they may submit a Bid in the Sale Process.

82. For a Bid to constitute a "**Qualified Bid**", Interested Parties must deliver a signed Bid on or before the Bid Deadline together with the information and materials required by the Procedures, including:

- (a) a cash deposit equal to 10% of the consideration or imputed value of the proposed transaction;
- (b) an executed purchase agreement;
- (c) a description of any arrangements in place with the party that purchased the intellectual property and right to use "The Body Shop" brand from the UK Parent;
- (d) written evidence that the Interested Party has the necessary financial ability to close the contemplated transaction on or before the Outside Date (as defined below) and the corporate (or other) authority to consummate the transaction;

- (e) confirmation that the Bid is an "as is, where is" offer that is not conditioned on due diligence or financing; and
- (f) identification of the liabilities to be assumed (including lease obligations) and the number of employees to be retained.

83. The Company, in consultation with the proposed Monitor, will evaluate Qualified Bids on various grounds, including the consideration or imputed value of the proposed transaction, whether the transaction contemplated by the Bid could close on or before the Outside Date, the treatment of creditors and related implied recovery for creditors and the value of the assumed liabilities and the certainty of closing the transaction. Following such evaluation TBS Canada may accept, subject to Court approval, a Qualified Bid (the **"Successful Bid"**).

84. The Company and the proposed Monitor may (a) engage in discussions with Qualified Bidders and accept revisions to Qualified Bids and waive compliance with any one or more of the requirements with respect to Qualified Bids in their discretion, and (b) may share Qualified Bids with the purchaser(s) of "The Body Shop" brand from the UK Parent for the purpose of facilitating a license or other arrangement between such purchaser and any Qualified Bidder.

85. TBS Canada and the proposed Monitor also have the right to adopt rules for the Procedures to better promote the objective of the Sale Process including modifying the Bid Deadline or other dates set out in the Procedures.

86. Once TBS Canada has determined the Successful Bid, the Company will make a motion to the Court to approve the Successful Bid as soon as practicable following such determination.

Alternatives to Sale Process

87. The Sale Process has been carefully considered by TBS Canada and the Proposal Trustee. TBS Canada believes that the Sale Process provides the best opportunity to maximize recoveries and to potentially generate a going-concern transaction for some or all of the business in Canada.

B. THE INITIAL ORDER

88. TBS Canada seeks an Initial Order, among other things:

- (a) appointing the proposed Monitor;
- (b) granting a stay of proceedings against TBS Canada; and
- (c) continuing the Administration Charge, the D&O Charge, the KERP Charge and other employee matters, and the priorities of such charges.

(i) The Monitor

89. A&M has consented to act as the Court-appointed Monitor of TBS Canada. A&M has extensive experience in insolvency proceedings under the CCAA, including a number

of recent retail insolvencies and restructurings. A copy of the consent of A&M is attached to my Affidavit as **Exhibit “M”**.

90. I am advised by Davies that A&M is a trustee within the meaning of section 2 of the BIA, and that it is not otherwise precluded from acting as monitor under subsection 11.7(2) of the CCAA.

(ii) Stay of Proceedings

91. TBS Canada, which is currently in default of many of its ordinary course obligations, requires a stay of proceedings and the other protections afforded by the CCAA.

92. TBS Canada is seeking a stay of proceedings until October 8, 2024 (the “**Stay**”).

93. As explained herein, the objective of the CCAA proceeding is to facilitate a going concern solution for TBS Canada. The Stay will provide TBS Canada the time to gain visibility into the outcome of the UK Sale Process. During this time, TBS Canada will be able to continue to implement the Sale Process and engage with the UK Parent, the UK Administrator and any potential buyers, all with the goal of continuing “The Body Shop” business in Canada.

94. TBS Canada has worked, and will continue to work, in good faith and with due diligence in the period prior to and during the Stay, if granted.

95. The Company has prepared an updated cash flow forecast with the assistance of the proposed Monitor, which sets out the projected cash flows for the period ending October 11, 2024 (the “**Updated Cash Flow**”). The Updated Cash Flow shows that TBS Canada has sufficient liquidity to operate to the end of the requested Stay. I understand that the Updated Cash Flow will be appended to the Report.

(iii) Administration Charge

96. As part of the March 4 Order (Exhibit “G”), this Court granted a charge over the assets, property and undertaking of TBS Canada in favour of the Proposal Trustee, counsel to the Proposal Trustee and counsel to TBS Canada up to a maximum amount of \$700,000 (the “**Administration Charge**”) as security for payment of their respective fees and disbursements in each case at their standard rate and charges.

97. TBS Canada seeks to have the Administration Charge continue in the CCAA proceeding. The beneficiaries of the Administration Charge will be the proposed Monitor, counsel to the proposed Monitor and counsel to TBS Canada.

98. The expertise and continued participation of the beneficiaries of the Administration Charge is essential to the success of the CCAA proceeding. The Company has determined the quantum of the Administration Charge in consultation with the proposed Monitor, who agrees that such quantum is commensurate with the fees and disbursements expected to be incurred by the beneficiaries of the Administration Charge.

99. The Administration Charge will rank ahead of the D&O Charge (defined below), the KERP Charge (defined below), Aurelius Security and RBC Registrations but behind the Enterprise Security, which is consistent with the ranking of the Administration Charge in the NOI proceeding.

(iv) D&O Charge

100. The March 4 Order granted a charge on the Company's assets in favour of its director and officers in an amount not to exceed \$2,100,000 (the "**D&O Charge**"). TBS Canada seeks to have the D&O Charge continue in the CCAA proceeding to indemnify its director and officers in respect of liabilities they may incur during the CCAA proceeding.

101. TBS International currently has a global directors' and officers' insurance policy through Aon UK Limited (collectively, the "**D&O Policy**"), which covers the UK Parent and its subsidiaries from December 29, 2023, to December 28, 2024. Attached as **Exhibit "N"** and **"O"**, respectively is a summary of the D&O Policy and a Client Information Letter from Aon UK Limited.

102. TBS Canada has agreed to indemnify its director and officers for all liabilities arising during the CCAA proceeding except for claims arising from their gross negligence or wilful misconduct. However, the Company does not have sufficient funds to satisfy those indemnities should the director or officers be found responsible for potential liabilities.

103. It is not clear whether any purchaser of the UK Parent's assets would assume the D&O Policy as part of a sale transaction or if it would continue coverage for TBS Canada.

104. Given the Company's financial circumstances and the uncertainty surrounding whether the D&O Policy will continue for the benefit of TBS Canada, the officers of TBS Canada and I have indicated that we are not prepared to remain in office without knowing that we will be fully protected from any liability which may arise during our continuance as director and as officers. I believe that the continued involvement of the Company's core upper management team is integral to the success of these proceedings.

105. In the circumstances, TBS Canada requests the D&O Charge against post-filing obligations that the director and officers may become personally liable for (except for misconduct or gross negligence) to the extent that the Company is unable to satisfy its indemnity obligations.

106. TBS Canada worked with the proposed Monitor in determining the amount of the D&O Charge and believes it is reasonable and appropriate in the circumstances.

107. The D&O Charge will rank behind the Administration Charge and the Enterprise Security but ahead of the KERP Charge, Aurelius Security and RBC Registrations, which is consistent with the ranking of the D&O Charge in the NOI proceeding.

(v) **KERP and KERP Charge and Other Employee Matters**

KERP Amendment and KERP Charge

108. On April 15, 2024, this Court made an order approving a key employee retention plan (the “**KERP**”) which was designed to retain and incentivize five individuals made up of Canadian employees and Contractors (the “**KERP Participants**”) that have been identified as crucial to TBS Canada’s restructuring efforts.

109. The KERP provides for an aggregate retention payment for all of the KERP Participants in the amount of \$470,000. Under the KERP, each of the KERP Participants are entitled to a retention payment based on a percentage of their annual salary.

110. The KERP is payable in three equal installments of approximately \$156,000 each. The first installment under the KERP was payable following Court approval of the KERP. The second installment was payable on or about June 7, 2024. The third installment is payable on the closing of a going-concern transaction in respect of TBS Canada’s business.

111. TBS Canada is seeking an amendment to the KERP to add an interim installment for the KERP Participants in the amount of approximately \$156,000 in the aggregate (the “**KERP Amendment**”). The interim installment will be due and payable on July 19, 2024. If the KERP Amendment is approved, the KERP will provide aggregate retention payment for all of the KERP Participants in the amount of \$626,000.

112. TBS Canada, with the assistance of the Proposal Trustee and their advisors, developed the KERP and the KERP Amendment. The KERP and KERP Amendment takes into consideration the KERP Participants' existing compensation packages and TBS Canada's financial circumstances.

113. The KERP Participants are a group of skilled and experienced individuals who are critical to value preservation and the success of the Sale Process. The KERP Participants perform important management or business functions and the institutional knowledge and skills possessed thereby are irreplaceable, making their continued services vital to TBS Canada's operations.

114. I believe the KERP Amendment is necessary to retain the KERP Participants particularly in light of the recent developments in the UK Administration and its impact on the Company's ability to pursue a going concern transaction expeditiously.

115. The KERP Participants were also granted a charge over TBS Canada's property in the amount of \$470,000 to secure the amounts payable under the KERP, as amended by the KERP Amendment (the "**KERP Charge**"). The Company seeks a continuation of the KERP Charge in the CCAA proceeding.

116. The first two installments under the KERP have been paid to the KERP Participants in the aggregate amount of \$312,000, leaving a balance payable under the KERP (as amended) in the amount of \$312,000. As a result, the KERP Charge, if approved, will be reduced from \$470,000 to \$315,000.

117. I believe the KERP is necessary to ensure the continued engagement of the KERP Participants. I believe that the KERP Participants would consider other employment options if the KERP was not amended or secured by the KERP Charge.

118. The KERP Charge will rank behind the Administration Charge, D&O Charge and the Enterprise Security but ahead of the Aurelius Security and RBC Registrations, which is consistent with the ranking of the KERP Charge in the NOI proceeding.

Retail Retention Bonus Plan

119. Effective July 1, 2024, the Company intends to reinstate its retail retention bonus plan (the “**Retail Bonus Plan**”) for store-level employees. Under the Retail Bonus Plan, employees qualify for a quarterly retention bonus that is paid in two installments, one in September and December, provided that the employees remain active employees at the time of payout.

120. TBS Canada historically offered the Retail Bonus Plan to its employees but ceased accruing payments thereunder after the NOI Filing Date in order to improve its liquidity position.

121. It is estimated that the total amounts that may be incurred and paid during the proposed CCAA proceedings under the Retail Bonus Plan will be no greater than \$280,000.

122. I believe the Retail Bonus Plan will incentivize the Company's store-level employees to continue their employment with TBS Canada. These employees are critical to the ongoing operations of TBS Canada's retail stores.

123. TBS Canada is not seeking a charge to secure the payments under the Retail Bonus Plan. Instead, the Company requests that the Initial Order authorize TBS Canada to continue making the Retail Bonus Plan available to its employees.

(vi) Ranking of Court-Ordered Charges

124. The proposed ranking of the Administration Charge, D&O Charge and KERP Charge (collectively, the "**CCAA Charges**") is as follows:

- (a) First, the Administration Charge, up to a maximum amount of \$700,000;
- (b) Second, the D&O Charge, up to a maximum amount of \$2,100,000; and
- (c) Third, the KERP Charge, up to a maximum amount of \$315,000.

125. The CCAA Charges are proposed to rank behind the Enterprise Security but ahead of the Aurelius Security and RBC Registrations, which is consistent with the ranking in the NOI proceedings.

126. As noted above, Enterprise is the only party that TBS Canada believes has any amounts due and owing to it. At no point during the NOI proceeding has Aurelius Seven, Enterprise, RBC or their counsel, raised any concerns with the priority of the Administration Charge, D&O Charge or KERP Charge granted in the NOI proceeding.

Nor have they asserted any claims against TBS Canada under the Aurelius Security, Enterprise Security or RBC Registrations.

127. Aurelius Seven, RBC, and Enterprise will all be served with this motion.

C. DISCHARGE AND TERMINATION ORDER

128. Under the terms of the proposed Discharge and Termination Order, if the Initial Order is granted, this NOI proceeding will be terminated.

129. The Proposal Trustee has also sought this Court's approval of its fees and the fees of its counsel and approval of its activities, all as set out in the Fifth Report and certain other related relief.

130. The proposed Discharge and Termination Order provides for a release of the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Company (collectively, the "**Released Parties**") from all claims from all claims, liabilities and obligations of any kind based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of the proposed Discharge and Termination Order in any way relating to this NOI proceeding or with respect to their conduct in the NOI proceeding, other than any claim or liability arising out of gross negligence or wilful misconduct on the part of the Released Parties.

131. It is my opinion that the Released Parties have made substantial contributions to this NOI proceeding, including by assisting the Company to stabilize its operations and pursue a going concern transaction.

D. CONCLUSION

132. I believe the relief requested on this motion is in the best interest of the Company and its stakeholders. Without the requested relief, TBS Canada is concerned that it will not have sufficient time to formulate a viable proposal and will be deemed a bankrupt, which would eliminate the ability of the Company to pursue a going concern solution.

133. For the reasons expressed herein, I am of the view that TBS Canada is acting in good faith and with due diligence in seeking the relief sought on this motion and that if granted, the relief will not prejudice any of the Company's creditors.

134. I swear this Affidavit in support of TBS Canada's motion for an Initial Order, a Sale Process Order and Discharge and Termination Order and for no other or improper purpose.

SWORN remotely by Jordan
Searle at the City of Exeter, in the
Country of England, before me on the
24th day of June, 2024 in
accordance with O. Reg 431/20,
Administering Oath or Declaration
Remotely.

Matthew Garay

MATTHEW GARAY
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.

EXPIRES JUNE 13, 2027



Jordan Searle

This is Exhibit "A" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of Exeter, in the Country of England, before me on June 24, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

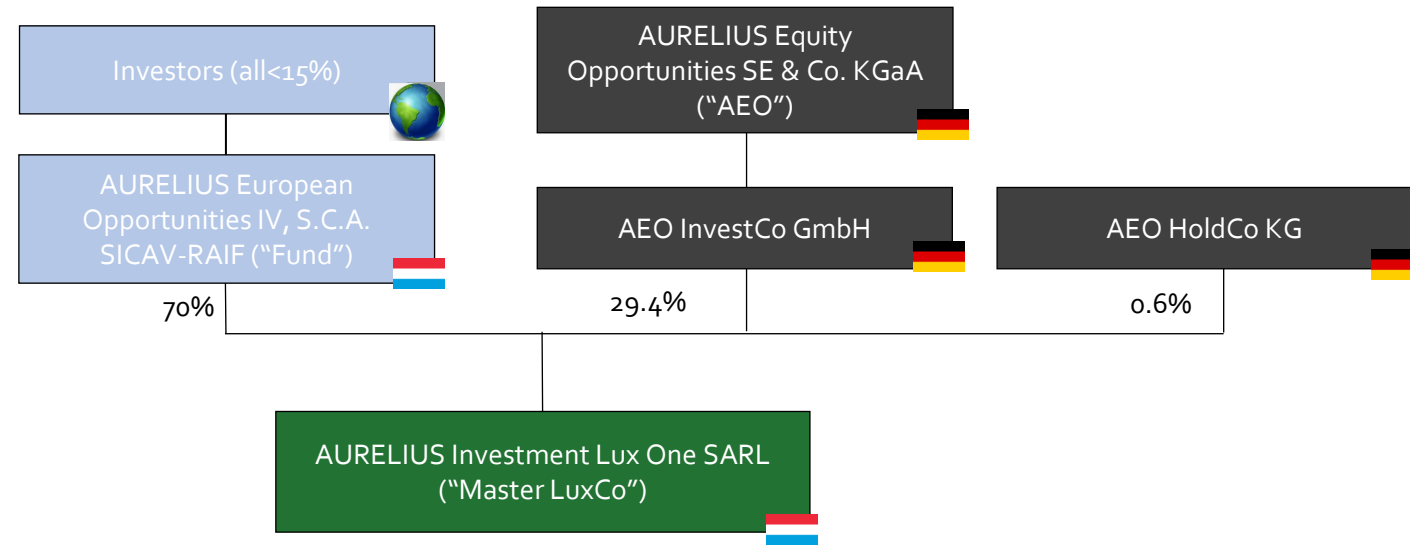
**MATTHEW GARAY,
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES JUNE 13, 2027.



THE BODY SHOP STRUCTURE CHART

SHAREHOLDERS STRUCTURE CHART





Fabian Steger
Manager



Andrzej Cebrat
Manager

9 January 2024
Leudelange, Luxembourg

Fund:

- There is no natural person qualifying as UBO/Controlling person of the Fund or is having above 15% ownership (on full look-through basis).
- In absence of a UBO, the legal representatives are filed in the UBO register.

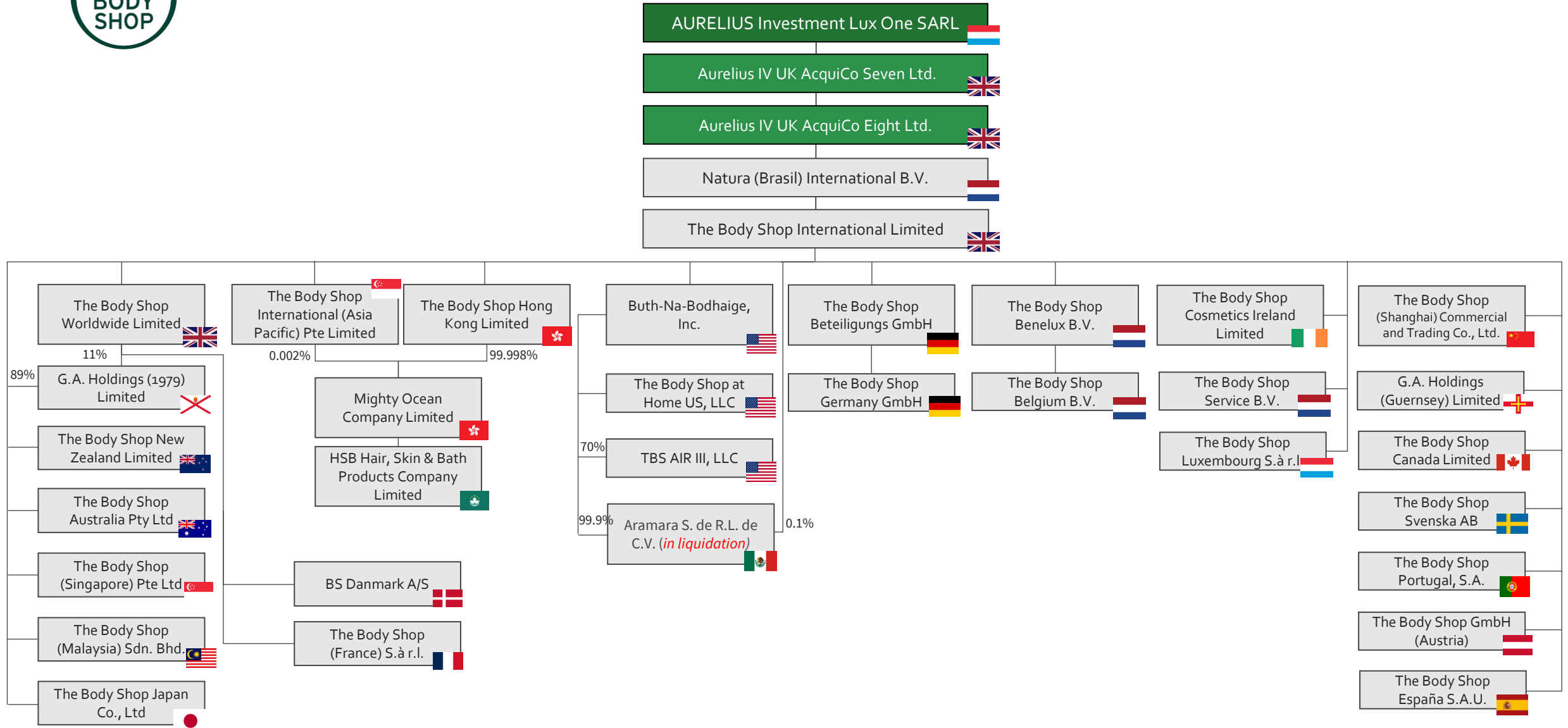
AEO:

- AEO is a listed entity, no legal or natural person is qualifying as UBO/Controlling person. No notification received that 25% threshold has been reached.

Master LuxCo:

- There is no natural person qualifying as UBO/Controlling person or is having above 10% ownership in Master LuxCo and its subsidiaries (on a full look-through basis).

Note: All shareholding 100% unless explicitly stated otherwise.



____: All shareholding 100% unless explicitly stated otherwise.

Closing 29/12/2023



DISCLAIMER

THIS MATERIAL IS CONFIDENTIAL AND FOR YOUR GENERAL INFORMATION ONLY. NONE OF THE INFORMATION, WHETHER IN PART OR FULL, SHALL BE COPIED, REPRODUCED OR REDISTRIBUTED IN ANY FORM. NO GUARANTEE, WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, IS GIVEN AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN; AND NEITHER OF THE PERSONS MENTIONED IN THIS MATERIAL, NOR ANY COMPANY OR UNIT BELONGING TO AURELIUS, NOR ANY OF ITS OFFICERS, DIRECTORS OR EMPLOYEES ACCEPTS LIABILITY OR RESPONSIBILITY IN RESPECT TO THE INFORMATION OR ANY RECOMMENDATIONS EXPRESSED HEREIN.

This is Exhibit "Ó" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of Ò^è!, in the Country of England, before me on R}^ÁG, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Garay

Commissioner for Taking Affidavits (or as may be)

**A5 HH<9K `; 5 F5 Mž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES >I B9 `% ž&\$&+"

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 **THE BODY SHOP**

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Selective Master Distribution & Franchise Agreement Canada

THE BODY SHOP INTERNATIONAL LIMITED
(the “**Company**”)

&

THE BODY SHOP CANADA LIMITED
(the “**Counterparty**”)

Tier 1

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This Agreement is made on the Effective Date, between

1. THE BODY SHOP INTERNATIONAL LIMITED (d/b/a THE BODY SHOP) a company incorporated in England and Wales with registered address at Watersmead, Littlehampton, West Sussex, BN17 6LS and company number 1284170 (**"Company"**) of the one part; and Tier Zero
2. THE BODY SHOP CANADA LIMITED incorporated and registered in Canada with company number 417311-2 whose registered office is at 155 Wellington Street West, Toronto, Ontario, M5V 3J7 (**"Counterparty"**) of the other part; Tier 1

Whereas

- A. The Company has expended considerable time, effort and money in the development and implementation of a distinctive system and plan utilising and comprising certain proprietary marks, trade names, confidential information, standards, specifications, techniques, identifying schemes and materials, insignia, management methods and standard operational procedures, all used in connection with the sale of various products and services of the Company through approved Points of Sale.
- B. The Company has established substantial reputation and goodwill in the Brand and (where relevant) the System and the Counterparty recognises (subject to the terms of this Agreement and particularly clauses 22.9 and 22.14) the benefit to be derived therefrom and acknowledges the necessity of conforming to the high standards and uniform specifications of the Company in connection therewith.
- C. The Counterparty desires to obtain the benefit of the knowledge, skill and experience of the Company and the right, where relevant, to operate the Franchise Business in line with the System upon the terms and subject to the conditions set out below.

It is hereby agreed as follows:

1. DEFINITIONS

- 1.1. In this agreement (**"Agreement"**), defined (capitalised) terms shall have the meanings ascribed to them in Schedule 13, unless the context otherwise requires.
- 1.2. In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa; words importing a gender include every gender; and references to persons include bodies corporate.
- 1.3. The headings to the clauses in this Agreement are for convenience only and have no legal effect.

2. GRANT

- 2.1. SCOPE: In consideration of the premises and undertakings of the Counterparty herein contained, the Company hereby Grants to the Counterparty during the Term of this Agreement upon the terms and conditions herein contained, the right and license to operate the Business within approved Point of Sale (**"PoS"**) in the Territory (**"Grant"**) as further defined in section 7 of Schedule 14.
- 2.2. DEVELOPMENT: The Counterparty undertakes to establish, promote and grow the Business in the Territory, as set out in the Business Development Plan or the Performance Objectives, pursuant to clause 8.
- 2.3. FOCUS: The Counterparty will not make any use or permit or authorise any use directly or indirectly of the Brand or (where applicable) the System, or any translation, adaptation, modification or transliteration thereof outside (or otherwise than in relation to each) PoS, or in connection with the conduct of business other than the Business.
- 2.4. BRAND: Unless expressly agreed in writing by the Company, the Counterparty shall not use the Company IP or any other marks, names (including without limitation, the Brand) or indicia or any translation, adaptation, modification or transliteration thereof that are or may be confusingly similar to the Brand as part of the Counterparty's corporate or other legal name or domain name for any of its websites, nor shall the Counterparty use the same in connection with any other business, even if the Counterparty's carrying on or involvement in such business may have been approved by the Company in accordance with section 6.b of Schedule 2.
- 2.5. GRANT FEE: It shall be a condition precedent to the Grant of any rights by the Company to the Counterparty pursuant to this Agreement that the Counterparty shall have paid to the Company the Grant Fee, within fourteen (14) days of the later of either the relevant Commencement Date or the Effective Date. For the avoidance of doubt, where additional rights are granted separately (in an Addendum) the Company reserves the right to apply a supplemental Grant Fee to be agreed separately between the Parties.

2.6. COLLATERAL:

- 2.6.1. GUARANTOR: The Company may either as a condition precedent prior to signing this Agreement, or at any time during the term of this Agreement, require that the Counterparty provide a stand-by letter of credit (or bank guarantee or equivalent) from a credible bank on acceptable terms, and/or procure that one or more individuals approved by the Company, in the Company's sole discretion, (each a "**Guarantor**") shall enter into such agreements securing the due and faithful performance by the Counterparty of its duties, responsibilities, undertakings and obligations to the Company in such form as the Company may from time to time prescribe.
- 2.6.2. FURTHER SECURITY: Notwithstanding the foregoing, the Counterparty shall, as required by the Company, grant to the Company such further security interest in all Merchandise Delivered to the Counterparty as security for payment of the purchase price of the same when due, and at the Company's request, perform all acts necessary to perfect and assure such security interest, including without limitation, the execution and filing of all documents required under the laws of the Territory. The Counterparty grants the Company the right to file such documents or do such other acts in the name of the Counterparty as the Company may deem necessary to protect the security interest herein granted, without requiring the further signature or further consent of the Counterparty.

3. COMMENCEMENT & TERM

- 3.1. EFFECTIVE DATE: This Agreement becomes binding on the Parties on the Effective Date.
- 3.2. COMMENCEMENT: The Grant comes into effect on the Commencement Date.
- 3.3. TERM: This Agreement (and the Grant) will remain in force and effect through the expiration of the Initial Term, and may be renewed for such Renewal Term(s) (subject to the conditions of clause 3.4), in line with the particulars set out in section 7 of Schedule 14, unless earlier terminated pursuant to its terms (particularly clause 20).
- 3.4. RENEWAL: The Grant may be renewed for one or more Renewal Term(s) as set out in section 7 of Schedule 14, following the expiry of the then Current Term, subject to the following conditions:
 - 3.4.1. the Counterparty has given the Company written notice of the Counterparty's desire to extend the Term within the Renewal Window set out in section 7 of Schedule 14;
 - 3.4.2. at the time notice of renewal is given as well as at the date of renewal, the Counterparty is not in default of:
 - 3.4.2.1. any provision of this Agreement (including, without limitation, the Counterparty's obligations to meet the Performance Objectives, is not in arrears, and is not on a debt repayment plan); and
 - 3.4.2.2. any other agreement between the Counterparty and the Company or the Company's subsidiaries, affiliates and/or related companies;
 - 3.4.3. The Counterparty agrees to execute the Company's then current form of agreement (which agreement shall supersede this Agreement in all respects, and the terms of which agreement may differ from the terms hereof), together with such other documents, undertakings and/or releases as the Company may require; and
 - 3.4.4. The Counterparty agrees to such other terms and conditions as the Company may require in connection with the renewal (including, without limitation, the payment of a Renewal Fee prescribed by the Company at the time of renewal of the Franchise Agreement or of the relevant Grant, and to pay the Company's reasonably incurred legal and administrative costs incurred in connection with the renewal.

4. COMPANY'S OBLIGATIONS DURING THE TERM

- 4.1. SUPPLY: The Company will make reasonable efforts to supply and/or assist the Counterparty in procuring the supply of all Equipment and Merchandise in connection with the Business in such numbers, type and nature as the Company shall deem sufficient and necessary and at such times as it may think fit, all such costs in connection therewith being borne by the Counterparty, provided however that the Company may, at its sole discretion:
 - 4.1.1. limit the quantities of Merchandise to be supplied to the Counterparty;
 - 4.1.2. impose such conditions as to the manner of offer or sale at retail of any Merchandise for such period of time as the Company may reasonably require, provided however that subject only to clause 6.11 this provision does not restrict the Counterparty's freedom to determine its sales prices; and
 - 4.1.3. recall any Merchandise which the Company reasonably believes to be an Unfit Product.
- 4.2. REQUESTS: The Company will respond in a timely, proper and workmanlike manner to the reasonable requests of the Counterparty and acknowledge receipt of such requests within fourteen (14) days of the receipt of same.
- 4.3. ASSISTANCE: The Company will assist the Counterparty to achieve the maximum sales potential for the Merchandise and Services within the Territory in line with the rights granted under the Grant.

5. UNDERTAKINGS OF COUNTERPARTY

- 5.1. PRIOR APPROVAL: The Counterparty will not operate the Business outside the scope of the Grant without the prior approval in writing of the Company;
- 5.2. NO WARRANTY: The Counterparty will not give any warranty or make any representation in respect of the Merchandise except as stipulated in writing by the Company and, in case of doubt, will clarify the warranty or representation with the Company in respect thereto before it is given;
- 5.3. LABELS: The Counterparty will not remove, deface or tamper with any label, sticker or marking on any Merchandise, Equipment, machine, fixture or any other item supplied by the Company and/or its approved supplier for the purpose of the Business, except if so required by Applicable Laws, and then only to the extent required;
- 5.4. REPUTE: The Counterparty will not do or omit to do any act or thing which may in the Company's opinion damage or bring the Company, its officers, directors and employees, the Business, the System or the Brand into disrepute or in conflict with the interests of the Company or the Business or the other Authorised Sellers of the Company;
- 5.5. ACCURACY: The Counterparty will provide truthful, accurate and complete information to the Company, pertaining to the operation of the Business, and will prevent any of its Representatives from giving to the Company any false or misleading information or making any misrepresentation in connection with obtaining this Agreement, or at any time during the Term of this Agreement in connection with the Business.
- 5.6. COMPANY IP: The Counterparty will not do, cause or permit to be done anything which may damage or endanger the Company IP or the Company's title thereto or assist or allow others to do so;
- 5.7. CONFORMITY: The Counterparty will not sell any of the Merchandise or render any Services which do not conform to or which conflict with the standards associated with the Brand and (where applicable) the System, or of which the Company does not approve;
- 5.8. APPROVED EQUIPMENT: The Counterparty will not purchase (or arrange the installation or assembly of) any Equipment from any person(s) other than the Company or from Authorised Suppliers;
- 5.9. NO CREDIT PLEDGE: The Counterparty will not pledge the Company's credit in any way.
- 5.10. NO SOLICITATION: Each Party undertakes during the term of this Agreement that it shall not directly or indirectly, or together with any other person, firm or company solicit or entice away from the other Party any person who is employed by the other Party and to which the other Party had access to in the course of the commercial relationship, whether or not any such person would commit a breach of his contract of employment by reason of leaving such employment, and further each Party undertakes that it shall ensure that no Owner or Representative thereof or other individual having a degree of control or influence over it shall engage in the solicitation of any person employed by the other Party.

6. OPERATION OF THE BUSINESS

- 6.1. CONTINUOUS OPERATION: The Counterparty will operate the Business continuously in each PoS (on such days and during such hours as the Company shall reasonably specify and Applicable Laws and customs shall allow);
- 6.2. PAYMENT: The Counterparty will, subject to clause 14.1.3, pay, without any set off, for all supplies of Equipment, Merchandise and Services and other goods and services provided to or procured for the Counterparty for the purpose of the Business, such sums being owing and due to the Company, upon the Company issuing an invoice for the same in accordance with the payment terms appearing on the said invoice, subject to any credit note issued for any verified shortfall under clause 6.3;
- 6.3. DELIVERY SHORTFALL: The Counterparty will notify the Company (or other Authorised Supplier) of any shortfall in the delivery of Equipment, Merchandise or Services within three (3) Working Days of the Delivery thereof, and it will provide the Company (or other Authorised Supplier) with the means and opportunity to verify such shortfall to its reasonable satisfaction;
- 6.4. INTEREST FOR LATE PAYMENT: If any payment by Counterparty under this Agreement is overdue, the Counterparty will pay the Company, in addition to the overdue amount, daily interest on such amount from the date it was due until paid at a rate which is six per cent per annum (6% p.a.) over the Sterling Overnight Indexed Average (SONIA) administered by the Bank of England (as determined on the date on which payment was due, or if such date is not a Working Day, for the first Working Day thereafter), calculated on a daily basis. Entitlement to such interest will be in addition to any other remedies the Company may have.
- 6.5. FORECAST & REPORTING: The Counterparty will maintain sufficient volume of Merchandise to ensure that the Annual Forecast Turnover is achieved in each Operative Period; Furthermore Counterparty will: (i) submit regular detailed stockholding by product in line with the schedule provided (and at such frequency as required) by the Company (or as prescribed in the Manual); (ii) upon Company's request, supply core order forecasts in singles by product each month in line with the schedule provided by the Company for a 12 month period into the horizon (or as prescribed in the Manual);
- 6.6. COSTS: The Counterparty will bear all running and operational costs relating to the Business;
- 6.7. TAXES:
 - 6.7.1. The Counterparty will promptly pay when due all taxes levied or assessed, including, without limitation, value added taxes, and all accounts and other indebtedness of every kind incurred by the Counterparty in the conduct of the Business.

- 6.7.2. In the event of any bona fide dispute as to the Counterparty's liability for taxes assessed or other indebtedness, the Counterparty may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event will the Counterparty permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor to occur against the Franchise Store, or any improvements thereon. Each of the Company and the Counterparty agree that each shall be solely responsible for any income taxes properly imposed on it by any valid taxing authority, provided however that: (a) the Counterparty agrees it will indemnify the Company and be substituted for the Company for any income tax assessments made against the Company which arise as a result of actions of the Counterparty undertaken without the prior knowledge and approval of the Company, which actions are not in the normal course of the Business; and (b) the Company agrees it will indemnify the Counterparty and be substituted for the Counterparty for any income tax assessments or demands against the Counterparty which arise as a result of actions of the Company undertaken without the prior knowledge and approval of the Counterparty, which actions are not in the normal course of the Company's business.
- 6.8. **SEIZURE:** If the Counterparty defaults in the punctual payment of any sum due in respect of the Merchandise, in the interests of the successful operation of the Business, which depends on good relations being maintained with the Company and the Counterparty's other suppliers, the Counterparty hereby irrevocably authorises the Company (without prejudice to the Company's other rights and remedies against the Counterparty) to enter into the physical location of a PoS or the Counterparty's business premises and collect any such Merchandise for which the Company believes payment remains outstanding and deal with same as determined by the Company in its sole discretion, in each case, without any consent from nor any prior notification to the Counterparty.
- 6.9. **SET-OFF:** Notwithstanding anything in this Agreement, the Company may at its discretion and without prior notice to the Counterparty set off or transfer any sums from time to time owed by the Company to the Counterparty in or towards the satisfaction of any of the liabilities of the Counterparty to the Company and notwithstanding that the liabilities may not be expressed in the same currency, the Company is authorised to effect any necessary currency conversions at the rates then prevailing for such purpose.
- 6.10. **RENT:** The Counterparty will promptly pay rental and/or applicable charges if any for the occupation and use of the PoS, and produce to the Company for inspection receipts therefor as the Company may from time to time require;
- 6.11. **MAXIMUM PRICE:** Subject to Applicable Laws, the Counterparty will not charge its customers any price higher than the maximum retail price as communicated by the Company from time to time, without prejudice to the Counterparty's freedom to otherwise determine its sales price;
- 6.12. **RESOURCES:** The Counterparty will ensure that adequate financial resources are available to the Counterparty by way of working capital, and otherwise ensure that the Counterparty is able to fulfil all the obligations herein contained;
- 6.13. **INVENTORY:** at all times the Counterparty will maintain sufficient inventory of Merchandise and promotional materials to ensure full display and promotion of the Company's current Merchandise range in each PoS in accordance with the Company's guidelines, including but not limited to, replenishment guidelines, as issued to the Counterparty in writing from time to time and in accordance with the Performance Objectives;
- 6.14. **EVICION OR CONFISCATIONS:** The Counterparty will not do or permit or cause to be done or omitted to be done any act or thing which may result in the early termination for cause of any agreement pursuant to the terms of which the Counterparty is entitled to be in occupation of (and to use in trade) the PoS (e.g. Lease, Tenancy, SiS Agreement etc.) or which may result in the counterparty to such agreement (e.g. landlord, Host, etc.) exercising its right of distress over the chattels (including Merchandise or Equipment) in each PoS;
- 6.15. **APPLICABLE LAWS:** Notwithstanding any approvals or consents given by the Company in respect of any subject matter or thing in connection with this Agreement, the Counterparty will comply with all Applicable Laws relating to the Counterparty and/or the conduct of the Business, and shall in a timely manner obtain, and maintain in full force and effect at all times during the term of this Agreement, any and all permits, certificates, or licenses necessary for the full and proper performance of this Agreement.
- 6.16. **CONSUMER DATA:** The Counterparty acknowledges that in line with clause 12.2 any Consumer data (whether aggregated sales data or Consumers' Personal Data, as defined in Schedule 9) is a reflection of the Brand's goodwill and Counterparty will process Consumer Data lawfully during the Term for the purpose of running the Business and promoting the Brand and on termination of the Agreement (or of the relevant Grant, to which such data relate) the Counterparty will, subject to Applicable Law, transfer such data to (or share it with) the Company, for the purpose of business continuity. To this end the Counterparty will ensure on the outset (upon collection of Consumer data) that the appropriate legal basis for being able to share such data (particularly in so far as such data is comprised of Personal Data) with Company, is duly established (whether it be by reference to the Consumer's consent, or the Counterparty's legitimate interest, or any other available legal basis, as the Counterparty may assess in accordance with Applicable Law. Furthermore, the Counterparty will, during the Term, subject to Applicable Law, share with Company anonymised Consumer data, which may enable Company to provide relevant support to the running of the Business (and particularly marketing efforts thereof). In addition, the Counterparty will comply with the provisions of Schedule 9, and without limitation to the foregoing, provide Consumers with written notice of its activities of and relating to the processing and transfer of Personal Data as may be required by Applicable Laws.
- 6.17. **EPOS:** at its own cost, the Counterparty will purchase or lease, and thereafter to maintain, such hardware, software, electronic-point-of-sale (EPOS) Equipment, dedicated telephone, communication and power lines, modem(s), network connections, printer(s), and other accessories or peripheral Equipment as the Company may reasonably specify from time to time in writing, for the purpose of, among other functions, auto replenishment, recording sales and other record keeping, as well as connecting to the sales reporting and supply chain system operated by the Company, always in compliance with the TBS IT Security Policy, as defined in Schedule 9. The Counterparty shall provide all assistance required by the Company to ensure the Counterparty's computer system interfaces with

that of the Company. The Company shall thereafter, to the extent permitted by law, have the right from time to time and at any time to retrieve such data and information from the Counterparty's computer system or to require the Counterparty, at its own cost, to prepare the said data in a format specified by the Company, as the Company in its sole and exclusive discretion may reasonably deem necessary or desirable, and deliver the same to the Company;

7. PURCHASE & SALE OF MERCHANDISE

- 7.1. **APPROVED MERCHANDISE:** The Counterparty shall at all times only sell or offer for sale Merchandise and Services which have been:
 - 7.1.1. expressly approved in writing by the Company from time to time for sale by the Counterparty in connection with the Business.
 - 7.1.2. delivered to the Counterparty within the preceding twelve (12) months, unless otherwise authorized by the Company in writing; and
 - 7.1.3. stored, handled, shipped, packaged and labelled in accordance with the Company's standards and specifications and the requirements of Applicable Laws.
- 7.2. **SELECTIVE SOURCING:** For the purpose of ensuring protection of the Brand, the uniformity of the System (where applicable) and the reputation of the Company, the Counterparty shall:
 - 7.2.1. purchase all Merchandise and Equipment only from Authorised Suppliers;
 - 7.2.2. not directly or indirectly, locally or otherwise manufacture Merchandise or Equipment without a prior written explicit licence from Company, nor allow or encourage anyone within its control from doing so.
- 7.3. **REGULATORY:** The Counterparty must inform the Company of any specific legal or regulatory requirements relating to the product registration or the labelling or packaging of Merchandise applicable within the Territory, and in any event, immediately notify the Company of any instances where such requirements have not been complied with and Counterparty will assist the Company in the event where Applicable Laws require that a local entity in Territory should submit in its name any mandatory product registrations (whether for licencing or notification purpose) provided that Counterparty acknowledges that any such licence that it may hold in its own name as a result of operation of such mandatory Applicable Laws, will be held in trust for and for the benefit of (and/or otherwise on behalf of) the Company, and Counterparty will assign same to Company when Applicable Law permits. The cost of any re-labelling or re-packaging of Merchandise as well as the cost of local product registration, licence or notification if in Counterparty's own name, to comply with any such legal requirement shall be borne by the Counterparty. Counterparty will not proceed with any product registration of Merchandise if local Applicable Laws demand, as condition for such registration, that animal testing should be carried out on Merchandise (or ingredients thereof) and will inform Company without delay of becoming aware of such requirements.
- 7.4. **TERMS OF SALE:** Purchase of Merchandise from the Company shall be subject to the Company's prevailing standard terms and conditions of sale as notified to the Counterparty from time to time or as set forth or referenced on the Company's invoices. The Counterparty shall further comply with such policies and procedures relating to the ordering, supply and delivery of Merchandise and payment therefor as the Company may from time to time specify. Subject to the foregoing, the following terms shall apply in respect of any Order placed by the Counterparty unless the Company notifies the Counterparty otherwise in writing:
 - 7.4.1. **INCOTERM:** the Counterparty purchases Merchandise – pursuant to the agreed Incoterm, unless otherwise specified;
 - 7.4.2. **ADDITIONAL COSTS:** the Counterparty shall bear any additional costs and charges relating to freight and Delivery of any Order (including without limitation any additional costs associated with any special packaging and freight requirements specific to the Territory), and the Company shall be entitled to levy a handling fee for the handling of any Order;
 - 7.4.3. **IMPORT FORMALITIES:** the Counterparty shall be responsible for the preparation and processing of all necessary import documentation and compliance with all customs and import regulations or formalities;
 - 7.4.4. **RISK:** risk in respect of any and all items of Merchandise comprised in any Order shall pass to the Counterparty at the time of Delivery to the Counterparty; and
 - 7.4.5. **TITLE:** all Merchandise comprised in any Order shall (notwithstanding Delivery) remain the property of the Company until such time as the Company has been paid for in full. Until such payment is received by the Company, the said Merchandise must be clearly identified by the Counterparty as the property of the Company and shall not be mixed with any other goods, nor shall the Counterparty pledge or allow any lien, charge or other interest to arise over the same, but the Counterparty shall be at liberty to sell the said Merchandise in the ordinary course of business as agent for the Company.
- 7.5. **ACCOUNTING:** The Counterparty shall at its own cost diligently and properly account for and store every item and/or unit of Merchandise purchased.
- 7.6. **UNFIT PRODUCTS:** The Counterparty shall cease selling and offering for sale any Merchandise or Services as the Company may, in its discretion, disapprove in writing at any time, and any Merchandise, which it knows or should know, through the exercise of reasonable care, to be an Unfit Product. Whenever the Counterparty discovers or has reason to believe that a product is an Unfit Product, the Counterparty shall: (a) promptly notify the Company of the same; (b) provide such additional information, including specimens thereof, as the Company may request; (c) perform all of the procedures for handling Unfit Product as the Company may designate in writing; and (d) provide such assistance to the Company as the Company may require to determine the cause of the condition which rendered the product an Unfit Product. The Counterparty shall further comply with the Company's instructions for recalling, removing, and disposing of the Unfit Product; and shall refund to any Authorised Purchaser who returns such Unfit Product the price

of any such Unfit Product obtained from the Counterparty. Under no circumstances may the Counterparty recall or withdraw any Service or Merchandise (whether or not it is an Unfit Product) without the Company's consent. The costs associated with any recall, withdrawal, handling and/or disposal of any Unfit Product (including, without limitation, refunds) as directed by the Company hereunder shall be borne by the Company in accordance with its prevailing returns policy as prescribed by the Company from time to time, unless the Company, in its reasonable opinion, determines that the cause of the condition which rendered the product an Unfit Product is attributable to the Counterparty, in which event, such costs shall be borne by the Counterparty. The determination by the Company as to the cause of the condition which rendered the product an Unfit Product shall be final, conclusive and binding upon the Parties.

8. BUSINESS DEVELOPMENT

- 8.1. BUSINESS DEVELOPMENT PLAN: The Counterparty shall prepare and submit to the Company at the times designated by the Company from time to time in writing, a Business Development Plan for the Company's forthcoming fiscal year, which will include a profit and loss account, cash flow projections, forecast of turnover, and advertising and promotional strategy (including a budget) in a form prescribed by the Company and including such other matters as the Company may request. The Business Development Plan shall also identify new and potential opportunities to promote and expand the Business within the Territory (including but not limited to identifying new locations for the establishment of additional PoS).
- 8.2. PERFORMANCE OBJECTIVES: Following receipt of the Business Development Plan by the Company, the Parties shall within three (3) months thereof discuss and agree upon the performance targets and objectives to be met by the Counterparty in the next year ("**Performance Objectives**"), which shall be agreed in writing and the Counterparty shall meet such Performance Objectives within the period set forth.

9. EMPLOYMENT OF STAFF

- 9.1. STAFF: at its own cost and without discrimination, the Counterparty will recruit and employ qualified and suitable Staff of good character, in such number as to be adequate to support the Business, and their respective general level of remuneration to be above the prevailing minimum wage in the Territory, and at all times employ sufficient Staff in each PoS to meet Consumer traffic needs in a professional manner;
- 9.2. MANAGER: the Counterparty will employ a Manager with such qualifications as shall be considered adequate by the Company and who is approved in writing by the Company, subject to section 6 of Schedule 2 (where applicable), who shall be responsible for the management of the Business on a day-to-day basis. The Manager shall at all times after his/her appointment remain acceptable to the Company. If the Company deems an individual to not be appropriate as the Manager, the Counterparty and the Company shall discuss the performance of the Manager and agree recommendations for improvement. If despite attempts to improve the performance of the Manager, same remains unsatisfactory to either the Counterparty or the Company, then the Counterparty shall make best efforts to remove or redeploy him/her having due regard to local employment legislation and replace him/her with another individual who is approved by the Company;
- 9.3. STANDARDS: the Counterparty will ensure that all Staff employed at each PoS, whose role is to interact with Consumers, at all times project a professional image, display a reasonable knowledge of the Merchandise, present a neat and clean appearance and render competent and courteous service to the Counterparty's customers in keeping with guidelines provided from time to time by the Company;
- 9.4. TRAINING: the Counterparty will ensure that all Staff and replacements for them who are required under the terms of this Agreement are inducted into the Values and are trained so as to possess reasonable knowledge in the Merchandise and Services, to the reasonable satisfaction of the Company and shall, whenever reasonably required by the Company, procure the attendance of such Staff at such training at such time(s) and place(s) reasonably specified by the Company, the Counterparty bearing the cost of any travel, accommodation or subsistence incurred in connection therewith and the salaries of such persons; and
- 9.5. VOLUNTEERING: the Counterparty will ensure that all Staff are afforded the opportunity to volunteer from time to time during normal business hours on full pay to participate in community projects in keeping with the Values and commitment to the community.

10. PUBLICITY, ADVERTISING & PROMOTIONS

- 10.1. GUIDELINES & POLICIES:
 - 10.1.1. The Counterparty will adhere to any Brand and advertising guidelines published and communicated by Company or set out in this Agreement or the Manual;
 - 10.1.2. The Counterparty will ensure that any activity online (including advertising or promotional) is compliant with the Company's social media policy to the extent applicable as from time to time communicated;
- 10.2. HARM TO IMAGE:
 - 10.2.1. The Counterparty will refrain from carrying out any advertising that is likely, due to its degrading or vulgar presentation, to harm the image, reputé, or allure of the Brand and/or the Merchandise;
 - 10.2.2. The Counterparty will immediately provide the Company with such information as may come into Counterparty's possession which may adversely affect the Merchandise or Company, including complaints from Consumers and/or communications

from regulatory or Government authorities, regarding products or service or in connection with any adverse media coverage;

10.3. INVESTMENT: The Counterparty will ensure an adequate amount is spent on promotion and advertising (including local public relations) in each Operative Period to implement the Consumer Offer.

10.4. APPROVAL:

10.4.1. BRAND USE: The Counterparty will not use the Brand in or for any signs, directory entries or display the same at or on each PoS except with the Company's prior written approval.

10.4.2. PUBLIC STATEMENTS: The Counterparty will not issue or publish without the prior written consent of the Company, any statements relating to the Company, its business, business trends, sales trends or other aspects or matters relating thereto;

10.4.3. MATERIALS: All advertising and promotional materials must be approved by the Company and either provided by the Company or its nominated designee and the Counterparty agrees to participate in all such marketing and promotional activity as reasonably required by the Company

10.4.4. PROHIBITION: Any statements or materials submitted in draft form by Counterparty for the Company's approval, will not contain any information on the Counterparty's future pricing;

11. CAMPAIGNS, VALUES AND B CORPORATION PRINCIPLES

11.1. COUNTERPARTY: The Counterparty will uphold the Values, participate in all Campaigns, and in the course of the Business will act consistently with the B Corporation Principles, and any other principles set forth by the Company from time to time. The Counterparty agrees to support the Company's climate commitments and other sustainability targets by measuring and reporting on the Counterparty's greenhouse gas emissions and any other impact as requested by Company from time to time. The Counterparty agrees to include in its Performance Objectives material progress towards B Corp certification, and once certified to commit to periodic improvement in its impact score over time;

11.2. COMPANY: As a certified B Corp, the Company believes that we must be the change that we seek in the world. The Company will provide to the Counterparty an annual report on its progress as a B Corp, activities connected with its membership of the Ethical Trade Initiative and its statements on Modern Slavery, Gender Pay Gap, Payment Practices, Streamlined Energy and Carbon Report, and similar statements.

12. TRADEMARKS AND OTHER COMPANY IP

12.1. ASSISTANCE: The Counterparty shall render to the Company all reasonable assistance as and when required by the Company to enable the Company to obtain registration in any part of the world of Company IP including the Brand or any translation, adaptation, modification or transliteration thereof. In no circumstances will the Counterparty apply for registration as proprietor of Company IP including the Brand or any translation, adaptation, modification or transliteration thereof in any part of the world.

12.2. GOODWILL: The Counterparty acknowledges that the goodwill and all other rights in and associated with the Brand and any translation, adaptation, modification or transliteration thereof (as well as any additional goodwill generated from or by the use or exploitation of the same in connection with this Agreement) shall vest absolutely in the Company and that it is the intention of the parties that all such rights will at all times hereafter and for all purposes remain vested in the Company. In the event that any such rights at any time accrue to the Counterparty by operation of law or howsoever otherwise, the Counterparty will at all times hold same in trust for Company and acknowledge and respect Company's beneficial interest and at its own expense forthwith on demand do all such acts and things and execute all such documents as the Company shall deem necessary to vest such title and legal rights absolutely in the Company.

12.3. NEW REGISTRATION: In the event that a registration is obtained for Company IP including the Brand or any translation, adaptation, modification or transliteration thereof subsequent to the date hereof, the Counterparty shall at the request of the Company enter into a license agreement in a form prescribed by the Company in respect of the use by the Counterparty of any such registered Company IP.

12.4. CONFIRM OWNERSHIP: The Counterparty will take such action in relation to the use of the Company IP in the Business as the Company may from time to time direct in order to make clear that the Company IP is the subject of patent, copyright, design, trademark, domain name, or any other intellectual property right protection, owned by the Company and used under license by the Counterparty.

12.5. NOTIFICATION: The Counterparty shall immediately notify the Company of all infringements or confusingly similar use of the Company IP or the System or of the existence of any business which appears to, or to be attempting to, pass itself off as being connected in the course of trade with the Company which may come to its attention, as well as any attempts to challenge the Company's right to use the Company IP including Brand or any translation, adaptation, modification or transliteration thereof or the System. The Counterparty will assist the Company in all manners possible and necessary to protect and defend the Company's rights by, and/or other than by, the institution of legal proceedings, and will not do anything to settle or compromise the Company's legal position in relation thereto.

12.6. WARRANTY & DEFENCE: The Company warrants that it has the right to grant to the Counterparty the rights to use the Company IP including Brand in accordance with this Agreement and for the purposes contemplated herein. If the Company, in its sole discretion, determines that the Counterparty has used the Company IP including Brand in accordance with this Agreement, the Company will defend the Counterparty at the Company's expense against any third party Claim involving the Company IP and arising out of the

Counterparty's use thereof. In the event that the Company, in its sole discretion, determines that the Counterparty has not used the Company IP in accordance with this Agreement, the Company may at its option defend the Counterparty, at the Counterparty's expense, against such third party Claims. The Company's defence under this clause 12.6 is conditional on the following:

- 12.6.1. notice of the Claim and all relevant facts relating thereto is given to the Company as soon as reasonably practicable and in any event within three (3) days of the Counterparty becoming aware thereof; and
- 12.6.2. the Company has conduct and control of all proceedings relating to the Claim and the Counterparty at the request and expense of the Company provides its full co-operation to the Company in connection therewith.

13. CONFIDENTIALITY

- 13.1. The Counterparty hereby acknowledges that all Confidential Information is of a strictly confidential nature and accordingly, the Counterparty covenants that it shall only make available such Confidential Information to its Representatives on a need-to-know basis and it will not - and it will procure that none of its Representatives or any other person who may be in receipt of Confidential Information (such as professional advisers) shall - at any time without the prior written consent of the Company, whether before or after termination of this Agreement, divulge or use whether directly or indirectly for its own benefit or that of any other person, firm or company any of such Confidential Information which may be communicated to or otherwise acquired by the Counterparty, or its Representatives.
- 13.2. Clause 13.1 shall not apply in respect of any information published or which comes into the public domain otherwise than by a breach of this Agreement, or which is lawfully known to the Counterparty at the time of the disclosure and is not subject to any obligations of confidentiality. Nothing in this clause 13 shall prevent disclosure by a Party receiving Confidential Information ("Recipient") from a Party disclosing same ("Discloser") of any Confidential Information in compliance with a legal requirement of a governmental agency or otherwise where disclosure is required by compulsion of Applicable Laws, but only to the extent necessary to comply with such requirement ("Compulsory Disclosure"), and provided Recipient makes best efforts to inform Discloser in advance of such Compulsory Disclosure, with a view to affording Discloser the opportunity to make representations to the relevant authorities against such Compulsory Disclosure, whereupon, Recipient will provide reasonable assistance in aid of such representations.

14. COMPLIANCE

- 14.1. ANTI-CORRUPTION: In performing its obligations under this Agreement, the Counterparty:
 - 14.1.1. Confirms and agrees that it, its Owners and Representatives have not committed and will not commit Improper Conduct in connection with performing the Business, their obligations, rights or commitments under this Agreement.
 - 14.1.2. Agrees to make its Owners and Representatives available for compliance training as requested by Company.
 - 14.1.3. Agrees that payments to the Company shall only be made (i) directly by the Counterparty; (ii) by check or wire transfer only; and (iii) out of the Market or (if different) the country or area where the Counterparty performed the Business.
 - 14.1.4. Agrees that the Company may suspend or withhold any payments to the Counterparty, if, in good faith, Company believes that the payments may be related to Improper Conduct in connection with the performance of this Agreement.
 - 14.1.5. Affirms that its Owners and Representatives are knowledgeable regarding their obligations to not commit Improper Conduct and have taken appropriate steps to ensure compliance with those obligations. The Counterparty agrees that should it or any of its Owners or Representatives learn of or suspect any act or circumstance in connection with the performance of the agreement with the Company that may constitute Improper Conduct it will promptly advise a member of Company's legal department in writing of such knowledge or suspicion. The Counterparty further agrees to complete an annual online compliance certification reaffirming the provisions of this clause 14.1.5 and clause 14.1.6, via the Company's online due diligence tool to be submitted by an authorized officer and considers each such certificate an integral part of the Agreement. Additionally, at the Company's request, the Counterparty will renew the information contained in the Third-party form submitted in the Company's online due diligence tool ("Portal").
 - 14.1.6. Affirms that none of its Owners or executive directors is a Government Official or a relative (defined as a spouse, parent, stepparent, child, stepchild, sibling, mother-in-law or father-in-law, son-in-law or daughter-in-law, brother-in-law or sister-in-law, and anyone, other than a domestic employee, who shares a home with the individual) of such an official or that it has fully described any such relationship in the third party form submitted in the Portal. In the event that during the term of this Agreement with Company there is a change in the information contained in this paragraph, the Counterparty agrees to immediately disclose the change in writing to the Company's legal department.
 - 14.1.7. Agrees to obtain the prior written approval of the Company before providing any gift to or on behalf of a Government Official (or a relative of such an official) or incurring any travel, entertainment, or other expenses for or on behalf of any Government Official in the performance of this Agreement and of the Business.
- 14.2. ECONOMIC SANCTIONS: the Counterparty:
 - 14.2.1. warrants, represents and undertakes that (i) it is not the target of any Economic Sanctions; (ii) to the best of its knowledge, it is not Controlled or beneficially owned by any person subject to Economic Sanctions and (iii) it is not engaged in any proceedings or subject to any investigations from authorities for the alleged breach of any Economic Sanctions Law.

- 14.2.2. will comply with all Economic Sanctions Laws. Without limiting the generality of the foregoing, Supplier will not (i) directly or indirectly export, re-export, trans-ship or otherwise deliver the Deliverables or any portion thereof in violation of any Economic Sanctions Law, or (ii) broker, finance or otherwise facilitate any transaction in violation of any Economic Sanctions Law.
- 14.3. MODERN SLAVERY & LABOUR LAWS: the Counterparty will ensure that no slavery and human trafficking takes place in its own business and the Parties will take reasonable steps to ensure that no slavery and human trafficking or forced labour takes place in their business and supply or distribution chain, and will at all times comply with applicable Modern Slavery Law, having always regard to the protection of the rights of children and youth. Furthermore, Counterparty will comply with International Labour Organization conventions relating to the elimination of child labour, equality, freedom of association.

15. AUDITS & INSPECTIONS

- 15.1. AUDITORS: the Counterparty will appoint a reputable firm of accountants (subject to section 11 of Schedule 2, if applicable) to audit the Counterparty's accounts ("Auditors"); and to keep full, proper and up-to-date books and records relating to the Business, Merchandise, business volume, payments made, expenses incurred, and assets disposed of, and such other matters as the Company may require, which books and records shall be kept for at least seven (7) years, and shall at all times be available for inspection by the Company and its authorised representatives, who may make such copies of the books and/or records or part thereof as they deem fit; and to maintain an internal accounting controls method to ensure the proper authorisation, recording, and reporting of all transactions;
- 15.2. ACCOUNTS: the Counterparty will submit to the Company audited financial statements of the Counterparty within six (6) months of the end of each financial year of the Counterparty; (for the avoidance of doubt certified financial statements will be acceptable where the Counterparty is not a limited company or if the Counterparty is not by virtue of any Applicable Law or accounting practice required to file audited accounts with any government or other regulatory authority); and
- 15.3. INSPECTIONS: without prejudice to clause 15.1 but subject to clause 15.4, the Counterparty will allow the Company or its authorised Representatives to have access to each PoS or offices for the purpose of auditing or inspecting the books and records and/or conducting checks on the Merchandise and/or Equipment, and/or the overall conduct of the Business (in short "Inspections"). The Company may make such copies of the books and/or records or part thereof as it deems fit, and also remove from the Counterparty's inventory or PoS without payment samples of any items being offered for sale, for the Company to determine whether these articles meet the Company's standards and specifications.
- 15.4. REASONABLENESS: The Company will ensure that any Inspections mentioned above, will be (a) done in a considerate manner; (b) subject to best efforts to avoid material disruption in Counterparty's operations; (c) will be at Company's expense, unless there is a finding of breach, in which case Counterparty will pay cost; (d) will not require the Counterparty to hand over confidential information relating to competitors of Company, that is not relevant to the purpose of the Inspection, whereby Counterparty may redact such information; and (e) be carried out by Representatives of Company, who do not have a conflict of interest with Counterparty and are subject to confidentiality obligations towards Company. Inspections will be either routine or non-routine. Routine Inspections will be: (i) subject to 30 days' prior written notice; (ii) limited to once annually; (iii) be during business hours. Company may conduct unannounced non-routine inspections at any time (albeit subject to preceding points [a] to [e], but not subject to preceding points [i] to [iii]) if it has a reasonable serious concern, based on prima facie credible intelligence, pertaining to suspected or reported violations of law or of the CoC, where given the nature of such concern it would be inappropriate to forewarn the Counterparty.
- 15.5. DISCREPANCIES: For the avoidance of doubt, any shortfall in payments made to the Company by the Counterparty on account of any error or other discrepancy between the Counterparty's accounts as reported by the Counterparty and as verified by the Company shall be due as of the date such payment ought to have been made and shall be immediately payable to the Company by the Counterparty. In addition to any other remedies of the Company against the Counterparty in connection with such shortfall in payment, the Counterparty shall bear the costs incurred by the Company in verifying the Counterparty's accounts, as well as interest on such shortfall calculated in accordance with clause 6.4;
- 15.6. PROHIBITED EXCHANGES: Nothing in this Agreement shall require the Counterparty to provide any information or data which it would be prohibited by Applicable Law from providing. To the extent the rights and obligations under any clause of this Agreement lead to an exchange of sensitive information which may not be shared between the Parties, e.g. based on competition law or data protection law or other Applicable Laws, the rights and obligations hereunder shall at the choice of the Company be limited to the permissible extent or the relevant information or, in case of competition law concerns, the data shall only be made available to an independent third party bound to secrecy as regards such sensitive information. The Party invoking the limitation shall bear the burden to prove that the sharing of such information is not permissible.

16. LIABILITY

- 16.1. INDEMNITY: The Counterparty shall indemnify the Company, and its subsidiaries, affiliates and related companies, together with its Owners and Representatives, against any and all Claims or Losses incurred by the Company which arise (directly or indirectly) out of or in connection with the Counterparty's performance, purported performance or non-performance under this Agreement, related Addenda or any other collateral contract between the Parties, including without limitation any Losses arising out of or in connection with any third party demand, Claim (including any Claim alleging infringement of third party rights), or resulting from or attributable to any misrepresentation, negligence, fraud, wilful misconduct or breach of statutory duty of or by the Counterparty or its employees, agents or contractors.

- 16.2. **LIMITATION:** Subject to clause 16.4, the Company's maximum aggregate liability (if any) in respect of any defect in Merchandise or Services and otherwise under or in connection with this Agreement whether arising under statute or arising in or for breach of contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise, shall in no circumstances exceed (i) in the case of any defect in Merchandise or Services, 125% of the price of the relevant Merchandise or Service in question, and (ii) in all other cases (including without limitation in respect of all other Claims against the Company under or in connection with this Agreement), in respect of any year during the term hereof, the total sums payable by the Counterparty to the Company during that year.
- 16.3. **EXCLUSION:** Subject to clause 16.4, the Company shall not otherwise be liable to the Counterparty under or in connection with this Agreement, or any collateral contract, for any loss of income, loss of actual or anticipated profits, loss of business, loss of contracts, loss of goodwill or reputation, loss of anticipated savings, loss of, damage to or corruption of data, whether such Loss or damage was foreseeable or in the contemplation of the Parties or for any indirect or consequential Loss or damage of any kind, in each case howsoever arising, and whether arising under statute or arising in or for breach of contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise.
- 16.4. **NO EXCLUSION OR LIMITATION:** Nothing in this clause 16 or otherwise in this Agreement shall exclude or in any way limit the Company's liability to the Counterparty for (i) fraud, (ii) death or personal injury caused by its own or its contractors', agents' or employees' negligence (including negligence as defined in s. 1 of the UK Unfair Contract Terms Act 1977), (iii) breach of terms regarding title implied by s. 12 of the UK Sale of Goods Act 1979 and/or s. 2 of the UK Supply of Goods and Services Act 1982, or (iv) any liability to the extent the same may not be excluded or limited as a matter of law.
- 16.5. **NO OTHER WARRANTY:** This Agreement sets forth the full extent of the Company's obligations and liabilities arising out of or in connection with this Agreement, Addendum or any other collateral contract, and there are no conditions, warranties, representations or terms, express or implied, (whether relating to the Brand, the System, the Merchandise, or any other matter in connection with this Agreement) that are binding on the Company except as specifically stated or contemplated in this Agreement. Any condition, warranty, representation or term which might otherwise be imputed on Company and incorporated in this Agreement or any collateral or ancillary contract, whether by statute, common law or otherwise, is hereby expressly excluded to the maximum extent permitted by law.
- 16.6. **CUMULATIVE:** Company's rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies otherwise provided by law.

17. **INSURANCE**

- 17.1. **RISKS:** the Counterparty will, at its own cost obtain, maintain and renew, and at all times keep in full force and effect, insurance policies providing effective insurance coverage in respect of:
- 17.1.1. each PoS and their contents (Merchandise and Equipment) to the full insurable value thereof against Loss or damage thereto, from any risk (including without limitation fire, burglary, theft, earthquakes and floods) and such other risks as are commonly insured against by establishments of a similar nature;
 - 17.1.2. all risks associated with the Counterparty's use of the System, the Business, the Company IP, any Loss or damage to property, materials and/or documentation supplied by or belonging to the Company, and any other default for which the Counterparty is liable to the Company, all to the full insurable value thereof;
 - 17.1.3. all liability, Losses, or Claims arising from or in connection with the Business, Merchandise and/or the Services, and from or in connection with or by virtue of any statute relating to worker's compensation or employer's liability or at common law relating to any person employed by the Counterparty in connection with the Business;
 - 17.1.4. liability for injury to persons or property arising in connection with the Business, the PoS, Merchandise and/or the Services;
 - 17.1.5. all risks which the Counterparty is required by law to insure against; and
 - 17.1.6. such other risks as the Company may reasonably require;
- 17.2. **LEVEL:** Counterparty will insure all risks stated in clause 17.1 for such value and on such terms as the Company may reasonably require.
- 17.3. **COPIES:** The Counterparty shall furnish to the Company on demand copies of all such insurance policies, or key particulars thereof, or corresponding insurance certificates, referred to in clause 17.1 and evidence that all premiums due have been paid. For the avoidance of doubt, the Counterparty hereby acknowledges that nothing herein constitutes any representation on the part of the Company as to the nature or quantum of insurance coverage that the Counterparty should procure, and that it should seek its own professional advice in relation to such matters.
- 17.4. **BREACH:** The Counterparty will not cause or permit to subsist any circumstance which may constitute a breach of any insurance policy maintained pursuant to this Agreement.

18. **NOTICES**

- 18.1. Any and all notices required or permitted under this Agreement shall be in writing and shall be posted by recorded delivery or registered post or hand delivered or by electronic mail (with delivery receipt) to the respective Parties at the addresses set out in section 2 of Schedule 14, unless and until a different address has been designated by written notice to the other Party.

19. GOVERNING LAW AND JURISDICTION

- 19.1. The construction, validity and performance of this Agreement and all non-contractual disputes or Claims arising from or connected with this Agreement or formation shall be governed by and be construed in accordance with English law.
- 19.2. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the London Court of International Arbitration (LCIA) Rules, which Rules are deemed to be incorporated by reference into this clause.
- 19.2.1. The number of arbitrators shall be one, if the value of the dispute does not exceed five hundred thousand pounds sterling (£500,000.00); or three, if the value of the dispute exceeds such amount.
- 19.2.2. The seat, or legal place, of arbitration shall be the City of London.
- 19.3. The language to be used in the arbitral proceedings shall be English.
- 19.4. Nothing in this clause shall prevent either Party from seeking injunctive or other emergency relief against the other at any time, whereupon the Parties irrevocably submit to the jurisdiction of the English courts, provided that the Company reserves the right, notwithstanding clause 19.2, to proceed under this Agreement, for the purpose of defending its rights in the Brand, or protecting the System, in the courts of any other country claiming or having jurisdiction in respect thereof and the taking of proceedings by the Company in one or more jurisdictions shall not preclude its taking of proceedings in any other jurisdiction, whether concurrently or not.
- 19.5. UN CONVENTION: The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

20. TERMINATION

- 20.1. EXPIRATION: This Agreement will terminate automatically upon the expiration of the Term.
- 20.2. WITHOUT CAUSE: If termination without Cause is explicitly provided for in section 7.h of Schedule 14, then either Party may terminate this Agreement upon (i) serving notice of termination in writing to the other, such notice to take effect at the end of the notice period set out in section 7.h.i of Schedule 14; and (ii) upon paying prior to the effective date of termination the Exit Fee stated in section 7.h.ii of Schedule 14 to the other (if applicable).
- 20.3. FOR CAUSE: Either Party may terminate this Agreement (inclusive of all Addenda) or separately any individual Addendum made under its terms, for Cause without cost or penalty (and without prejudice to its other rights or remedies) by serving notice in writing to the other Party with immediate effect, in which notice the terminating Party will state unambiguously if the termination covers the Agreement (and all Addenda under it) as a whole, or if it is limited only to certain Addendum or Addenda.
- 20.4. Where this Agreement is multi-partite (e.g. Tier 2 or Tier 3) the following will apply, unless otherwise explicitly agreed:
- 20.4.1. Notice of termination (with or without Cause) by one Party must be served in writing to all Parties as a condition for the termination of the Agreement becoming effective against any Party and where notice is served to different Parties on different dates, the date of notice will be deemed to be the date on which the last notice was served (to the last Party to be notified).
- 20.4.2. Where termination is initiated by Company, and Exit Fee is payable by Company, the Exit Fee will be divided equally between the other Parties and Company will pay each Party its share.
- 20.4.3. Where any other Party (other than Company) initiates the termination, then such Party will be liable to pay the Exit Fee (where applicable) to Company in full, and such Party will have no obligation to pay the Exit Fee (or portion thereof) to any of the other Parties.
- 20.4.4. Termination of an Upstream agreement for whatever reason (whether on expiration, or for or without Cause) will result in the automatic (i.e. without need for any formality) termination of any Downstream agreement.
- 20.5. Where an Addendum is terminated (with or without Cause) explicitly separately from this Agreement, Termination of such Addendum will have no effect to the validity of any other Addenda or of the Agreement.

21. CONSEQUENCES OF TERMINATION

- 21.1. Upon the termination or expiration of this Agreement, whether in accordance with this Agreement or otherwise, the Counterparty shall:
- 21.1.1. immediately pay to the Company the full amount of all monies then or thereafter due;
- 21.1.2. immediately cease to operate the Business and cease to use the System and shall not thereafter hold itself out in any way as an Authorised Seller of the Company and refrain from any action that would or may indicate any relationship between it and the Company;
- 21.1.3. immediately cease to use in any way whatsoever any and all of the Brand and any translation, adaptation, modification, or transliteration and any other trade names, logos, devices, insignia, procedures or methods which are or may be associated with the Brand or the System;

- 21.1.4. return to the Company, destroy or dispose of (as the Company shall direct), all signs, advertising materials, stationery, invoices, forms, receipts, or any other document pertaining to or concerning the Business or the System or bearing of the Brand and any translation, adaptation, modification, or transliteration save for those required by law to be retained by the Counterparty in respect of the Business;
- 21.1.5. immediately make available to the Company the books and records referred to in clause 15.1 (save for those required by law to be retained by the Counterparty in respect of the Business, in which case copies thereof shall be made and provided to the Company);
- 21.1.6. continue to perform and observe those of its covenants and obligations which survive termination or contemplate or are capable of operation after termination, and accordingly, all such provisions shall continue in full force and effect after termination or expiration of this Agreement;
- 21.1.7. do all such acts and things and execute such documents as the Company shall require, in particular but without limitation, comply with any direction issued by the Company in accordance with section 4 of Schedule 3, this clause 21.1 and any such notification of cessation of use of the Brand or any translation, adaptation, modification, or transliteration as is necessary for the purpose of recording the same at the relevant Registry or Registries of Trademarks, and assign ownership to the Company of all Branded domain names and either de-Brand or transfer any Branded websites operated pursuant to this Agreement without any compensation to the Counterparty; and
- 21.1.8. provide all reasonable assistance to the Company to ensure business continuity and smooth transition of the Business in accordance with the Company's plans for the Business or otherwise as directed by the Company, without any cost to the Company save where otherwise expressly stated in this clause 21.1. To this end the Company shall have the right, itself or through its designee, to:
 - 21.1.8.1. purchase the Counterparty's remaining inventory of Merchandise at cost, it being understood that the Company will accept and pay for only such Merchandise which is in first class condition and usable. All Merchandise unfit for use according to the Company's standards or not purchased by the Company hereunder shall be destroyed by the Counterparty without cost to the Company or shall be otherwise disposed of by the Counterparty in accordance with the directions of the Company;
 - 21.1.8.2. purchase any of the Equipment, and other assets of the Counterparty pertaining to the Business, at cost price or the net realisable value or the net written down value in the Counterparty's latest audited accounts, whichever is lower;
 - 21.1.8.3. where applicable, take over the leases to the Branded Stores pursuant to section 4.f of Schedule 3;
 - 21.1.8.4. require the Counterparty to give, subject to Applicable Law immediate and full access of, and transfer all Consumer data and marketing and sales information to the Company, in line with clause 6.16;
 - 21.1.8.5. require the Counterparty to join with the Company in any necessary application for and cooperate fully with the Company to obtain any necessary order and/or consents, licenses, permits or authorisations to enable full operation of the Business by the Company; and
 - 21.1.8.6. require the Counterparty to transfer or assign the rights under any contracts to the Company which are necessary to ensure continuity of the Business, provided that where any of the Counterparty's employee, staff or personnel is transferred to the Company as a result of this clause 21.1.8.6, the Counterparty agrees to indemnify the Company against any Claims for wrongful and/or unfair dismissal and/or redundancy payments or any other Claims arising out of or in connection with the employment of such employee, staff or personnel by the Counterparty.
- 21.1.9. For the avoidance of any doubt, the provisions of this clause 21.1 shall survive the termination of this Agreement. Any reference to the Company under this clause 21.1 shall include a reference to its designee.
- 21.2. Furthermore, upon the termination or expiration of this Agreement, the Company will comply with its obligations under section 10 of Schedule 2 (where applicable).

22. MISCELLANEOUS

- 22.1. FORCE MAJEURE: If the performance of any obligation hereunder (other than a payment obligation) is prevented or delayed, in whole or in part, by reason of Force Majeure, then neither of the parties to this Agreement shall be responsible to the other party for delay in the performance or the non-performance of an obligation hereunder and (i) the affected party shall promptly inform the other party in writing of such an occurrence stating the reason for the delay or inability to perform whereupon; (ii) the time in which the obligation in question should have been performed will be extended by the period of the unavoidable delay; and (iii) the affected party will take all necessary steps to rectify the situation to the extent it is within that party's power so to do.
- 22.2. COMPANY'S CONSENT: Except as otherwise provided for herein, whenever this Agreement requires the Company's prior approval or consent, the Counterparty will make a timely written request to the Company therefor, and such approval or consent must be obtained in writing. The Company will use its reasonable efforts to respond to such requests within fourteen (14) days of the receipt of same. No warranty or representation by Company (whether as to quality, quantity, competence, timeliness, lawfulness, appropriateness, or any other aspect) may be inferred or implied by such approval or consent, as further stipulated in clauses 16.5 and 22.9.

- 22.3. **NO WAIVER:** No waiver by the Company of any failure by the Counterparty to observe any covenant or condition of this Agreement or any failure or delay by the Company to enforce the same shall be deemed to be a waiver of any preceding or succeeding failure or of any other covenant or condition nor shall it be regarded as a continuing waiver or estoppel.
- 22.4. **LEGAL ACTIONS:** The Counterparty will notify the Company in writing immediately upon the commencement of any action, suit, or proceeding, and of the service of any order, writ, injunction, award or decree of any court, agency, regulatory authority or other government agency, which may affect the operation, reputation or financial condition of the Business.
- 22.5. **RELATIONSHIP:** This Agreement does not create a fiduciary relationship as between the Company and the Counterparty hereto. The Counterparty will be an independent contractor, and nothing in this Agreement is intended to constitute either Party an agent, legal representative, subsidiary, party to a joint venture, partner, employee, or servant of the other or the Company for any purpose whatsoever, nor shall the Counterparty hold itself out to the public as such.
- 22.6. **NO AGENCY:** Nothing in this Agreement authorises the Counterparty to make any contract, agreement, warranty, or representation on the Company's behalf, or to incur any debt or other obligation in the Company's name. The Counterparty will have no power to bind the Company or to act in the name of or to create a liability against the Company in any way or for any purpose. The Counterparty acknowledges that the Company will not in any event assume liability for, or be deemed liable hereunder as a result of any such action. The Company will not be liable by reason of any act or omission of the Counterparty arising out of or in connection with the Counterparty's conduct of the Business or for any Claim or judgment arising therefrom against the Company or its subsidiaries, affiliates and/or related companies.
- 22.7. **POWER:** The Counterparty warrants its power and capacity to enter into and perform its obligations under this Agreement and that in so doing, it is not or will not be in breach of any other agreement with a third party and that this Agreement is valid binding and enforceable against the Counterparty in accordance with its terms, to the fullest extent permitted by law.
- 22.8. **ASSIGNMENT:**
- 22.8.1. The Counterparty may not without the written consent of the Company assign or transfer the rights and benefits under this Agreement, subject to section 8 or 9 of Schedule 2, where applicable.
- 22.8.2. The Company may novate, assign, sub-contract, sub-license (in short "Transfer") this Agreement and all or any of its rights and obligations under it to any other party at any time and shall inform the Counterparty thereof in writing within a reasonable time thereafter. In the event of any such Transfer, the Counterparty will re-execute a fresh agreement for the unexpired term of this Agreement (or such other period as the parties may agree) with the assignee/novate/transferee/sub-contractor/sub-licensee (in short "Transferee") if the Company (or the Transferee) requires the Counterparty to do so. Any costs incurred in the event of such Transfer shall be borne by the Company. For the avoidance of doubt, the Transferee shall assume all of the Company's obligations to the Counterparty under this Agreement and following such Transfer the Company will henceforth be released of its obligations hereunder.
- 22.9. **ENTIRE AGREEMENT:** This Agreement (including any documents referred herein, including the terms and conditions of sale referred to in clause 7.4 above) constitutes the entire agreement between the Parties regarding its subject matter and supersedes and replaces any and all Previous Agreements, understandings or arrangements between the Parties, whether oral or in writing, with respect to the same. No representation, undertaking, warranty, guarantee, or promise, whether explicit or by way of any waiver, approval, consent, or suggestion, by Company to Counterparty, including but not limited to those in respect of potential turnover, profits, or success of the business venture contemplated by this Agreement or of the suitability of any individuals or of the location of the Business or any PoS, or by reason of any neglect, delay, or denial by Company of any request made to it, shall be taken to have been given or be implied from anything said or written in negotiations or public statements by the Company prior to this Agreement (or prior to any Addendum) except as expressly stated in this Agreement (or in any Addendum).
- 22.10. **SEVERABILITY:** If any provision of this Agreement shall be held to be invalid or unenforceable, then such provision shall be deemed to be deleted but such deletion shall be without prejudice to the validity of the other provisions of this Agreement.
- 22.11. **THIRD PARTY RIGHTS:** Nothing in this Agreement shall be construed to create any duty to, standard of care with respect to, or any liability to any person who is not a Party to this Agreement. Without limiting the generality of the foregoing, a third party who is not a Party to this Agreement shall have no right under the UK Contracts (Rights of Third Parties) Act 1999 to enforce any provisions of this Agreement.
- 22.12. **WRITING:** No amendment of this Agreement shall have effect unless in writing and signed by authorised signatories of the Parties hereto.
- 22.13. **COSTS:** Each Party shall bear its own costs incurred in connection with the preparation and completion of this Agreement, provided however that all stamp fees, if any, payable in connection with this Agreement or any Grant hereunder, shall be borne by the Counterparty.
- 22.14. **INDEPENDENT REVIEW:** The Counterparty acknowledges that the Counterparty enters into this Agreement as a result of the Counterparty's own independent investigation of the proposed franchise (and the Company has accorded the Counterparty ample time and opportunity to this end), and recognises that the business venture contemplated by this Agreement involves business risks and that the Counterparty's success will be largely dependent upon the Counterparty's ability as an independent business person/entity. The Counterparty warrants that the Counterparty has taken independent legal and financial advice (by advisors of Counterparty's own free choice) about the Business before entering into this Agreement and has not relied on any warranty by Company, pertaining to the commercial viability of such venture, as detailed in clauses 16.5 and 22.9.

- 22.15. RESERVATION OF RIGHTS: All rights and licenses not specifically and expressly granted to and conferred upon the Counterparty by this Agreement are for all purposes reserved to the Company.

[Signatures follow in next page. Remainder of this page is intentionally blank]

SIGNATURES:

In witness whereof the parties hereunto have caused this Agreement to be executed by duly authorised representatives on the day and year first above written.

Signed for and on behalf of
THE BODY SHOP INTERNATIONAL LIMITED (“Company”)

X  DocuSigned by:
A3A01E9818E2464...

Ian Bickley
name in capitals

Director
title

October 4, 2023
date

X  DocuSigned by:
6A7FF83E2F114E8...

Peter O'Byrne
name in capitals

Company Secretary
title

October 3, 2023
date

Signed for and on behalf of
THE BODY SHOP CANADA LIMITED (“Counterparty”)

X  DocuSigned by:
B25F07F8C234452...

Jordan Searle
name in capitals

Director
title

October 3, 2023
date

X  DocuSigned by:
ABF78BE5B1BF499...

Benoit Mennegand
name in capitals

Director
title

October 3, 2023
date

Schedule 1 SELECTIVE DISTRIBUTION

1. APPLICATION: This Schedule 1 is applicable if marked as applicable in section 1.a of Schedule 14.
2. SELECTIVE SELLING: Unless expressly approved by the Company in writing, without prejudice to clause 7.1.1, the Counterparty shall sell or offer for sale the Merchandise or Services only to Authorised Purchasers.
3. Company will exercise reasonable discretion in including other sellers in the Selective Network as Authorised Sellers, reasonably in line with the Selective Criteria.
4. BULK POLICY: The Counterparty shall conduct the Business in compliance with the Bulk Policy (Schedule 12), provided that nothing in the Bulk Policy will limit the quantities which may be supplied by Counterparty within the Selective Network.
5. STATEMENT: The Counterparty will display at each PoS the Authorised Seller Statement, unless where section 2 of Schedule 2 applies (in which case Counterparty will display at each Branded PoS the Franchise Statement instead).

Schedule 2 FRANCHISE BUSINESS

1. **APPLICATION:** this Schedule 2 applies to the Grant if it comprises Branded PoS (as set out in sections 1.c and 10 of Schedule 14).
2. **FRANCHISE STATEMENT:** The Counterparty shall cause to be displayed at each Branded PoS the Franchise Statement set out in section 8.b of Schedule 14 and also upon any signage, letterheads, bills, invoices and other documents or literature used in connection with the Business pertaining to Branded Stores or the Website (pursuant to section 16 of Schedule 6).
3. **MONO-BRANDED TRADE:** The Counterparty will not sell any other goods (other than Merchandise) or provide other services (other than the Services) or carry on any other business or activity (other than the Franchise Business) on each Branded PoS and will not use any other trademark or symbol in association with each Branded PoS.
4. **SYSTEM:**
 - a. **CONFORMITY:** The Counterparty will operate the Franchise Business in strict conformity with the System as may be modified by the Company from time to time and will not do or permit to be done anything which is additional to or not in accordance with the System without the prior consent in writing of the Company and will comply with all advice and instructions given from time to time by the Company with regard to the operation of the System and the Business;
 - b. **ON-SITE ASSISTANCE:** The Company will make available to the Counterparty upon the Counterparty's reasonable request, and at the Counterparty's expense, members of the Company's staff to provide on-site assistance and advice in connection with the System or recommend to the Counterparty such independent experts as it may deem necessary;
 - c. **FEE:** Unless the Company otherwise agrees in writing, the Counterparty shall pay to the Company, without demand and under a regular payment schedule as may be determined between the Counterparty and the Company from time to time, such fees for the management, consultation, advice, service and training provided by the Company in respect of the use of the System and the Company IP as the Company may from time to time prescribe, calculated as a percentage of Counterparty turnover, and which is in accordance with the Company's policy.
 - d. **TRAINING:** The Company will provide training on the standards, procedures, techniques and methods comprising the System (including any improvements or developments thereto) and the Merchandise to the Counterparty and/or such number of its Staff as may be approved or designated by the Company, at such times and places as the Company shall specify, the cost of travel, accommodation and subsistence incurred by such personnel in connection therewith being borne by the Counterparty;
 - e. **GUIDANCE:** The Company will provide the Counterparty with such general assistance, supervision, advice, know-how and guidance as the Company shall deem appropriate relating to management, finance, promotion, personnel and methods of operation to be employed in connection with the PoS location, or opening and the System, as well as reasonable facilities for consultation with the Counterparty in connection with any problems relating to the System from time to time arising with a view to assisting and enabling the Counterparty to operate and maintain the same.
 - f. **MODIFICATIONS:** The Company may, if it deems fit, make such improvements, additions and/or modifications to the System available to the Counterparty in writing (or elect to adopt Counterparty's own suggestions thereto), who shall only when required to or approved by the Company (subject to reasonable notice) incorporate them in the System and introduce them into the Business at the time and in the manner specified by the Company.
5. **INTRANET:** The Counterparty agrees to purchase, maintain and operate such hardware or software, as the Company requires to enable the Counterparty to utilise the Company's intranet, if the Company in its discretion should decide to allow access to the same. The Counterparty's use of the intranet shall be governed by the prevailing terms and conditions governing access thereto, as may be notified to the Counterparty on the intranet, or otherwise in writing.
6. **CONFIDENTIALITY & NON-COMPETE:**
 - a. **MANAGER:** Counterparty will not permit or suffer any person to act in the capacity of Manager and assist in the operation of the Business in Branded Stores, until such person has signed a non-competition and confidentiality undertaking in a form specified by the Company.
 - b. **NON-COMPETE:** The Counterparty covenants during the term of this Agreement whether itself or together with any other person, firm or company in any capacity whatsoever save as authorised hereunder directly or indirectly, not to be engaged, interested or concerned in any business, which is competitive with the Business, and further to ensure that no member, shareholder, or director of the Counterparty or other individual having a degree of control or influence over the Counterparty (such as the Manager) is or becomes so engaged during the Term of this Agreement and for a period of one (1) year following termination of this Agreement in accordance with its terms, save as set out in section 7 below, or as explicitly approved by the Company in writing, such approval not to be unreasonably withheld, subject to section 6.c below.
 - c. **APPROVAL:** Company's approval mentioned above may be subject to the condition that the Counterparty shall agree to have a core management team (approved by the Company) solely dedicated to the Business, and warrants that no-one on that team will be involved in any other business during the term of the Agreement.
7. **DISCLOSURE OF BUSINESS INTERESTS:** The Counterparty will set out under section 9 of Schedule 14 a list disclosing the Counterparty's and its directors' full business interests, and those of the Counterparty's directors' spouses and the Counterparty's

majority shareholders, which list will be kept regularly updated by the Counterparty and made available to the Company each time a change is noted. Such business interests, disclosed pursuant to this section, will be deemed approved by the Company, unless the Company raises explicit objections within four (4) months of acquiring knowledge of such disclosure.

8. SALE, TRANSFER OF (OR CHANGE OF CONTROL IN) THE BUSINESS

- a. CONSENT: The Counterparty may only sell (or effect a Change of Control in) the Business (in part or in whole) with the prior written consent of the Company (at the Company's absolute discretion) and subject to the conditions listed in section 8.b of this Schedule 2. Provided that the Counterparty has complied with all of its obligations hereunder, the Company undertakes to the Counterparty to grant to a purchaser of the Business who is acceptable to the Company pursuant to the terms hereof an agreement equivalent to this Agreement (in the Company's then current form therefor) forming part of the deal, for a period ending no sooner than the corresponding Term (and subject to equivalent renewal conditions) commencing from the date of the sale in question.
- b. CONDITIONS: The conditions required to obtain the consent of the Company to the sale of the Business by the Counterparty shall include, but not be limited to, the following:
 - i. STANDARDS: any proposed purchaser shall be bona fide and at arm's length and shall, in the opinion of the Company, meet the Company's standards with respect to business experience, financial status, ability and compatibility with the Company and in particular with the Values;
 - ii. PARTICULARS: before making any binding commitment regarding a sale of the Business, the Counterparty shall notify the Company in writing of: (a) the proposed purchaser's name, address and telephone number; (b) the proposed purchaser's (or its senior management team's) business experience, present occupation, and references; (c) evidence of its financial capability; including personal and business financial statements; (d) capital and ownership interests in the proposed purchaser; (e) the proposed terms of sale; and (f) the proposed purchaser's signing with the Company the agreement set forth in section 8.a of this Schedule 2 (subject to the condition precedent that the sale will be completed by a specified date) and any other information about the purchaser which the Company may reasonably request;
 - iii. ADEQUACY: the approval by the Company of the proposed purchaser and the proposed purchaser's business plan and evidence that it has adequate financial resources to implement the same. The Company in so satisfying itself shall not be taken to be making any representations or giving any warranties to such prospective purchaser or to the Counterparty;
 - iv. COSTS: the Counterparty agrees to bear all reasonable costs incurred by the Company in connection with the Counterparty's sale of the Business;
 - v. CORPORATION: if the proposed purchaser is a corporation, the Company is satisfied:
 1. that the individual or individuals who will have Control of such company meet the criteria set forth in section 8.a of this Schedule 2 and have complied with the requirements of section 8.b of this Schedule 2;
 2. with the suitability of the other persons who will be directors or shareholders in such corporation; and
 3. with the shareholding structure;
 - vi. PAYMENT: the Company receives payment from the Counterparty of all outstanding sums due to the Company under this Agreement, and the discharge of all outstanding obligations of the Counterparty hereunder, including payment of any sum due under section 8.b.iv of this Schedule 2.
- c. INFORM: The Counterparty shall upon receipt of any proposed purchaser's written offer to purchase the Business forward the same to the Company, together with: (a) financial statement of affairs and the business history of the proposed purchaser; (b) details of any other terms which may have been agreed between the Counterparty and the proposed purchaser; and (c) a warranty that the information provided pursuant to this sub-clause is to the knowledge of the Counterparty complete and accurate in all respects and that there has been no information withheld.
- d. 1st RIGHT OF REFUSAL: Upon receipt of such notice accompanied by the said information, the Company shall in addition to its other rights hereunder and subject to obtaining any consents which may be required and complying with any other relevant requirements under Applicable Laws, have an option to purchase the Business for the same amount and upon the same terms as the proposed purchaser has offered, which option may be exercised by notice in writing to the Counterparty within 30 days of the receipt of such notice and information. The Counterparty will in the event of the exercise of such option by the Company effect the sale of the Business within 30 days thereof.
- e. RELEASE: Upon the Company completing the purchase of the Business following the exercise of the option contained in section 8.d of this Schedule 2 or entering into a distribution & franchise agreement with a purchaser of the Business approved by the Company and upon the satisfaction of the conditions referred to in section 8.b of this Schedule 2, the Agreement will be deemed as terminated between the Company and the Counterparty and the Parties shall each be deemed to have released henceforth each other from the terms of this Agreement save for those provisions which expressly or impliedly survive termination, or save for any claim that has arisen or accrued prior to the date of such termination.

9. TRANSFER UPON DEATH OR PERMANENT INCAPACITY

- a. **TRANSFER:** Upon the death or permanent incapacity (mental or physical) of the Counterparty (if the Counterparty is a natural person) or of any person with Control in the Business, or in the Counterparty (if the Counterparty is a company or a partnership) (in short the **"Retired"**), the executor, administrator, or personal representative of the Retired (in short **"Superintendent"**) will inform the Company in writing and provide such information as the Company may reasonably request. Superintendent will transfer such Control or this Agreement to a third party (the **"Successor"**) approved by the Company at its sole and absolute discretion within six (6) months after such death or permanent incapacity and where applicable will comply with section 6.a of this Schedule 2.
 - b. **MANAGER:** Immediately upon such death or permanent incapacity of the Retired and until such transfer is effected, the Company will have the right, but not the obligation, to appoint a new Manager to operate the Business, and the Counterparty's Business or estate will pay all the reasonable costs and expenses incurred by the Manager, including, without limitation such Manager's salary and travel expenses to, from and within the Territory. Where the Company appoints such a Manager, it shall not be liable to the Counterparty, its estate, successor in title, shareholders, executor, administrator, personal representative, or the Superintendent, as the case may be for any Losses incurred or the performance achieved by the Business for such period.
 - c. **TRANSITION:** Any transfer referred to in section 9.a of this Schedule 2, including, without limitation, transfers by devise or inheritance, will be subject to the same terms and conditions as for any inter vivos transfer under section 8 of this Schedule 2. However, in the case of transfer by devise or inheritance, if the heirs or beneficiaries or company directors or Superintendent are unable to effect such transfer within the period stated in section 9.a of this Schedule 2 then:
 - i. provided that the Counterparty has, in the sole opinion of the Company, been consistently achieving the Performance Objectives agreed during the term of this Agreement then the Superintendent will have two (2) years from the death to dispose of the Retired's interest in this Agreement, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement.
 - ii. If the Counterparty has in the sole opinion of the Company not been consistently achieving the Performance Objectives agreed during the term of this Agreement then the Superintendent will have one (1) year to dispose of the Retired's interest in this Agreement, subject to all the terms and conditions for transfers contained in this Agreement.
10. **CAPITAL INVESTMENTS:** If pursuant to this Agreement the Counterparty is required to make capital investments in assets that cannot be redeployed in other business activities, which when depreciation is calculated on a five (5) year basis are not fully depreciated at the time of expiration of this Agreement, and the Company does not extend the term of the Franchise in accordance with this Agreement, the Company will compensate the Counterparty by purchasing the acquired assets at their depreciated value on said five (5) year life cycle basis, provided always that the Counterparty is at the time of the expiration of this Agreement not in arrears, not on a debt repayment plan, or not in breach of any provision hereof (including, without limitation, the Counterparty's obligations to meet the Performance Objectives) or of any other agreement between the Counterparty and the Company or the Company's subsidiaries, affiliates and/or related companies. For the avoidance of doubt, this section 10 of Schedule 2 shall not apply where this Agreement is terminated by Company for Cause, or by Counterparty without Cause.
11. **APPROVAL OF AUDITORS:** the appointment of the Auditors stipulated in clause 15.1 must have the Company's prior consent, subject to clause 22.2.
12. **INSURANCE – BENEFICIARY:** In addition to Counterparty's obligations under clause 17.3, the Counterparty will furthermore ensure (without prejudice to the generality of the remainder of clause 17) that the Company shall be named a party to the policies referred to in clause 17.1 and be entitled to the benefit thereof.
13. **SOFTWARE LICENCE:**
- a. **Grant:** in consideration for the mutual agreements and undertakings under this Agreement, and for the sum of £1 (receipt of which the Company hereby acknowledges), the Company grants the Counterparty a non-exclusive, non-transferable licence (the **"Software Licence"**) to use the programs listed in section 19 of Schedule 14 as amended from time to time by the Company (the **"Software"**).
 - b. **Hardware:** The Counterparty will run the Software exclusively on hardware sourced by the Counterparty and which hardware meets the minimum systems requirements as set out in section 19 of Schedule 14.
 - c. **Requirements:** The Counterparty will provide and be responsible for the network infrastructure required to run, maintain and support the Software remotely as specified in the minimum system requirements for the Software as set out in section 19 of Schedule 14, including but not limited to external (public) internet access and appropriate firewall rules for specific TCP/IP ports.
 - d. **Modifications:** The Counterparty will not alter or modify the Software and will immediately notify the Company should any Software fail to operate satisfactorily.
 - e. **3rd Party Terms:** Where any Software licensed to the Counterparty is also subject to additional terms and conditions from their original licensors (if applicable) those terms and conditions will supplement and, insofar as they conflict, prevail over the terms of this Software Licence.
 - f. **Use:** The Counterparty will not use, resell, sub-licence or supply the Software save as provided in this Software Licence.

- g. Ownership: No title or rights of ownership, copyright or any other intellectual property in the Software is or will be transferred to the Counterparty. The Counterparty will permit the Company at reasonable times to audit the use of the Software.
- h. Copies: The Counterparty will not make any additional copies of the Software or parts thereof (other than what is required for running the Software) without the prior written consent of the Company. However, the Counterparty will be entitled to make a copy for back-up purposes to the extent provided by mandatory Applicable Law only. The obligations imposed on Counterparty pursuant to the terms of this Software Licence, will apply to any copies made by the Counterparty.
- i. Expert Installation: Where (according to the Software specifications) expert installation is required, the Counterparty agrees to allow the Company and any Company-approved contractors to enter its premises and carry out all necessary work to deliver, install and test the Software on the dates specified by the Company following consultation with the Counterparty (the "**Agreed Dates**"). Failure by the Counterparty to make its staff and premises available on Agreed Dates to facilitate the installation and testing pursuant to this Clause will entitle the Company to recover from the Counterparty any costs incurred by the Company and its contractors as a result.
- j. Access: The Counterparty will at all times during the currency of this Software Licence allow the Company to gain remote access to its hardware on which the Software is or will be hosted using Microsoft Remote Desktop or other software systems, for the purpose of maintenance and support of the Software, as from time to time may be prescribed by the Company.
- k. Term & Termination without Cause: This Software Licence will commence on the date on which the Software is successfully installed and tested ("**Start Date**") as such date is confirmed between the Parties, and will continue in force (i) until the termination, for whatever reason of the Agreement, whereupon this Software Licence will be terminated automatically without separate notice or other formality; or (ii) prior to and separately from the termination of the Agreement: (A) by the Company without Cause upon thirty (30) days' prior written notice to the Counterparty; or (B) by the Counterparty without Cause, upon seven (7) days' prior written notice to the Company, provided that the Counterparty will have first notified the Company in writing of its proposal to install alternative equivalent software in substitution to the Software and the Company has approved such proposed substitute software in writing to the Counterparty.
- l. Termination for Cause: Either Party may also terminate for Cause this Software Licence forthwith, separately from the rest of the Agreement, on giving notice in writing to the other with immediate effect.
- m. Post termination: Upon expiry or termination of this Software Licence for any reason and at any time, the Counterparty will remove (or allow the Company and/or such other person(s) as stipulated by the Company to remove) all instances of the Software, whether remotely and/or otherwise. The Counterparty will afford all necessary access and assistance to the Company and to its agents in the fulfilment of this section.
- n. The Parties agree that: (i) any condition, warranty, terms, inducements and representation, written or oral, express or implied (whether by statute or otherwise), made by or on behalf of the Company or operating in favour of the Counterparty as to any aspect of the Software, including without limitation their condition, operation, fitness, durability, merchantability, maintenance by the Company or their suitability for purpose; and (ii) all liabilities of the Company to the Counterparty for loss of profits, indirect or consequential loss howsoever arising: are hereby expressly excluded from this Software Licence. To the extent permitted by Applicable Law, the Counterparty hereby waives all right to assert against the Company any claim claiming the benefit of any statutory, regulatory or other implied or imputed standard, warranty, condition, term or representation with respect to the Software or this Software Licence and releases the Company from all liability with respect thereto.

Schedule 3 BRANDED STORES

1. APPLICATION: this Schedule 3 applies on the operation of Branded Stores.
2. NO COMMENCEMENT UNTIL READY: Counterparty will not commence the Business at each Branded Store until the renovation and refurbishment thereof and the installation of Equipment thereat is completed, a sufficient number of persons has been employed and trained for the operation of the Business and the Company has provided written confirmation to the Counterparty that it is satisfied that the Counterparty is competent to commence the Business.
3. STORE PLANS: The Company shall during the term of this Agreement provide the Counterparty from time to time with the Company's current shop design manual including construction and conversion plans and specifications for internal lay-out, signs, fixtures and fittings of each Branded Store and general consultation and advice relating to the construction, conversion and refurbishment of each Branded Store to ensure compliance with the standards of the System; the Counterparty shall be responsible for the adaptation of those standard plans for each Branded Store at its own cost, such adapted plans to be approved by the Company; or by agreement with the Company and at the Counterparty's expense, the Company shall arrange the adaptation of the said plans for any of the Branded Store, and the Counterparty will not alter or convert the Branded Stores or the internal layout thereof or the fixtures and fittings therein in any way without the Company's prior written consent.
4. LEASES: the Counterparty will:
 - a. obtain the Company's prior approval for each lease relating to the Branded Stores, before it is signed, pursuant to the remainder provisions of this section, upon the Counterparty providing Company with the information listed in Schedule 10.
 - b. within five (5) Working Days of Company's demand in writing, the Counterparty will provide to the Company copies of the lease of any Branded Store and any other title deeds and documents relating to any Branded Store which the Company may request. If the Counterparty fails to provide such documents, the Counterparty shall indemnify the Company against all costs and expenses incurred by the Company in obtaining copies of those documents from the landlord or any other party;
 - c. comply with the terms of all lease agreements relating to the Branded Stores; and
 - d. will procure that each lease contains a provision to the effect that the Counterparty shall have the right, without the lessor's further consent, to assign all of the Counterparty's rights under the lease to the Company or its designee (and to no other party, unless authorised by the Company in writing) upon the direction of the Company, and the Counterparty shall so assign such rights promptly as and when directed by the Company;
 - e. where applicable, in respect of any transfer by the Counterparty permitted under section 8 or 9 of Schedule 2 and approved by the Company, upon the written direction of the Company, the Counterparty will assign to the Company or its designee all leases in respect of the Branded Stores, or to the extent that the Company is the landlord of any such Branded Store, the Counterparty will surrender the same to the Company. Where a lease is surrendered, then subject to the Company obtaining any necessary consents under the same, the Company may at its discretion grant (and the Counterparty shall in such event procure that) the transferee will take and execute the Company's then current form of the lease agreement relating to the same.
 - f. in addition to its other rights under clause 21.1.8 the Company shall, based on market conditions, have the option to purchase (either itself or through its designees) any lease relating to the Branded Stores at a price equal to the value of the consideration for a transfer or assignment of the lease or sub lease in the open market with a willing vendor and a willing purchaser with vacant possession, and in assessing the value in the open market there shall be disregarded any value attributable to the Franchise Store by reason of the occupation of the Franchise Store by the Counterparty, the goodwill of the Business carried on at the Franchise Store, alterations and improvements carried out to the Franchise Store and the existence of this Agreement;
5. APPROVALS: at its own cost, the Counterparty will ensure that:
 - a. each Branded Store has the prior approval of the Company;
 - b. subject to the provisions of section 3 of this Schedule 3, each Branded Store is designed, equipped and fitted out in time for the opening and operation of the Branded Store in accordance with the prevailing requirements of the Company and the System and is renovated, altered and refurbished as set forth in the Performance Objectives;
 - c. all materials required for such renovation, alteration, refurbishment and fitting out are approved or supplied by the Company; and
 - d. a retail representative from the Company has inspected the Branded Store prior to opening to ensure that the display is in accordance with the Company's guidelines; if requested to do so the Counterparty shall procure that such display is altered in accordance with the reasonable instructions of the Company, prior to opening;
6. HIGH STANDARDS: at all times the Counterparty will maintain the interior and exterior of each Branded Store and all parts thereof as well as all furniture and fittings to the highest standard of decoration, repair and cleanliness and promptly ensure that all reasonable requirements of the Company in this regard are fulfilled.

Schedule 4 SUB-LICENSING (IF “MASTER”)

1. Subject to the written approval of the Company, but not otherwise, the Counterparty may sub-license to one or more Sub-Licensees the Grant(s), subject to entering into an appropriate sub-license agreement, which may be in a form prescribed by Company, and/or which will aim to give effect to the provisions hereunder (“Sub-Licence Agreement”).
2. Where the Company approves the Grant of any sub-license referred to in section 1 of this Schedule 4, the Counterparty shall, at its sole expense, diligently and faithfully fulfil all of its duties and enforce all terms and conditions under each Sub-Licence Agreement, and at all times maintain the high standards of quality, appearance, and service associated with the System and the Brand, and in conformity with the Company’s standards and specifications.
3. Without prejudice to the generality of the foregoing, the Counterparty shall in respect of each Sub-Licence permitted hereunder:
 - a. immediately and without demand communicate to the Company all reports, notices or information intended for the Company which the Counterparty may receive from the Sub-Licensee, and to the Sub-Licensee all notices or other communications intended for the Sub-Licensee which the Counterparty may receive from the Company;
 - b. immediately pay to the Company directly and without demand or set off all sums received from any Sub-Licensee due to the Company. Any such sums received by the Counterparty and not as yet paid to the Company in accordance with this section 3.b of this Schedule 4 shall be held on trust and for the sole and exclusive benefit of the Company, and the Counterparty shall not co-mingle the same with any other monies of the Counterparty;
 - c. diligently, faithfully and promptly enforce at its own cost the terms of all Sub-Licence Agreements, and procure compliance by each Sub-Licensee of the terms thereof;
 - d. where any rights of approval over any matter or thing relating to the Sub-Licensee or its business are vested in the Counterparty pursuant to the terms of any Sub-Licence Agreement, only grant such approval on terms which conform with the Company’s standards and specifications, and the high standards of quality, appearance, and service associated with the System and the Brand. The Counterparty shall not under any circumstances grant approval in respect of any matter or thing which the Company has prohibited the Counterparty or any Sub-Licensees from doing, and whenever in any doubt as to the grant of any approvals as referred to hereunder, the Counterparty shall consult with and comply with the directions of the Company in connection therewith;
 - e. at the Company’s request, enforce on behalf of the Company all obligations and undertakings given by any Sub-Licensee for the benefit of the Company, or assign to the Company any or all rights of the Counterparty pursuant to the Sub-Licence Agreement, and if such Sub-Licence Agreement is tri-partite and Company is privy to it, to defer to Company’s initiative any matters pertaining to enforcement of Sub-Licensee’s obligations, unless Company consents to Counterparty leading such enforcement;
 - f. comply with and carry out all directions which the Company may from time to time issue in writing in connection with any Sub-Licensee or Sub-Licence Agreement; and
 - g. provide the Company notice of any Claim involving any Sub-Licensee and all relevant facts relating thereto as soon as reasonably practicable and in any event within two (2) days of the Counterparty becoming aware thereof. The Company shall not be obliged to conduct or defend any litigation in connection therewith, but if it should choose to do so, then at the request of the Company, the Counterparty shall provide its full co-operation (including access to any relevant information or documents in the possession of the Counterparty) to the Company in connection therewith.
4. In dealing with prospective Sub-Licensees, the Counterparty shall:
 - a. make no representations in conflict with the terms and conditions of the Sub-Licence Agreement, this Agreement or the System (where applicable); and
 - b. carefully screen and evaluate prospective Sub-Licensees pursuant to the standards prescribed by the Company from time to time.
5. Where the Company and the Counterparty may concurrently direct or instruct any Sub-Licensee to do or carry out or refrain from doing or carrying out any matter or thing referred to in any Sub-Licence Agreement, then in the event of a conflict between such directions or instructions of the Counterparty and the Company, those of the Company shall prevail, and the Sub-Licensee shall comply with the same.

Schedule 5 TIER 2/3 (IF "SUB")

1. If this Agreement is a Tier 2 Agreement, the following will apply:
 - a. The Parties note that Company and Counterparty have separately signed the Tier 1 Master Agreement referenced in section 16.a of Schedule 14, pursuant to which Counterparty has the right to sub-licence the Grant(s) to a Sub-Licensee and that Counterparty 2 signs the Agreement in capacity of Sub-Licensee.
 - b. Any provision of this Agreement referring to rights or obligations of Counterparty, will be construed as referring instead to Counterparty 2.
 - c. Any provision of this Agreement referring to rights of Company, will be construed as referring to Company (particularly if Company is privy to this Agreement), as well as to Counterparty, except as relates to rights and privileges of Company concerning proprietary or non-sublicensable aspects of the Agreement (e.g. relating to the Brand, or the System), whereupon references to rights of Company, will be construed as referring to Company alone. Any provision of this Agreement referring to obligations of Company, will be construed as referring to Counterparty, except for clause 12.6, in which any references to obligations of Company will be construed as referring to Company alone.
 - d. For the avoidance of doubt, Counterparty shall at all times be free to agree the commercial terms with Counterparty 2, subject only to clause 6.11.
2. If this Agreement is a Tier 3 Agreement, the following will apply:
 - a. The parties note that Company, Counterparty and Counterparty 2 have separately signed the Tier 2 Intermediary Agreement referenced in section 16.b of Schedule 14, pursuant to which Counterparty 2 has the right to sub-licence the Grant(s) to a Sub-Licensee and that Counterparty 3 signs the Agreement in capacity of Sub-Licensee, and the Parties further acknowledge the existence of the Tier 1 Master Agreement referenced in section 16.a of Schedule 14, between Company and Counterparty.
 - b. Any provision of this Agreement referring to rights or obligations of Counterparty, will be construed as referring instead to Counterparty 3.
 - c. Any provision of this Agreement referring to rights of Company, will be construed as referring to Company (particularly if Company is privy to this Agreement), as well as to Counterparty and/or Counterparty 2, vis-à-vis Counterparty 3, except as relates to rights and privileges of Company concerning proprietary or non-sublicensable aspects of the Agreement (e.g. relating to the Brand, or the System) whereupon references to rights of Company, will be construed as referring to Company alone. Any provision of this Agreement referring to obligations of Company, will be construed as referring to Counterparty and/or Counterparty 2, except for clause 12.6, in which any references to obligations of Company will be construed as referring to Company alone.
 - d. For the avoidance of doubt, Counterparty 2 shall at all times be free to agree the commercial terms with Counterparty 3, subject only to clause 6.11.

Schedule 6 INTERNET

1. Counterparty (along with any Authorised Seller) is permitted to use the internet to communicate information about the Brand and/or advertise and/or sell Merchandise to Consumers subject to complying with this Schedule 6.
2. DOMAIN NAME:
 - a. A Website should, where possible, be linked to an appropriate domain name, preferably incorporating or reflecting the Brand (Branded domain name), always subject to the Company's prior approval.
 - b. The Counterparty will not register or own (without the Company's prior express permission in writing, at the Company's absolute discretion) any Branded domain names and the Website will not (without the Company's prior express permission in writing, at the Company's absolute discretion) be hosted on a Branded domain name.
 - c. LICENSED DN:
 - i. Where a Branded domain name is used with the Company's prior approval ("Licensed DN"), the ownership thereof shall at all times belong to the Company, who will control the login details in the DNS (Domain Name System), and Counterparty will do all to perfect such ownership, including by assigning its rights or (if such assignment is prohibited under applicable law) by acknowledging the Company as beneficial owner and holding the domain name registration in trust for and on behalf of the Company.
 - ii. Any Licensed DN approved at the time of this Agreement is listed in section 4 of Schedule 14, or relevant Addendum, from time to time agreed. The Counterparty warrants that it does not own or control any other Branded domain name other than the Licensed DN(s) and that it will not use or register any such domain name in future and that it will not challenge the Company's rights on the Licensed DN or on any other Branded domain name.
 - iii. Under this domain name license, Counterparty will acquire no right, title and interest in and to the Brand, or the Licensed DN.
 - iv. The term of the domain name license hereunder will not exceed the Term of the Grant for E-Commerce via the Website (or in any event the Term of the Primary Grant) and on termination thereof the Counterparty will cease any use of the Licensed DN.
 - v. If the Website is used as an information site only (but not for E-Commerce) then the Company shall be entitled to terminate the domain name license for the Licensed DN hereunder without Cause on twelve (12) months' notice (subject to section 2.c.iv of this Schedule 6, or subject to earlier termination under clause 20 of this Agreement).
 - vi. If, and as long as, the Website is used for E-Commerce, the term of the domain name license will be coterminous to the Term of the Grant for E-Commerce via the Website and subject to the same termination provisions (clause 20). If the Website is no longer used for E-Commerce, then section 2.c.v of this Schedule 6 will apply.
3. CONTENT: The Counterparty will maintain high quality, truthful and accurate content on the Website.
4. APPROVAL: The construction of the Website, including the software platform (back-end) and the User Interface will be subject to the Company's approval, which shall not be unreasonably withheld, or guidelines and specifications issued or updated by Company from time to time and the Website will comply with any Applicable Laws.
5. UPTIME: If the Website is used for E-Commerce, the Counterparty will ensure uptime of no less than 99% of the time in any calendar month, or such other minimum uptime as the Company may prescribe from time to time.
6. LINK: The Website will contain a link to the Company's website located at www.thebodyshop.com, or to such other website as the Company may prescribe from time to time.
7. CONSUMER OFFER: The Counterparty will implement as applicable the E-Commerce Performance Objectives and the Consumer Offer on the Website pursuant to Company's instructions, and otherwise participate in all advertising and promotional activities deemed by the Company appropriate for the Website.
8. LIMITED SUPPORT: Whilst the Company will provide to the Counterparty reasonable guidance and support in relation to E-Commerce, the Consumer Offer, the User Interface, and the Website content, it is understood that (i) the Company will not serve as a support help-desk or technical services provider of any kind, nor is Company able to provide such support on a daily basis, other than at a high directional level; (ii) such guidance or support is at the Company's discretion (iii) such guidance and support is not subject to any agreed minimum level and no service level agreement is entered into by the Company in this regard expressly or impliedly; (iv) the Counterparty is solely responsible for managing third party service providers to whom it may outsource the hosting or technical support for the Website; and that (v) the Company is not in any way liable either for its guidance or support, or for recommending any such third party service provider, or for such third party's performance, even where the Counterparty has relied upon such guidance, support or recommendation and the Company has made no representation or given any warranty concerning the profitability or feasibility of E-Commerce
9. INFORM CONSUMER: When selling Merchandise online (whether via a Website or a Platform) the Counterparty must provide each Consumer all legally required information, which in doubt will include the following:

- a. the identity of the operator of the Website or Platform and their contact details;
 - b. all applicable sales terms and conditions during the ordering process, including order dispatch times;
 - c. immediate order confirmation by email;
 - d. the ability to return Merchandise after sale (and to receive a refund) which shall be in accordance with all applicable laws and regulations;
 - e. customer service email and telephone support (the address and numbers of which shall be clearly provided on the Website), as well as an out-of-hours answering machine or email that states customer service availability, that shall include a free assistance telephone service, available every week day during Opening Hours, staffed by trained personnel who are knowledgeable in the Merchandise, its specifications and proper use and who shall be capable of answering questions regarding the Merchandise and properly advising Consumers as to which Merchandise line items are compatible and suitable for Consumers' needs, including proper application and use of the Merchandise. The trained personnel shall speak and understand the language used on the Website(s) and the language spoken in the relevant Territory;
 - f. an invoice that reflects the price and currency that the Consumer has accepted when ordering the Merchandise, including the appropriate VAT rate, with no hidden charges;
 - g. a prominent statement of the level of security provided for online transactions displayed at least on the ordering pages of the Authorised Website as well as a clear and conspicuous statement of the Counterparty's privacy and usage policy with regard to all personal information gathered via the Website, ensuring that any processing of personal data is carried out in a legally compliant way (and in line with the General Data Protection Regulation if such processing comes in scope of the application of said regulation);
 - h. such payment protection, encryption and security certification as is commonly used in the online consumer goods retail industry, ensuring always that if the Website collects or holds credit (or debit) card data such collection and processing is carried out in a PCI/DSS compliant fashion;
10. **KEYWORDS:** The Counterparty when engaged in search engine optimisation, will use appropriate keywords, which are compatible with the quality image and allure of the Brand. The Counterparty will provide the Company with a list of these keywords upon request.
 11. **CONSISTENCY:** The Counterparty shall offer the same level of service and terms and conditions to Consumers across the Territory when offering the Merchandise for sale online.
 12. **QUALITY & ACCESSIBILITY:** The Website's graphic quality (image clarity, grain quality, colour quality, etc.) will correspond to the most advanced or broadly recognised and generally accepted technological standards in the industry. The Website shall be accessible to any person with standard equipment and internet access. Web pages in the Website will load with such speed as is generally accepted for a best in class website of this type in the Territory.
 13. **NAVIGATION:** Navigation throughout the Website will be easy and intuitive for the Consumer, with features such as fixed headers and footers or side navigation bars containing (in every single webpage) shortcuts to the home page, the "about us" page, the terms and conditions and (separately) the privacy policy, or a site map. The check-out page will contain product placement with prompts for last minute considerations or additions on the basket.
 14. **ASSORTMENT:** The Counterparty will offer for sale a representative broad selection (assortment) of Merchandise, as well as any new Merchandise and will update the Website regularly and in line with any agreed event calendar. New items or bestsellers will be given greater prominence (with star launches securing premium top category home page placement), with storytelling content blocks included appropriately (with focus on the Values) for maximum effect, and with sufficient focus throughout the year (or on key times of the year) on the gift category, and ensuring product placement follows the event calendar or specific promotional activity.
 15. **PROMOTION:** The Counterparty will engage in appropriate lawful online marketing campaigns in order to promote the Website, including by means of banner advertising, social media campaigns or blog activities, provided that any Branded materials are approved in line with the terms of this Agreement.
 16. **FRANCHISE OR AUTHORISED SELLER STATEMENT:** The Counterparty will operate the Website under the Brand provided that it is made clear to Consumers that Counterparty is the operator thereof in its own name as illustrated by the Franchise Statement that should be available in a prominent place (e.g. footer of each webpage) in line with section 2 of Schedule 2. Where Counterparty deals in a Platform Wholesale it will procure that the Platform Wholesale displays an Authorised Seller Statement in the relevant Brand Area, by equivalent application of section 5 of Schedule 1 clearly identifying the said Platform as the seller of Merchandise at retail. Where Counterparty operates a Platform Retail it will display the Authorised Seller Statement in the Brand Area, clearly identifying the Counterparty as the seller of Merchandise at retail.
 17. Counterparty's online Branded advertising will avoid degrading or vulgar presentation incompatible with (or harmful to) the nature of the Merchandise, or the reputation, allure, philosophy, or the qualitative and aesthetic appeal of the Brand. Any price promotions in particular (whilst at the Counterparty's absolute discretion as to the commercial aspects or level of discounting) ought to seek to convey factual information, concerning the particulars of the promotion, in a dispassionate and informative way, avoiding sensational or dramatic tone (by means of colouring, framing, punctuation, exclamation marks or equivalent) which may distract Consumers' attention from the quality of the Merchandise, or which is generally incompatible with the image of a strong and confident brand.

18. PLATFORMS: Where the Grant (pursuant to section 10.e of Schedule 14, or an Addendum) extends to a Platform (subject to section 18.a below), the following will apply:
- a. CONDITIONS FOR GRANT: The Counterparty may be permitted in writing by Company to operate E-Commerce via a Platform provided (i) such Platform meets the requirements set out hereunder, or such other reasonable requirements relating thereto as notified by the Company to the Counterparty from time to time; (ii) Counterparty submits to the Company a satisfactory related business plan together with the form of contract with the Platform ("Platform Terms") for prior approval in line with the requirements set out in section 18.b below of this Schedule 6; and (iii) the Counterparty offers appropriate contractual assurances that the Counterparty will be able to advertise and promote the Business on the Platform in accordance with all guidelines and requirements relating thereto as notified by the Company to the Counterparty from time to time in writing.
 - b. PLATFORM TERMS:
 - i. Must contain:
 1. A provision by which Host: (i) is granted a limited right to use the Brand for the sole purpose of facilitating the agreed operation of the Platform, only during the term of the Platform Terms, always in accordance with Company's Brand-guidelines; and (ii) acknowledges that it has no proprietary right or interest in the Brand and that all goodwill associated with any use of the Brand will inure to the benefit of the brand owner (Company).
 2. If it is a Platform Wholesale, which covers any part of EEA+: (i) a provision by which Host acknowledges that Company (the Brand-owner) operates a selective distribution system ("SDS") across EEA+, whereby the Host will be a member thereof, provided that the Host agrees it will not sell to any reseller who is not an Authorised Seller of Company's SDS, without prejudice to the Host's right to cross-sell to any other Authorised Seller, or end consumer in the EEA+ selective territory; (ii) a provision by which Host agrees to comply with the Bulk Policy.
 3. A provision stating expressly that any violation by Host of the above provisions is a material breach, giving Counterparty the right to terminate the Platform Terms for cause.
 4. A termination provision entitling Counterparty to terminate the Platform Terms without cause on short notice (preferably 30 days', but no more than 60 days').
 - ii. Must NOT contain any provision:
 1. that is unlawful under Applicable Laws;
 2. that seeks to control a retailer's ability to discount or reduce retail prices or to sell below RRP;
 3. that seeks to impose any restriction (by means of exclusivity arrangements) on the particular territory or customer group to which an Authorised Seller in the SDS may sell, if the Territory includes any part of the EEA+.
 - c. SEARCH: The Platform and Brand Area will be professionally designed and formatted with full search functionality. Product search tools available on the Platform will only return the Merchandise in the search results in the Brand Area within the Platform, when using the Brand or any other of Company's trademarks as search terms and a link to the Brand Area should be present either in the homepage of the Platform or in the home page of the beauty section within the Platform in as prominent a position as possible.
 - d. GUIDELINES: The Brand Area will be presented in accordance with the Company's guidelines, or as from time to time communicated by the Company.
 - e. NAMING & INGREDIENTS: The presentation of Merchandise should follow Company's naming conventions (Brand / Range / Product Name) and product descriptions will need to include benefits, expert advice, approved claims or research results, key ingredients, or other consumer key search terms, as well as regime recommendations for using complementary products or accessories.
 - f. BRANDED CONTENT & REVIEWS: The Brand Area will include only such Branded visuals, photos, animations and other multimedia modules developed (or explicitly approved) by the Company from time to time for the promotion of the Merchandise and will contain functionality for ratings & reviews. The Counterparty will not develop or use its own Branded materials (other than materials provided by the Company) without the Company's prior approval.
 - g. LINK: The Counterparty will make reasonable efforts to ensure that the Brand Area includes a link to the Company's website located at www.thebodyshop.com, or to such other website as the Company may prescribe from time to time and to the Counterparty's own Branded Website (if applicable).
 - h. FOCUS: A Brand Area (within a Platform) will maintain distinct focus on the Merchandise and the Brand and will not contain references to, or advertising banners or links to other brands or other products (which may be available elsewhere on the Platform, outside the Brand Area).
 - i. ASSORTMENT: Counterparty will make reasonable efforts to ensure the Brand Area complies with the requirements of section 14 of this Schedule 6.

- j. NO UNAUTHORISED TRADE: Counterparty will procure that the Platform will, subject to Applicable Law, take reasonable steps to preclude unauthorised sellers (i.e. anyone who is not an Authorised Seller) from using the Brand for the promotion or sale of Merchandise on or via the Platform for commercial gain.
- k. OTHER: The remainder of this Schedule 6 will apply also on Platforms, except for sections: 2; 4; 6 and 16, which will only apply on Website.

Schedule 7 SHOP-IN-SHOP

1. **SIS AGREEMENT:** Subject to complying with the terms of this Schedule 7, the Counterparty may enter into a SiS Agreement with a Host, in which it will detail the precise structure and commercial arrangements of their relationship, concerning the operation of a SiS, and stipulate whether it is a Branded Corner or Concession arrangement or a hybrid.
 - a. **Branded Corner:** The Company may approve the Host as an Authorised Seller on a Non-Exclusive basis and allow the Counterparty (subject to the terms of the Agreement) to enter into a SiS Agreement with the Host and grant the Host the right to sell and market Merchandise, via individually approved SiS (Branded Corner) (to be listed in a schedule to the SiS Agreement) to Consumers or to other Authorised Purchasers, in consideration of and subject to the Host's (and each PoS') continuous compliance with the terms of the SiS Agreement (in line with this Schedule 7).
 - b. **Concession:** The Counterparty may agree terms with the Host, based on which the Counterparty may be allowed to occupy and operate the Brand Area inside the Host Store and by means of the Counterparty's own employees to sell Merchandise directly to Consumers via the Counterparty's own tills (with retail receipts issued in the Counterparty's own name), in consideration of a fixed rent, or service charge, or a royalty (typically not exceeding 25% of net receipts) or other equivalent consideration payable to the Host (in which case the Host acts as a host or landlord and not as a seller and therefore is not an Authorised Seller). Notwithstanding that the Host in such case is not an Authorised Seller, the Host Store should still meet the quality characteristics and requirements set out hereunder.
 - c. **Hybrid Arrangement:** The Counterparty may agree terms with the Host, based on which the Counterparty may be allowed to occupy the Brand Area inside the Host Store and to sell Merchandise indirectly to Consumers via tills belonging to the Host whereby two distinct transactions take place in rapid succession (almost simultaneously) one at wholesale from the Counterparty to the Host and another from the Host to the Consumer (with retail receipts issued in the Host's name, whether or not the tills are operated by employees of the Host or of the Counterparty) and whether or not the consideration is margin (as in a pure Branded Corner arrangement) or rent or royalty or equivalent (as in the Concession arrangement) or a combination. A Hybrid arrangement like this, where the actual sale to Consumer is by the Host, will be treated as a Branded Corner arrangement, in which case the Host is an Authorised Seller and must meet the requirements set out hereunder.
2. **PURCHASE & SALE OF MERCHANDISE – BRANDED CORNER**
 - a. The SiS Agreement must provide that the Host will only source Merchandise from Authorised Suppliers.
 - b. The Host shall only sell Merchandise: (i) in such SiS (listed in a schedule to the SiS Agreement) and individually and specifically approved by the Counterparty in writing as meeting the Selective Criteria; and/or (ii) via such approved website that meets the respective Selective Criteria, in either case subject to the Bulk Policy (also to be set out in a schedule to the SiS Agreement) only to Consumers for private consumption (not for commercial resale) or to other Authorised Purchasers. The Host will notify the Counterparty if it has reasons to believe that a person posing as an Consumer and seeking to purchase quantities in excess of the Bulk Policy may in fact intend to obtain Merchandise for purpose of its further commercialisation outside the Selective Network.
 - c. Breach of sections 2.a and 2.b of this Schedule 7 (as reflected in the SiS Agreement), with respect to even a single PoS, should be defined as a material breach (albeit curable) entitling the Counterparty to terminate the SiS Agreement, or to suspend it and remove Host's approval status as Authorised Seller, until the breach is cured.
 - d. The SiS Agreement must also clarify that any recommended retail prices (as from time to time communicated by the Counterparty or Company) will in no way be binding upon the Host, and the Host will be free to determine its own selling price for the Merchandise in accordance with the applicable laws and regulations and without prejudice to the Counterparty's right to impose a maximum price, where it is legally permissible to do so.
3. **ADVERTISING & PRESENTATION OF SIS**
 - a. The SiS Agreement must state that national or regional Branded advertising of Merchandise will be at Counterparty's discretion. Local (PoS-specific) or online Branded advertising will be subject to the Counterparty's prior approval (which approval will be limited to the Brand use only). The SiS Agreement should further specify which party thereto should bear the cost for such Branded advertising. Advertising of the Host's business will be at Host's cost and (if without mention of the Brand) at Host's absolute discretion.
 - b. The SiS will be located in an appropriate location within the Host Store (and Merchandise will always be displayed on shelves or cases which are clean and presented) in a manner corresponding to the allure and reputation of the Brand and Branding must be clearly presented and in line with the overall Brand look and feel.
 - c. Brand Area must have a clearly defined boundary which separates from other brands.
 - d. The Brand logo must be displayed correctly and in the right typeface.
 - e. Product shots and other visuals must be standard Company-approved – taken from the asset library (as made available to the Counterparty under the Agreement).

- f. The Host will refrain from carrying out any advertising that is likely, due to its degrading or vulgar presentation, to harm the image, reputation, or allure of the Brand and/or the Merchandise.

4. OBLIGATIONS OF THE COUNTERPARTY

- a. The Counterparty will be under an obligation to supply Merchandise to the Host (Branded Corner) or to directly operate the Brand Area (Concession) in line with further detailed terms of sale or concession terms, respectively, as may be set out in the SiS Agreement.
- b. The Counterparty shall be obliged to give three (3) months' written notice to a Host operating Branded Corner(s) of any change in the Selective Criteria or in the Merchandise price list.
- c. The Counterparty may from time to time provide the Host with marketing PoS material (brochures, testers, window displays, etc.), tailored for the needs of each PoS, subject to section 5.c below, as well as training or other support it deems appropriate.

5. OBLIGATIONS OF THE HOST FOR A BRANDED CORNER: The SiS Agreement will provided that:

- a. The Host will sell the Merchandise only in its original packaging, which has not been altered or defaced and will not sell Merchandise by weight, or volume unless approved by the Counterparty.
- b. The Host will not repackage Merchandise for sampling or other purposes and will not alter or deface any information present on the packaging, and will not sell or display Merchandise which has become damaged or has deteriorated.
- c. The Host will agree to make best efforts to participate in promotional activities recommended by Counterparty (including implementing Counterparty's prescribed customer loyalty scheme) and will use any marketing materials it receives from the Counterparty pursuant to section 4.c above, according to the Counterparty's instructions and such materials will at all times remain the physical and intellectual property of the Counterparty (or, as the case may be, the Company), whereby the Host only has the right to use such materials during the term of the SiS Agreement, in connection with the sale of the Merchandise in each PoS, and not for any other purpose. Where the costs of such materials exceed 5% of the total wholesale annual value of purchases from Counterparty actually achieved by the Host, the Counterparty may ask the Host to pay for the excess and the Host will agree, if so asked, to pay for such excess. The Host will promptly cease using these materials and will return them to the Counterparty on request, or without request upon termination of the SiS Agreement, and will not destroy (or part with possession of) any such materials without the Counterparty's prior written authorisation.
- d. The Host will stock the SiS with a minimum (prescribed or approved by Counterparty) representative selection (assortment) of product lines or ranges of Merchandise, and will participate in new product launches by the Counterparty.
- e. The Host will ensure Merchandise is stored in appropriate conditions (dry and sheltered from extreme heat or extreme cold or excessive sunlight) as required or recommended by the Counterparty.
- f. The Host will notify the Counterparty of any notable loss of Merchandise due to theft or other reason.
- g. The Host will keep for a period of at least three (3) years full and comprehensive records of all transactions involving Merchandise (including but not limited to, copies of invoices and delivery receipts), and shall allow the Counterparty access to its premises so as to inspect the same.

6. GENERAL OBLIGATIONS OF THE HOST

- a. The Host shall permit the Counterparty and its duly authorized representatives from time to time, to enter the PoS to inspect and observe Host's compliance with its obligations under the SiS Agreement.
- b. The Host will comply with all Applicable Laws, including on distance selling, e-commerce, product liability, misleading and comparative advertising, unfair competition, data protection, sales promotions and intellectual property rights.
- c. The Host will at its own cost obtain, maintain and renew, and at all times keep in full force and effect, insurance policies providing effective insurance coverage in respect of Host's liability towards Consumers, its employees, or towards the Counterparty under the terms of this Guidance.

7. INTELLECTUAL PROPERTY: The SiS Agreement must state:

- a. That the Host does not have any proprietary rights in the Brand and is only authorized to use the Brand for the purpose of reselling the Merchandise and operating the PoS in accordance with the SiS Agreement and all goodwill associated with such rights or such use will inure to the benefit of Company.
- b. The Host must undertake not to cause, permit or authorize any act whatsoever likely to reduce the value or reputation of the Brand or impair, directly or indirectly, the Brand or the Counterparty's rights in the Brand.
- c. The Host must undertake not to sell or offer for sale any product whose brand, brand name or packaging is confusingly similar to the Brand or the Merchandise.
- d. The Host must be obliged to promptly notify the Counterparty in writing of any actual or suspected infringement of any intellectual property rights (including counterfeiting) in the Merchandise and/or the Brand which comes to the Host's

notice. The Counterparty may then take the measures it considers necessary concerning such actual or suspected infringement (in line with its own obligations to Company under its separate Franchise Agreement).

- e. That if the Counterparty decided, to take legal action with regard to such counterfeiting, the Host acknowledges that (i) the Counterparty shall solely be responsible for conducting such proceedings, (ii) the Host shall not acknowledge any liability nor agree to any arrangement or settlement to end such proceedings (iii) the Host shall provide the Counterparty with all the information and assistance that the Counterparty may reasonably request.

8. TERM AND TERMINATION OF SIS AGREEMENT

- a. Term & Termination: The SIS Agreement may be for a fixed term (not exceeding 1 year) or for an indefinite term subject to either party's right to terminate for Cause with immediate effect or without Cause (for convenience) upon three months' notice to the other effective after a specified initial term (also not exceeding 1 year).
- b. Effects of Termination: upon termination of the SIS Agreement for whatever reason, the Host will stop presenting itself as an Authorised Seller of Merchandise and will have three (3) months to sell through any remaining stock in its possession (or destroy at its cost or return to the Counterparty such stock, in event of Branded Corner) and will thereafter destroy or return (at its cost) any Branded marketing materials to the Counterparty.

9. Advocacy Services

- a. the provision of Advocacy Services in any SiS is subject to the Company's prior approval and subject to clause 22.2.
- b. the Counterparty may engage (or procure the engagement of) individuals to act as BAs, on fair and reasonable terms (whether as employees, agents, or independent contractors, or equivalent), provided such BAs meet the requirements of (and are acceptable to) Company, whereupon Counterparty will ensure such engagement of BAs is compliant with Applicable Laws and best practice.
- c. BAs' primary purpose shall be to provide Advocacy Services, including to present, promote and facilitate the sale of Merchandise at the SiS, and, to carry out said engagement in a manner that reflects the standards, and in keeping with the reputation of the Brand and in accordance with the System.
- d. In engaging BAs, the Counterparty will make explicit (or will procure that it is made explicit) that the BAs are engaged by the Counterparty (or such relevant intermediary that has engaged the BAs, such as the host or other agency) and that they are not engaged by Company, and will remind the BAs that they are not authorized to execute any contract (or to act) on behalf of (or to represent) the Company in any way whatever.
- e. Counterparty will ensure BAs are promptly and fully remunerated with the agreed Advocacy Services Fee in strict compliance with the terms of their engagement, and (if the BAs have been engaged by an intermediary at Counterparty's request) the Counterparty will procure that such intermediary promptly and fully remunerates the BAs.
- f. Counterparty will ensure BAs receive appropriate level of training (including refresher training from time to time) to ensure they are knowledgeable and enthusiastic about the Brand and the Merchandise.

10. COMMERCIAL AND FURTHER TERMS

- a. The SiS Agreement may also address the following (as applicable, depending on whether it is a Branded Corner or Concession arrangement):
 - i. Wholesale Prices of Merchandise / Currency
 - ii. Place of Delivery
 - iii. INCOTERM, where applicable
 - iv. Minimum Order Quantity
 - v. Payment Terms
 - vi. Credit Limits
 - vii. Rebates or other Incentives

Schedule 8 DIRECT SELLING

1. For the avoidance of doubt the Grant does not include any right to operate Direct Selling. The Company may at its discretion separately grant rights to Counterparty to operate Direct Selling, Subject to Contract and pursuant to the remainder provisions of this Schedule 8. It will be a condition precedent for the separate Grant of rights for Direct Selling, that Company should give its prior approval to a related business case submitted to it by Counterparty (in short "**Business Case**"), whereupon the Parties will sign a separate Addendum.
2. The Counterparty's failure to launch Direct Selling within six (6) months following receipt of Company's explicit approval of the Business Case, will result in the automatic termination of the said Grant and corresponding Addendum.
3. The Business Case must contain full details about the proposed legal, operational and technical parameters pertaining to the running of Direct Selling, including the Engagement Terms and respective legal advice mentioned below, any manual, the benefits, remuneration and incentives, the payments processing system, the fulfilment arrangements, as well as arrangements pertaining to Social Selling, setting out the proposed social media and methodology, etc.
4. Counterparty will prepare a draft contract pertaining to the engagement of Direct Sellers, clearly setting out the terms of their engagement (in short "**Engagement Terms**").
5. Counterparty will ensure that the Engagement Terms:
 - a. are fully compliant with Applicable Law and are fair and reasonable.
 - b. clearly and unambiguously set out the nature of the relationship between Counterparty and Direct Seller (whether that of an independent contractor, an employee or commercial agent).
 - c. clearly set out (either directly, or by reference to a corresponding manual) the benefits and remuneration or incentives available to Direct Seller.
 - d. set out if and on what terms the Direct Seller is allowed to operate Social Selling, ensuring in such case the Direct Seller is required to comply with the Company's Social Media Policy.
 - e. set out the term and termination conditions, the applicable law and jurisdiction and other key parameters reasonably expected to be included in such contract.
6. Counterparty will ensure that nothing in the Engagement Terms, or any corresponding manual, or anything in its practices, may give rise to the existence (or allegation of the existence) of an unlawful pyramid scheme, and Counterparty will ensure it has sought reliable and independent legal advice in advance of launching Direct Selling, which confirms that the proposed system is compliant with this Schedule 8 and in particular sections 5.a and 6 hereof, and will on request provide a copy of such legal advice to Company.
7. Counterparty will ensure that Direct Sellers are properly trained in line with (and by analogues application of) clause 9.4 of the Agreement.
8. Counterparty will be solely accountable to Direct Sellers for its obligations towards them under the Engagement Terms and will fully indemnify Company against any claim or inference alleging that there is any contractual relationship (direct or indirect) between Company and Direct Sellers (whether that of employment, or agency or otherwise).

Schedule 9 PERSONAL DATA

1. Definitions. Unless otherwise defined in the Agreement, all capitalised terms used in this Schedule will have the meanings given to them below:

Data Breach: means an actual or suspected breach of security (including a breach of the TBS IT Security Policy) leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored or otherwise processed by Data Processor or one of its subcontractors, under the terms of this Agreement;

Data Controller: has the meaning set out in the applicable Data Protection Laws;

Data Processor: has the meaning set out in the applicable Data Protection Laws;

Data Protection Laws: means the Data Protection Act 2018 or the Regulation (depending on which is applicable at the relevant time) and any associated regulations or instruments and any other data protection laws, regulations, regulatory requirements and codes of practice applicable to Data Controller and/or the Data Processor;

Data Subject: has the meaning given to it in the Data Protection Laws;

EEA: means the European Economic Area;

Personal Data: has the meaning given to it in the Data Protection Laws;

Processing: has the meaning given to it in the Data Protection Laws and “process”, “processes” and “processed” will be interpreted accordingly;

Regulation: means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016;

Special Categories of Data: has the meaning given to it in the Data Protection Laws;

TBS IT Security Policy: means the Natura &Co Cyber Security Addendum (version 16.03.2023 or later) available at: https://www.thebodyshop.com/legal/163_nco_cyber_sec.pdf;

2. SCOPE: This Schedule forms an integral part of the Agreement, whereby unless otherwise explicitly agreed between the Parties (either in section 14 of Schedule 14 or separately, e.g. in an Addendum) the relationship of the Parties vis-à-vis the Processing of Personal Data is that of **independent Controllers**, whereupon section 17.b of this Schedule 9 applies, provided that:
 - a. if the Parties explicitly agree that one Party will act as Data Processor on behalf of the other (being the Data Controller), then sections 3 to 16 hereof will apply; or
 - b. if the Parties explicitly agree that they should act as joint Data Controllers, then section 17.a of this Schedule 9 will apply.
3. SOLE DETERMINATION: The Data Controller shall be solely responsible for determining the purposes for which and the manner in which Personal Data under its control are, or are to be, processed and all other details stipulated in section 14 of Schedule 14.
4. PURPOSE AND INSTRUCTIONS. Data Processor will process Personal Data only in accordance with this Schedule, the Agreement and Data Controller's other written instructions, including with regard to retention or deletion of Personal Data, and transfers of Personal Data to a third country or an international organisation, unless required to do so by applicable Data Protection Laws to which the Data Processor is subject (in which case, the Data Processor shall inform Data Controller of that legal requirement before processing, unless that law prohibits such information on public interest grounds). Data Processor shall not use any Personal Data for its own purposes, and shall only process Personal Data to the extent reasonably necessary for the performance of the Agreement.
5. DATA PROCESSOR PERSONNEL. Data Processor will restrict access to Personal Data to its employees, subcontractors, and agents (“Personnel”) who need to access the Personal Data to provide the Services to Data Controller. Data Processor will ensure that any Personnel who process Personal Data, at all times (during and following the termination or expiry of the Agreement): (i) are bound by appropriate written contractual confidentiality, data protection, and data security obligations, which are at least as restrictive as this Schedule; (ii) will only process Personal Data on Data Controller's written instructions, unless required to do otherwise by law; and (iii) comply with this Schedule and with all applicable Data Protection Laws.
6. SECURITY. Data Processor will, at its own cost, implement and maintain appropriate technical and organisational measures to protect Personal Data at all times against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure, access, or processing. Data Processor will comply with the TBS IT Security Policy and additional measures as set out in the Agreement and this Schedule.
7. DISCLOSURE. Data Processor will not disclose Personal Data to any Data Subject, government, authority or other third party (including any company which is a member of the Data Processor's group or affiliate of the Data Processor) except as necessary for the performance of the Services, to comply with applicable law or with Data Controller's prior written consent. To the extent

permitted by law, Data Processor will immediately (and in any event within 48 hours) notify Data Controller if Data Processor receives any request to disclose Personal Data. Wherever possible, the notice will (a) attach a copy of the request, and (b) if not covered by (a), specify (i) the identity of the requester, (ii) the scope and purposes of the request and (iii) the date of the request and any deadline for a response. Data Processor shall permit Data Controller to handle such requests. If Data Controller elects not to handle such request, Data Processor shall comply with such request. In all cases, Data Processor shall provide Data Controller a copy of all Personal Data which is disclosed.

8. **ASSISTANCE.** Data Processor will provide any cooperation or assistance requested by Data Controller in connection with steps that Data Controller takes to comply with the Data Protection Laws insofar as they relate to the Services. This includes (without limitation) assisting Data Controller with: (i) responding to requests from individuals or authorities, (ii) managing and responding to Data Breaches; (iii) notifying Data Breaches to affected individuals or authorities; (iv) carrying out data protection impact assessments; (v) prior consultations with the authorities; (v) managing and responding to requests or complaints from Data Subjects; and (vi) ensuring compliance with Articles 32 and 36 of the Regulation. All such assistance shall be provided within reasonable time frames and at no additional charge.
9. **INFORMATION AND AUDIT.** Data Processor will make available to Data Controller all information requested by Data Controller to demonstrate Data Processor's compliance with the obligations set out in this Schedule. At any time Data Processor will allow for and contribute to audits, including on-site inspections of Data Processor's business premises or processing facilities, conducted by Data Controller or an auditor of Data Controller's choice to assess Data Processor's compliance with the obligations set out in this Schedule. In the event an audit/inspection reveals a breach by the Data Processor to the terms of the Agreement or Schedule, the Data Processor shall (i) undertake, at its own cost, the necessary corrective measures adopted by a mutual agreement with Data Controller at a schedule agreed between the Parties and failing agreement, within a maximum of thirty (30) days of notification by Data Controller and (ii) reimburse Data Controller the cost of the audit that revealed the violation of the Agreement or this Schedule (where such cost was originally borne by Data Controller).
10. **DELETION / RETURN.** Except as provided otherwise by law, or determined in clause 6.16 for the purposes of continuity of the Business, upon termination of the Agreement or otherwise on Data Controller's written instructions, Data Processor will (at Data Controller's option) immediately delete or return all Personal Data processed by Data Processor on Data Controller's behalf in connection with the Agreement.
11. **TRANSFERS.** Data Processor shall not, and shall procure that its subcontractors shall not, transfer or process, including remote access, any Personal Data outside the EEA+ without the prior written permission and instruction of Data Controller. Where Data Processor or Data Processor's subcontractors transfer Personal Data outside the EEA+ with Data Controller written permission Data Processor shall ensure that such transfer complies with Data Protection Laws and on the basis of appropriate safeguards.
12. **DATA BREACHES.** Data Processor will notify Data Controller in writing of any Data Breach within twenty four (24) hours upon becoming aware of it and in any event without undue delay.
 - a. Such notice will to the extent possible at the time:
 - i. describe the nature of the Data Breach (including the categories and number of individuals concerned and the categories and number of records involved);
 - ii. describe the likely consequences of the Data Breach;
 - iii. describe any steps Data Processor has taken or proposes to take to address and/or mitigate the Data Breach; and
 - iv. specify a point of contact at Data Processor whom Data Controller can contact about the Data Breach.
 - b. Data Processor must ensure that descriptions in the notice are detailed enough to allow Data Controller to understand the impact of the Data Breach and to comply with its notification requirements under Data Protection Laws. If it is not possible for Data Processor to provide any of the information required by this Section at the time of the notice, Data Processor will provide such information to Data Controller as soon as possible thereafter. Data Processor will take all reasonable steps to mitigate the effects and to minimise any damage resulting from the Data Breach. Data Processor will cooperate with Data Controller in respect of any investigation, remedial or corrective measures, investigations or enquiries made by any regulator, or any other action Data Controller requires to be taken by Data Processor in relation to the Data Breach.
13. **RECORDS.** Data Processor will maintain an accurate, up-to-date written log of all processing of Personal Data performed on Data Controller's behalf. The written log shall include all the information required for compliance with Data Protection Laws, including the following information: (i) the categories of recipients to whom the Personal Data have been or will be disclosed; (ii) to the extent that Personal Data is transferred to a third party outside the EEA+, a list of such transfers (including the name of the relevant non-EEA+ country and organisation), and documentation of the suitable safeguards in place for such transfers; and (iii) a general description of the technical and organisational security measures referred to in this Schedule. Data Processor will provide Data Controller a copy of such log upon Data Controller's request.
14. **SUBCONTRACTOR.** Data Processor will obtain Data Controller's prior specific written consent before engaging a subcontractor to process Personal Data on Data Controller's behalf. Data Processor will ensure that any such subcontractor is bound by the same data protection obligations as set out in this Schedule. Data Processor shall remain responsible and liable for the acts and omissions of any subcontractors it engages in connection with the provision of the Services.

15. **DATA MINIMISATION.** The Data Processor shall ensure that the Services are designed and incorporate appropriate technical and organisational measures to ensure that, by default, only Personal Data which are necessary for the specific purpose of processing are processed, including without limitation in relation to the amount of Personal Data collected, the extent of Processing, the period of storage and the accessibility of such Personal Data.
16. **INDEMNIFICATION.** Data Processor shall indemnify and hold Data Controller, Data Controller's parent company and Data Controller affiliates, and their officers, directors and employees harmless from and against any and all Losses, arising out of or in connection with a Claim (including from Data Subjects, data protection authorities or other regulatory bodies), which if true, (i) constitutes a violation of Data Protection Laws and (ii) such violation is caused, directly or indirectly, by Data Processor or results from the use of the Services by Data Controller under the conditions set forth in the Agreement or this Schedule.
17. **CONTROLLER TO CONTROLLER.**
 - a. **Dual Joint Control:** Where the Company and the Counterparty process the Personal Data jointly with each other, each acting in the capacity of Data Controller, in such eventuality each party will be jointly responsible with the other for complying with Data Protection Laws and will provide to the other full cooperation (with analogous application of sections 8 to 9 and 11 to 15 of this Schedule 9), having regard to the rights of Data Subjects. Each party will, in such case indemnify the other in line with the provisions of section 16 of this Schedule 9, with analogous application thereof.
 - b. **Dual Independent Control:** Where the Company and the Counterparty process the Personal Data in parallel but independently of each other, each acting in the capacity of Data Controller, in such eventuality each party will be separately responsible for complying with Data Protection Laws and will provide to the other reasonable cooperation, in so far as such cooperation is indispensable to the protection or safeguarding of the rights of Data Subjects. For the avoidance of doubt, (a) each Party will ensure that its respective Privacy Notice will comply with requirements of Data Protection Laws, and (b) the provisions of section 16 of this Schedule 9 will not apply in such eventuality.
 - c. **GENERAL OBLIGATIONS:** In the event of Dual Control (whether joint or independent) the Data Controller will ensure that any processing of Personal Data that takes place under its control will be carried out:
 - i. in compliance with Data Protection Laws;
 - ii. with appropriate requirements imposed on any Data Processor that may be engaged for such purpose, equivalent to the requirements set out in this Schedule 9;
 - iii. in line with the security requirements set out in the TBS Security Policy.

Schedule 10 LEASE ANNEXURE

With reference to section 4.a of Schedule 3 the Counterparty will provide Company with the following information for each Branded Store:

SAP Store #	Type (COCO / COFO / FOFO)	Store (City)	ADDRESS						Landlord	Landlord Address	Tenant	Sub- Tenant	Maximum Duration of Lease	Current Term of Lease	Lease Contract		Renewal Conditions / Terms of Resubmiss	Date notice can first be served
			NR	Street 1	Street 2	City	Post Code	Country							Start	End		
															[Renewal]	[Renewal]		

Schedule 11 ADDENDUM TEMPLATE

This Addendum is made on the Addendum Effective Date, between

1. THE BODY SHOP INTERNATIONAL LIMITED (d/b/a THE BODY SHOP) a company incorporated in England and Wales with registered address at Watersmead, Littlehampton, West Sussex, BN17 6LS and company number 1284170 (“**Company**”) of the one part; and
2. THE BODY SHOP CANADA LIMITED incorporated and registered in Canada with company number 417311-2 whose registered office is at 155 Wellington Street West, Toronto, Ontario, M5V 3J7 (“**Counterparty**”) of the other part;

Whereas

- A. The parties have signed a Selective Master Distribution & Franchise Agreement dated [] (the “Agreement”).
- B. The parties wish to supplement or amend the terms of the Agreement.

It is hereby agreed as follows:

1. TERM: This Addendum comes into effect on the date it is signed by all parties, or if signed on different dates on the date the last signatory signs (“Addendum Effective Date”) and will remain in force until []
3. []
4. This Addendum forms an integral part of the Agreement. In the event of conflict or inconsistency between the terms of this Addendum or the Agreement, this Addendum will prevail.

In witness whereof the parties hereunto have caused this Addendum to be executed by duly authorised representatives on the day and year first above written.

Signed for and on behalf of
THE BODY SHOP INTERNATIONAL LIMITED (“Company”)

X _____

name in capitals

Director _____
title

date

X _____

name in capitals

Director / Secretary [delete as applicable] _____
title

date

Signed for and on behalf of
THE BODY SHOP CANADA LIMITED (“Counterparty”)

X _____

name in capitals

title

date

X _____

name in capitals

title

date

Schedule 12 BULK POLICY

Purpose

Company's retail sales policy in all markets and through all channels worldwide, as regards sales to Consumers, is to sell only to genuine Consumers. All markets, Branded Stores, outlets, shop-in-shop locations, Websites or Platforms (in short "Points of Sale", whether online or bricks and mortar) must be vigilant to identify attempts by unauthorised third party traders, posing as Consumers, to purchase The Body Shop Merchandise in bulk for commercial re-sale through unauthorised channels.

The Company has a range of measures in place to combat such unauthorised diversion of its Merchandise.

Policy

It is mandatory that all Points of Sale apply the following hard blocks for sales to Consumers:

1. Line item quantity = 10 items per Article Number
2. Order quantity = Max 50 Article Number items per transaction
3. Basket total = £500 or currency equivalent per week per purchaser or per debit or credit card

Monitoring

Activity will be monitored against these limits including velocity checks.

The policy may be adjusted as required over time.

Schedule 13 GLOSSARY

“Actively”	actively targeting customers by visits, letters, emails, calls or other means of direct communication or through targeted advertising and promotion, offline or online, for instance by means of print or digital media, including online media, price comparison services or advertising on search engines targeting customers in particular territories or customer groups, operating a website with a top-level domain corresponding to particular territories, or offering on a website languages that are commonly used in particular territories, where such languages are different from the ones commonly used in the buyer’s place of establishment, or as this meaning is from time to time amended by subsequent versions of Applicable Law;
“Addendum Term”	the period of validity of a separately agreed and executed Addendum, according to its terms;
“Addendum”	a separately agreed and signed (by authorised signatories of the Parties) contractual document that is made with reference to this Agreement, and which, unless otherwise specified uses the concepts and defined terms set out in this Agreement, which supplements or amends the terms of this Agreement, or separately sets out relevant terms or particulars for further PoS or Channels, and which may form an integral part of this Agreement, if this is explicitly stated under its terms, or otherwise be a stand-alone (un-linked) contractual instrument, and which has its own Commencement Date and separate Term. A skeleton form Addendum (with an indicative structure) is included for convenience in Schedule 11;
“Advocacy Services Fee”	the fee payable by Counterparty to BA’s in consideration of the Advocacy Services, whether this is paid directly to the BAs (if engaged by Counterparty) or paid to the intermediary (Host or other agency) that engages the BAs (if they are not directly engaged by Counterparty);
“Advocacy Services”	the promotional or sales activities (including presentation, demonstration, advocacy, processing of orders, etc.) carried out by BAs engaged for this purpose in a SiS, aimed at maximising the sales of Merchandise to Consumers, or enhancing the appeal or raising the profile of the Brand;
“Agreement”	this Distribution & Franchise Agreement with all its Schedules and any documents or policies incorporated herein by reference, including the Manual as well as any other documents signed on its side and with reference to it (side letters, Addenda, etc.) which explicitly state that they form part of this Agreement;
“Annual Forecast Turnover”	the Gross Turnover that is forecast to be achieved by the Business for each relevant Operative Period as set out in the Business Development Plan;
“Anti-Corruption Laws”	any applicable foreign or domestic anti-bribery and anti-corruption laws and regulations, as amended from time to time, including the UK Bribery Act 2010, the US Foreign Corrupt Practices Act 1977, Brazil Federal Law No. 12,846/2013 and any laws intended to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;
“Applicable Laws”	any acts, laws, rules, regulations, statutes, ordinances, binding decisions, or equivalent, of any country, as from time to time amended, that may have application on any aspect of the Agreement, having regard to the place of establishment of the Parties, the choice of governing law and jurisdiction, under clause 19, the Delivery location or any other relevant factor creating nexus to such country;
“Authorised Purchaser”	a purchaser to whom Counterparty is permitted to sell the Merchandise or the Services pursuant to the terms of this Agreement, from the approved PoS, who may be only (i) a Consumer resident in the Territory (if the Territory is wholly outside the EEA+) or in the EEA+ (if Territory is in whole or in part inside the EEA+); and/or (ii) an Authorised Seller (if Schedule 1 is applicable);
“Authorised Seller Statement”	a statement, in the form set out in section 8.a of Schedule 14 by Counterparty to the public stating that Counterparty is an Authorised Seller;
“Authorised Seller”	a person or entity that is authorised and permitted by Company to sell in the course of business the Merchandise or the Services through approved PoS in the Territory (if the Territory is wholly outside the EEA+) or in the EEA+ (if Territory is in whole or in part inside the EEA+), who are selected at Company’s discretion which, where Schedule 1 is applicable, may be according to the Selective Criteria. For the avoidance of doubt: (i) the Counterparty; (ii) a Sub-Licensee established in the Territory, if applicable; (iii) other distributors, retailers, franchisees or sub-franchisees separately licensed by Company or with Company’s permission (if applicable) that are established and/or resident in the Territory (if the Territory is wholly outside the EEA+) or in the EEA+ (if Territory is in whole or in part inside the EEA+) are Authorised

	Sellers; For the avoidance of doubt, Authorised Sellers are not normally permitted to manufacture Merchandise or Equipment;
“Authorised Supplier”	a supplier from whom Counterparty is permitted to source Merchandise or Equipment, who may be only (i) the Company; (ii) a supplier that has been explicitly and specifically authorised in writing by the Company to supply Merchandise or Equipment to Counterparty, who has not thereafter been disapproved; and (iii) where Schedule 1 is applicable, any Authorised Seller established in the Territory (if the Territory is wholly outside the EEA+) or in the EEA+ (if Territory is in whole or in part inside the EEA+);
“B Corporation Principles”	<p>the belief that business must be conducted by companies that are purpose-driven, which through their business and operations, have a material positive impact on (i) society and (ii) the environment, taken as a whole, as well as (iii) promoting the success of the company for the benefit of its members. B Corporations believe:</p> <ul style="list-style-type: none"> • That we must be the change we seek in the world; • That all business ought to be conducted as if people and place mattered; • That, through their products, practices, and profits, businesses should aspire to do no harm and benefit all; • To do so requires that we act with the understanding that we are each dependent upon another and thus responsible for each other and future generations;
“Beauty Advisors” or “BAs”	competent and engaging sales staff employed in the SiS, who may be employed by the Host or by the Counterparty (or by an intermediary agency engaged either by the Host or the Counterparty) who may be either solely dedicated to the sale and promotion of Merchandise, or be a shared resource (promoting also other products within the Host Store) as separately agreed;
“Brand Area”	a specified area dedicated solely to the sale of Merchandise under the Brand, located inside a Host Store (or inside a Platform) where the SiS operates.
“Brand”	the word mark set out in section 3 of Schedule 14, including any logos or variations thereof in shape, colour, size or otherwise, whether registered (in any class, country or registration system) or unregistered. “Branded” will be construed accordingly;
“Branded Corner”	a type of SiS as may from time to time be approved by the Company (pursuant to Schedule 7 and, where Schedule 1 is applicable, in line with the Selective Criteria) where it is expressly agreed (under a separate SiS Agreement between Counterparty and the Host) that: (i) the Counterparty supplies Merchandise to the Host at wholesale; (ii) the Host is allowed to use the Brand Area and operate the SiS for the purpose of selling Merchandise at retail to Consumer solely within the Brand Area; and (iii) the sale of the Merchandise to the Consumer is concluded by the Host (in its own name, which name appears on the retail receipt) whereby the Host is the owner of such Merchandise at the time of its sale to the Consumer;
“Branded PoS”	mono-Branded PoS trading under the Brand, such as Branded Stores or Website, whereby the Brand (rather than Counterparty’s or the Host’s own tradename) is prominently placed in the front of the relevant PoS (Branded Store, or Website) such that, save only for the Franchise Statement, such PoS is, in the eyes of a Consumer, indistinguishable to an equivalent Company owned or operated PoS;
“Branded Stores”	mono-Branded physical (“bricks and mortar”) retail store locations (PoS) that are listed in section 10.a of Schedule 14 or from time to time expressly approved by Company in writing, in Company’s sole discretion and operated by reference to the System solely under the Brand and being solely dedicated to the sale of Merchandise or the provision of Services, to the exclusion of other brands or other products (that are not marketed under the Brand or are not approved by the Company) and which typically each have their own distinct postal address, whether in the high street or in shopping malls;
“Bulk Policy”	the policy set out in Schedule 12;
“Business Development Plan”	a plan for the development of the Business, which will include a profit and loss account, cash flow projections, Annual Forecast Turnover, an advertising and promotional strategy (including a budget) in a form prescribed by the Company, typically broken down by PoS, and including such other matters as the Company may request. The plan shall also identify new and potential opportunities to promote and expand the Business within the Territory (including, but not limited to, identifying new PoS locations, or for pursuing further opportunities;
“Business”	the business of the Counterparty dedicated to the sale of Merchandise and the provision of Services to Authorised Purchasers through approved PoS in accordance with the System and using the Company IP, which may include a Franchise Business (where Branded PoS are in scope);

“Campaigns”	publicity campaigns involving Counterparty’s staff, aiming to implement the Company’s social and environmental agenda and promote the Company’s Values;
“Cause”	any of the following: (i) a Repudiatory Breach; and/or (ii) a failure to remedy a Curable Breach within thirty (30) days of being asked by the other Party in writing to do so; and/or (iii) a Repeat Breach; and/or (iv) Counterparty’s Change of Control without the Company’s prior approval in writing, subject to sections 8 and 9 of Schedule 2 (where applicable); and/or (v) an Insolvency Event; and/or (vi) a Force Majeure that continues for more than ninety (90) days; (vii) a Party’s involvement in a scandal or controversy that may damage the reputation of the other, or the other’s Affiliates; (viii) the Parties’ failure to agree (despite having negotiated reasonably and in good faith to do so) the Performance Objectives for any period within three (3) months; (IX) the death or permanent incapacity of the Counterparty (if a natural person) or the person with Control in the Counterparty (if Counterparty is a corporation or partnership), subject to section 9 of Schedule 2, where applicable;
“Change of Control”	any act or omission, whether explicit or otherwise, and whether by operation of the law, contract or unilateral action or omission and whether or not by means of sale, transfer, divestment, pledging, inheritance, or otherwise, by which Control passes from one individual (or group of individuals) to another.
“Channels”	refers to existing or future distribution channels for the sale of Merchandise or the provision of Services, with reference to a distinct method for reaching Consumers, but without regard to any special characteristics of any particular customer group (for instance Branded Stores, SiS-Branded Corner, SiS-Concession, E-Commerce, Websites, Platforms Wholesale, Platforms Retail, catalogues Sales, Direct & Social Selling, Hospitality, Travel Retail, etc. each is a distinct Channel, via which Merchandise and/or Services may be made available to indistinguishable groups of Consumers);
“Claim”	any claim, lawsuit, demand, proceeding, action or complaint of any nature or kind;
“CoC”	the Company’s Code of Conduct for resellers, available at https://www.thebodyshop.com/legal/149_nco_reseller_coc.pdf or from time to time communicated by Company;
“Commencement Date”	the date stated in section 7 of Schedule 14, on which the Parties have agreed that the Grant hereunder will commence, whereby this Agreement becomes operational;
“Company IP”	the Brand and any patents, trade names, trademarks, service marks, logos, designs, symbols, emblems, insignia, slogans, get-up, trade dress, copyrights, know-how, formulae, information, drawings, plans and other identifying materials, whether or not registered or capable of registration, and all other intellectual property rights whatsoever owned by or available to the Company, adopted or designated now or at any time hereafter by the Company for use in connection with the System;
“Concession”	a type of SiS as may from time to time be approved by the Company (pursuant to Schedule 7 and, where Schedule 1 is applicable, in line with the Selective Criteria) where it is expressly agreed (under a separate SiS Agreement between Counterparty and the Host) that: (i) the Counterparty is allowed to use the Brand Area and operate the Business in the SiS; and (ii) the sale of the Merchandise to the Consumer is concluded by the Counterparty (in its own name, which name appears on the retail receipt) whereby the Counterparty is the owner of such Merchandise at the time of its sale to the Consumer;
“Confidential Information”	all confidential or proprietary information (in whatever form, including written materials, electronic media, visuals or oral communications – including the existence and terms of this Agreement and all confidential or proprietary information relating to the Business or (where applicable) the System, including any instructions or guidelines issued by Company pertaining to marketing, operational or other aspects of the Business, the affairs, customers, clients, suppliers, plans, intentions, or market opportunities of either Party (or of such Party’s Affiliates) and the operations, processes, products and market information, marketing and financial data, know-how, technical information, designs, trade secrets, or software of the disclosing Party (or of such Party’s Affiliates) and any information, findings, data or analysis derived from Confidential Information, which is or has been disclosed directly or indirectly by the disclosing Party to the recipient, which is explicitly intended by the disclosing Party (or by its nature should implicitly be understood by the recipient) to be confidential, and which is governed by this Agreement (or by Applicable Laws).
“Consumer Offer”	the annual programme of weekly activity consisting of in-store and out of store events, planned public relations, training, visual merchandising and communications plus associated materials as provided or made available or approved by the Company;

“Consumer”	an individual or entity presenting themselves as an end consumer requesting to purchase Merchandise or Services from the Business within the limits set by the Bulk Policy for own consumption or gifting (including for consumption free of separate charge by the clients of a business establishment) and not for the express or implied purpose of resale;
“Control”	(in relation to a body corporate or partnership) means the power of a person or persons (when acting together) to secure the manner in which the affairs of such body corporate are conducted, directed or managed, by means of the holding of shares or the possession of voting power thereof;
“Curable Breach”	a breach (other than a Repudiatory Breach and whether Material Breach or otherwise) of any term of this Agreement that may be cured (remedied) within a specified period upon putting the breaching Party on notice;
“Current Term”	the applicable Initial or Renewal Term that is in force in a given time;
“Customer Data”	any Personal Data (as defined in Schedule 9) of Consumers, which may include but is not limited to information such as name, surname, email/postal address, telephone, fax, transactional data, Consumer profile, bank or credit card details;
“Delivery”	the time at which an Authorised Supplier transfers the physical possession (and effective control of) the Merchandise to an Authorised Purchaser, or to an agent thereof, whether delivered to the Authorised Purchaser’s premises or collected from Authorised Supplier’s premises for onward transportation, depending on the delivery time and location and (where applicable) on the INCOTERM agreed between the Authorised Supplier and Authorised Purchaser;
“Direct Seller”	an individual (sometimes referred to as a consultant or representative) engaged by the Counterparty for the purpose of selling Merchandise to Consumers via Direct Selling, and who may be acting as independent contractor, or as agent or as employee of the said operator, as specified in their terms of engagement;
“Direct Selling”	direct selling through face to face interaction in the Consumer’s home or equivalent physical residential or other locations, where private gatherings may take place for the purpose of displaying and selling Merchandise;
“Distribution Chain”	the Company’s distribution chain for Merchandise, including Counterparty (in Tier 1) and any Sub-Licensees thereof, if applicable (who are Downstream of Counterparty);
“Downstream”	(when comparing two different Tiers occupying different levels in the Distribution Chain) describes a Tier that is more remote from Tier Zero, relevant to another Tier that is more proximate (which is, in comparison, Upstream). For instance, Tier 2 is Downstream relevant to Tier 1;
“E-Commerce”	the sale to Consumers at retail of Merchandise and Services, via remote electronic means (primarily via the Website or a Platform);
“Economic Sanctions Law”	any law, regulation or decision enacting Economic Sanctions;
“Economic Sanctions”	any economic sanctions, restrictive measures, export controls, or trade embargoes adopted by the UN Security Council, the European Union, the United States of America or any other sovereign government, as set out in Applicable Laws;
“EEA+”	the European Economic Area plus Switzerland and the UK;
“Effective Date”	the date on which this Agreement becomes binding on the Parties, namely the date on which the Agreement is signed by all Parties and if signed on different dates, the date on which the last signatory signs (which should be distinguished from the Commencement Date);
“Equipment”	any equipment, appliances, tools, instruments, furnishings, shopfittings, machinery and/or any other equipment or item specific to the System and utilised in connection with or necessary for or incidental to the purpose of carrying on the Business as specified by the Company, including without limitation, equipment relating to the electronic-point-of-sale or “EPOS” system operated by Company;
“Exclusive”	where the term is used to describe the Grant of rights in the table in section 7 of Schedule 14, or in an Addendum, it means that the Company, save in Exempt Channels, will NOT: (i) itself be Active in the

	Territory; and (ii) appoint any other Authorised Seller to operate a PoS in the Territory, subject to any prior contractual rights of such Authorised Sellers in existence before the Effective Date;
“Exempt Channels”	the Channels listed in section 20 of Schedule 14. For the avoidance of doubt, if Counterparty has also been granted rights to operate any PoS in Exempt Channels (as reflected in section 10 of Schedule 14 or in an Addendum) any such Grant (as it relates to Exempt Channels only) is always on a Non-Exclusive basis, notwithstanding anything differently stated in section 7.a of Schedule 14 or elsewhere;
“Exit Fee”	the amount (if any set out in section 7.h.ii of Schedule 14, or separately agreed in an Addendum) payable by a Party terminating this Agreement without Cause, if this right is available under section 7.h of Schedule 14, which, if presented as a percentage, it will, unless otherwise specified, be a percentage of the Gross Turnover in the latest Operative Period, which is exclusive of any and all withholding tax, value added tax, sales tax, goods and services tax or tax of a similar nature payable with respect to such sum within the Territory or any other jurisdiction outside of the Territory;
“First (1 st) Right of Refusal”	where the term is used to describe the provisional grant to Counterparty of certain specified rights set out in an Addendum (other than what is included in the Grant at the time of this Agreement), it means that the Company will invite the Counterparty to submit a competitive proposal before granting any such rights to any third party, and that it will favour the Counterparty’s proposal if in its reasonable discretion the Counterparty’s proposal is no less competitive than the proposal of any competing third party; Unless otherwise specified, rights promised or granted do not include an obligation on Company to not be Active (directly or indirectly through the appointment of other Authorised Sellers) in any Exempt Channels.
“Force Majeure”	any reasonably unforeseeable event or circumstance causing a Party to fail to perform its obligations in part or at all or in a timely fashion, or which is beyond such Party’s reasonable control, which may include without limitation, war, strikes, fuel shortage or unavailability in the marketplace, earthquakes, landslides, tsunamis, exceptional or severe weather conditions or generally natural disasters, governmental action, epidemic or pandemic (or imminent and credible threat thereof), acts of terrorism, malicious attack to IT networks or systems, severe communication problems, work stoppages of government bodies, public agencies, public utilities, stoppage or malfunction of the respective electronic communication systems, fire, explosion, perils of the sea, flood, drought, war, riot, sabotage, accident, embargo, breakdowns, labour trouble from whatever cause or compliance with any unanticipated order, direction or request from any governmental agency or office;
“Franchise Business”	the Business (or part thereof) associated with the operation by the Counterparty of Branded PoS solely dedicated to the sale of Merchandise, in accordance with the System and using the Company IP;
“Government Official”	includes officers and employees of any national, regional, local, or other government, any private person acting for or on behalf of any such government, officers and employees of companies in which a government owns an interest, candidates for any political office, political parties and their officials, and officers, employees, or representatives of public (quasi-governmental) international organizations;
“Grant Fee”	the amount payable by Counterparty in consideration of the Grant, set out in section 7.b of Schedule 14, which is exclusive of any and all withholding tax, value added tax, sales tax, goods and services tax or tax of a similar nature payable with respect to such sum within the Territory or any other jurisdiction outside of the Territory;
“Grant”	the grant by Company to Counterparty of the right and licence to operate the Business through approved PoS in the Territory, subject to the terms of this Agreement (or an Addendum), including without limitation clause 2.1, section 7 and 20 of Schedule 14 and clause 22.15;
“Gross Turnover”	the gross receivables derived from all Merchandise and Services sold or rendered by the Business (broken down by relevant Channel) during the Operative Period, whether for cash or credit and regardless of collection in the case of credit, and income of every kind and nature related to the Business including but not limited to, any loss of profits insurance claim; provided, however, that Gross Turnover shall not include any value added taxes or other taxes collected from customers by the Counterparty for transmittal to the appropriate taxing authority;
“Hospitality”	sales Channel comprising hotel chains, or other organised hospitality provisions (hostels, motels, restaurants, cafes, etc.) in which Merchandise is retailed (by operators of such venues) to Consumers who happen to be using such hospitality facilities, or made available for use to such Consumers while using such hospitality facilities as part of the experience, in consideration for the access and use thereof;

“Host Store”	the physical retail outlet or physical store (such as a department store, or pharmacy, etc.), inside which a SIS is permitted to operate;
“Host”	the operator of the Host Store or, as the case may be, a Platform, being a third party, other than the Company or the Counterparty;
“Improper Conduct”	to make, offer or promise to make, or transfer anything of value, directly or indirectly, to any Government Official or to any third party for payment to any Government Official to improperly obtain, retain or direct business or secure an improper advantage or take any other action, directly or indirectly, to violate Anti-Corruption Laws prohibiting bribery, extortion, kickbacks, or any other unlawful or unethical business conduct;
“Incoterm”	the agreed Incoterm (as defined in the Incoterms 2020) as set out in section 12 of Schedule 14 or as otherwise agreed from time to time between the Parties;
“Initial Term”	the period from the Commencement Date of the duration set out in section 7.d of Schedule 14;
“Insolvency Event”	any one of the following: <ol style="list-style-type: none"> 1. the other Party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company or limited liability partnership) is deemed unable to pay its debts, or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, or (being a partnership) has any partner to whom any of the foregoing apply; 2. the other Party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with any of its creditors other than (being a company) for the sole purpose of a scheme for a solvent amalgamation of that other Party with one or more other companies or the solvent reconstruction of that other Party; 3. a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other Party (being a company); 4. an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is given or if an administrator is appointed, over the other Party (being a company); 5. the holder of a qualifying floating charge over the assets of that other Party (being a company) has become entitled to appoint or has appointed an administrative receiver; 6. a person becomes entitled to appoint a receiver over all or any of the assets of the other Party or a receiver is appointed over all or any of the assets of the other Party; 7. a creditor or encumbrancer of the other Party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the other Party’s assets and such attachment or process is not discharged within 14 days; 8. any event occurs, or proceeding is taken, with respect to the other Party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in above; or 9. the other Party suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business.
“Intermediary Agreement”	The agreement referred to in section 1.a of Schedule 4 (and stipulated in section 16.b of Schedule 14);
“Licensed DN”	the domain names, the use of which is licensed by Company to Counterparty (as licensee) pursuant to the terms of this Agreement and listed in section 4 of Schedule 14 (or separately in an Addendum), or otherwise or from time to time licensed under the separate terms of a domain name license agreement between Company (licensor) and Counterparty (licensee);
“Loss(es)”	all losses, liabilities, fines, charges, damages, actions, costs and expenses, professional fees (including legal fees actually incurred) and disbursements and costs of investigation, litigation, settlement, judgment, interest and penalties;

“Manager”	the individual responsible for the management of the Business on a day-to-day basis, approved by Company in line with clause 9.2, who may be the (or a shareholder or partner of the) Counterparty (depending on whether the Counterparty is natural person or a corporation or partnership);
“Manual”	the document or set of documents (whether in print or digital form) comprising the Company’s set of technical, operational, branding, marketing, accounting or other, instructions, requirements or parameters, to which the Business must adhere to, which the Company may from time to time update and communicate to Counterparty;
“Market”	the country, or area, or market, or jurisdiction, in which the Counterparty has its main place of establishment;
“Material Breach”	a breach (including an anticipatory breach) that is serious in the widest sense of having a serious effect on the benefit which the non-breaching Party would otherwise derive from a substantial portion of this Agreement, including in particular a breach of a Material Term. In deciding whether any breach is material no regard will be had to whether it occurs by some accident, mishap, mistake or misunderstanding;
“Material Term”	a term of this Agreement, on which the Parties place special importance. For the avoidance the doubt the following are Material Terms: clauses 2, 5, 7, 10, 10, 11, 5, 13, 14, 7, 8, 12, 17, 22.8.1, and where applicable, the following schedules: Schedule 1, Schedule 2, Schedule 3, Schedule 4, Schedule 6, Schedule 7, Schedule 8, , Schedule 9, Schedule 12; Schedule 14;
“Merchandise”	any goods relating or incidental to the Business, sourced from Authorised Suppliers, and which (subject to limited exceptions) are manufactured and/or marketed under the Brand;
“Non-Exclusive”	where the term is used to describe the Grant of rights in the table in section 7.a of Schedule 14 or in an Addendum, it means that the Company may freely (a) sell Merchandise or Services in the Territory; and/or (b) appoint any other Authorised Seller to sell Merchandise or Services in the Territory;
“Office Hours”	the period from 9.00 am to 5.00 pm on any Working Day;
“Opening Hours”	the hours during which a PoS is normally open for trade in Territory, subject to Applicable Laws or prevailing custom in Territory;
“Operative Period”	each period of twelve (12) consecutive calendar months commencing from the Commencement Date or such other date as the Company may designate in writing;
“Order”	a purchase order for the purchase of Merchandise placed by Counterparty (or generally by an Authorised Seller) with an Authorised Supplier;
“Owners”	the direct or indirect owners or other financial interest holders of a Party;
“Party”	a party entering into this Agreement, namely Company and Counterparty (and Parties in the plural, when referring to both);
“Performance Objectives”	refers to the development and performance targets agreed upon between the parties in accordance with clause 8;
“Platform Retail”	a Platform which does not itself act as a purchaser or seller of goods or services (and conversely cannot act as Authorised Purchaser or Authorised Seller – this being the distinguishing feature from a Platform Wholesale;
“Platform Wholesale”	a Platform which itself acts as a purchaser or reseller of goods or services (this being the distinguishing feature from a Platform Retail;
“Platform”	a website (other than the Website) which is (i) operated by a third party Host (other than Company or Counterparty); (ii) presented under such Host’s brand (and not under the Brand or Counterparty’s name); and which (iii) functions as a forum (market place) that allows the promotion, advertising and/or sale of varied products of varied brands, either on a multi-brand (mixed) layout or on a per-brand dedicated page (“e-shop in e-shop” environment); (iv) which may be acting either as a Platform Retail or a Platform Wholesale, – whereby the distinguishing feature between the two types is that a Counterparty may sell at retail directly to Consumer via a “Platform Retail”, or at wholesale to a Platform Wholesale, which in turn sells at retail to Consumers);

“Point of Sale” or “PoS”	either a physical (bricks and mortar) retail outlet or store location (Branded Store or a SiS) or an online (e-commerce) store (Website or Platform) where Counterparty may sell Merchandise to Authorised Purchasers, if authorised by the Company in section 10 of Schedule 14 or separately in an Addendum;
“Previous Agreement(s)”	means any Franchise Agreement, or other related agreement(s) previously signed between the Parties, including those set out in section 15 of Schedule 14 (if any);
“Renewal Fee”	the amount prescribed by the Company for the renewal of the Grant which shall not exceed fifty per cent (50%) of the then current initial Grant Fee, which is exclusive of any and all withholding tax, value added tax, sales tax, goods and services tax or tax of a similar nature payable with respect to such sum within the Territory or any other jurisdiction outside of the Territory;
“Renewal Term”	the period set out in section 7.e of Schedule 14, calculated from the day following the expiration of the then Current Term;
“Renewal Window”	the period during which Counterparty must submit formal notice requesting the renewal of the Grant, as set out in section 7.g of Schedule 14, which is calculated counting back from the due date of expiration of the Current Term;
“Repeat Breach”	in any twelve (12) month period: (i) a second or more Material Breach of same Material Term; or (ii) a third or more breach of any term, whether same or different, whether Material Term or not and whether or not the earlier breach or breaches had been formally notified or cured;
“Representatives”	a Party’s directors and any person working for it or on its behalf, including officers, agents or employees;
“Repudiatory Breach”	a (single) Material Breach which by its nature, or based on the objective intent of the Parties, is not curable. For the avoidance of doubt Counterparty’s breach of the following terms will be Repudiatory Breach: clauses 2.5, 2.6, 7.2, 10, 5, 13, 14, 22.8.1, section 2 of Schedule 1 (where applicable), section 6 of Schedule 2 (where applicable) as well as the following: (i) Counterparty’s failure (with reference to clause 8.2) in the reasonable opinion of the Company, to achieve the targets set out in the Performance Objectives over the relevant Operative Period, and these targets are not met within three (3) months of the Company having provided notice in writing to the Counterparty to such effect; and (ii) the failure of the heirs or beneficiaries or company directors or Superintendent to transfer the Retired’s interest in the Agreement by the deadline set out in section 9.c.i or 9.c.ii of Schedule 2, where applicable; (iii) a change in Applicable Law in Territory compelling either Party to an act or omission (as condition for allowing the commercialisation of Merchandise in Territory) that is incompatible with the Values (e.g. a new requirement demanding that Merchandise or ingredients thereof should be tested on animals);
“Reserved Territories”	any geographic areas comprising markets (which may include entire countries, areas, zones, regions or clusters thereof) defined in section 17 of Schedule 14 which Company has reserved exclusively to itself or its designee(s) in which Counterparty is hereby precluded from Actively selling Merchandise or providing Services via any PoS, which for the avoidance of doubt, unless otherwise specified, include all areas of the world: (i) outside the Territory (if the Territory is wholly outside the EEA+) or (ii) outside the EEA+ (if Territory is in whole or in part inside the EEA+);
“Selective Criteria”	specific criteria or requirements to which the Business must adhere to which are designed to preserve the image and allure of the Brand and the characteristic presentation of the Merchandise, subject to which a retailer or distributor may (if Schedule 1 is applicable) be selected or approved to operate as an Authorised Seller, as such requirements are set out in this Agreement (and particularly the Schedules thereto) or as communicated by the Company from time to time;
“Selective Network”	the network of Authorised Sellers in (i) the Territory (if the Territory is wholly outside the EEA+) or (ii) in the EEA+ (if Territory is in whole or in part inside the EEA+);
“Services”	all services provided in accordance with the System and/or by reference to the Brand;
“Shop-in-Shop” or “SiS”	such bricks and mortar retail outlet(s) comprising a Brand Area inside a Host Store, with a design layout prescribed or approved by Company, which typically also includes a till, Branded shop-fittings and furnishings as well as Branded marketing material and stock of Merchandise, as from time to time may be approved by the Company in writing, in Company’s sole discretion, which may be operated either as a Concession or as a Branded Corner;

“SiS Agreement”	an agreement, on terms prescribed or approved by the Company, that is entered into between the Counterparty and the Host pertaining to the operation of a SiS (whether Branded Corner or Concession) in the Territory;
“Social Selling”	sales Channel (intrinsic to Direct Selling) in which Direct Sellers are expected to leverage inter-personal relations established in context of Direct Selling, so as to reach out to a broader group of Consumers, via the use of approved social media, where orders may be taken remotely and processed by such Direct Sellers in the context of their terms of engagement;
“Sole Appointment”	where the term is used to describe the Grant of rights in the table in section 7 of Schedule 14, or in an Addendum, it means that, save in Exempt Channels, the Company: will NOT: (i) itself be Active in the Territory; or (ii) appoint any other Authorised Seller with similar rights with a main place of establishment and specific focus in the Territory to operate in the Territory, but without any obligation to prevent its other Authorised Sellers (with a main place of establishment whether inside or outside the Territory) from selling freely across border in the Territory, whether remotely or through other arrangements;
“Staff”	any individual such as the Manager and all other employees of the Counterparty employed to operate the Business;
“Subject to Contract”	where the term is used to describe the grant of certain specified rights as set out in Schedule 14 or in an Addendum, it means that the Company may grant to Counterparty such rights, at its sole discretion, on condition that the Parties separately agree the relevant commercial terms and particulars, on the basis of a separate Addendum, and with effect from the Addendum effective date set out therein, provided that neither Party will be bound by such grant, until such Addendum is freely duly signed by both Parties;
“Sub-Licensee”	a person or entity Downstream in the Distribution Chain, relevant to Counterparty, to whom Counterparty is explicitly permitted by Company (by written approval in writing issued on a case by case basis) to sub-license the Grant(s) and to whom Counterparty may sell (at wholesale) Merchandise, for the purpose of onward commercialisation by Sub-Licensee via approved PoS by way of appropriate sub-licensing, as may be prescribed by Company, pursuant to the terms of this Agreement; whereupon the provisions of Schedule 4 and/or Schedule 5 will apply as indicated in section 1.b or section 1.c of Schedule 14 respectively;
“System”	the distinctive business format and method developed and implemented by the Company, pertaining to the Franchise Business, utilising and comprising the Company IP and certain standard operational procedures, plans, directions, specifications, technology (including without limitation software and hardware), methods and procedures, management and other methods (including methods relating to personnel and employee recruitment, performance, appraisal, evaluation and remuneration), the CoC or other relevant codes of conduct when dealing with customers, suppliers and advertising techniques, the B Corporation Principles, the Values, customer loyalty schemes, customer relationship management strategies and identification schemes, E-Commerce operational or other guidance, the Manual, all or any of which may from time to time be improved or amended by the Company pursuant to section 4.f of Schedule 2;
“Term”	the period from the Effective Date until the expiration or termination of this Agreement, which unless earlier terminated under its terms, includes, where applicable, the Initial Term and any Renewal Term(s);
“Territory”	has the meaning ascribed in section 5 of Schedule 14, but excluding in any event the Reserved Territories (section 17 of Schedule 14);
“Tier”	A level of distribution in the Distribution Chain, whereby Company occupies Tier Zero;
“Travel Retail”	sales Channel comprising stores or outlets (i) in areas dedicated to travel, and/or used by customers with a travel ticket (including without limitation outlets in airports, stations or ports located after the check-in desk; on board aircraft, boats and ferries); or (ii) located in tax-exempt (including down town stores), free trade zones or cross-border areas (former duty-free areas); and/or (iii) other areas with restricted access, such as areas designated to personnel from the armed forces, diplomatic corps, airline or shipping companies)
“Unfit Product”	any Merchandise which is adulterated, tainted, contaminated, spoiled, unsafe, hazardous, expired, not of satisfactory quality or otherwise unfit to be used for its intended purpose or otherwise declared by the Company in writing to be unfit for sale;
“Upstream”	(when comparing two different Tiers occupying different levels in the Distribution Chain) describes a Tier that is more proximate to Tier Zero, relevant to another Tier that is more remote (which is, in comparison, Downstream). For instance, Tier 1 is Upstream relevant to Tier 2;

“User Interface”	the quasi-permanent structures of the Website, such as navigation bars and page templates, which affect cosmetic appearance and cannot be changed without technical intervention;
“Values”	the Company’s corporate social responsibility values, historically associated with the Brand, and the System and as from time to time reflected in the CoC or communicated and updated by the Company, which may include any of the following: the B Corporation Principles, protecting the environment, promoting self-esteem, opposing animal testing in the cosmetics industry, promoting human rights, and promoting community fair trade, and such other issues as the Company may from time to time highlight;
“Website”	a mono-Branded website (other than a Platform or Brand Area thereat) located at or linked to the Licensed DNS, (or other computerized electronic or digital remote-entry advertising or ordering apparatus capable of accepting orders, including mobile communications technology) which contains publicly available information dedicated solely to the Merchandise, and presented solely under the Brand, allowing for a mono-branded online (or mobile) environment, and which may be used by Counterparty under license for marketing purposes and/or E-Commerce.
“Working Day”	a day other than a Saturday, Sunday or public holiday in Market, when banks are open for business;
“year”	the period from a given date until the day prior to the following anniversary thereof and if reference is to a calendar year, the period from 1 st January to 31 st December; if reference is to a contract year, reference is from the Commencement Date, or anniversary thereof to the day before the following anniversary thereof;

Schedule 14 PARTICULARS**1. Type of Agreement:**

a. Should Counterparty be prohibited from selling Merchandise to a reseller who is not an Authorised Seller?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> (if YES, then this is a Selective Distribution Agreement. Schedule 1 is applicable and Agreement title in section 1.e below should include the descriptive: "Selective")
b. Is Counterparty allowed to sub-license the Grant?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> (if YES, then this is a Master Agreement. Schedule 4 applies and Agreement title in section 1.e below should include the descriptive: "Master", provided it is Tier 1)
c. Does the Business include a Franchise Business, concerning operation of "Branded PoS"?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> (if YES, then this is a Franchise Agreement. Schedule 2 is applicable and Agreement title in section 1.e below should include the descriptive: "Franchise". If not, the Agreement should be described by the generic descriptive: "Distribution")
d. Tier:	Tier 1 (if Agreement is Tier 2 or Tier 3, thereby concerning the rights and obligations of Sub-Licensees, then sections 1 and 2 of Schedule 5 respectively apply – irrespective of choice in section 1.b above – and Agreement title in section 1.e below should be described by the descriptive "Sub")
e. CHOOSE AGREEMENT TITLE, based on cumulative choices made in sections 1.a to 1.d above:	Selective Master Distribution & Franchise Agreement

2. Parties:

Company Name	THE BODY SHOP INTERNATIONAL LIMITED
Company Registered Address	THE BODY SHOP INTERNATIONAL LIMITED (d/b/a THE BODY SHOP) a company incorporated in England and Wales with registered address at Watersmead, Littlehampton, West Sussex, BN17 6LS and company number 1284170
Company Notices Address 1 (clause 18)	THE BODY SHOP INTERNATIONAL LIMITED (d/b/a THE BODY SHOP) a company incorporated in England and Wales with registered address at Watersmead, Littlehampton, West Sussex, BN17 6LS and company number 1284170 to the attention of: Chief Executive Officer
Company Notices Address 2 (copy to – if applicable)	THE BODY SHOP INTERNATIONAL LIMITED (d/b/a THE BODY SHOP) a company incorporated in England and Wales with registered address at Watersmead, Littlehampton, West Sussex, BN17 6LS and company number 1284170 to the attention of: Company Secretary
Signatory 1 Name:	Ian Bickley
Signatory 1 Title:	Director
Signatory 2 Name:	Peter O'Byrne
Signatory 2 Title:	Company Secretary

Counterparty Name	The Body Shop Canada Limited
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Counterparty Registered Address	155 Wellington Street West, Toronto, Ontario, M5V 3J7
Country of Incorporation of Counterparty	Canada
Counterparty Notices Address 1 (clause 18)	1 Yorkdale Road, Suite 510, Toronto, Ontario, M6A 3A1, Canada To the attention of: General Manager
Counterparty Notices Address 2 (copy to – if applicable)	Choose an item. To the attention of: Choose an item.
Counterparty Company Number	417311-2
Signatory 1 Name:	Jordan Searle
Signatory 1 Title:	Director
Signatory 2 Name:	Benoit Menegand
Signatory 2 Title:	Director

3. Brand:

THE BODY SHOP; **THE BODY SHOP**®;  ☒

4. Licenced DNS: theboyshop.ca

5. Territory: Canada

6. Currency: CAD\$

7. Grant:

- a. Type / Scope of Grant: Non-Exclusive (subject to section 20 of this Schedule 14)
- b. Grant Fee: NIL
- c. Commencement Date: 12th May 2022
- d. Initial Term: five (5) years from the Commencement Date
- e. Renewal Term: five (5) years from the expiration of the Current Term (Initial Term or previous Renewal Term as the case may be)
- f. Number of Renewal Terms: one (1)
- g. Renewal Window: 9-6 months
- h. Can a Party terminate Agreement without Cause? YES. If YES, then termination without Cause to be subject to:
 - i. Termination Notice: twelve (12) months effective at any time after the Initial Term
 - ii. Exit Fee: 50%

8. Statement:

- a. Authorised Seller Statement (section 5 of Schedule 1):
“This business is operated by The Body Shop Canada Limited, who is a THE BODY SHOP Authorised Seller”.
- b. Franchise Statement (section 2 of Schedule 2):
“This is a THE BODY SHOP franchise operated by The Body Shop Canada Limited under a licence.”

9. Disclosure of Business Interests (section 7 of Schedule 2):

NIL

10. Approved PoS locations:

a. Branded Stores:	Aberdeen Mall Avalon Mall Bayshore Shopping Centre Bayview Village Shopping Centr Bloor West Village Bower Place Bramalea City Centre Cambridge Centre Carlingwood Mall Cataraqi Town Centre Champlain Place Charlottetown Mall Chinook Centre Conestoga Mall Cookstown Outlets Coquitlam Centre Corner Brook Plaza Cornwall Centre Crossiron Mills Devonshire Mall Dufferin Mall Eastgate Square Erin Mills Town Centre Fairview Mall Fairview Park Mall Georgian Mall Guildford Town Centre Halifax Shopping Centre Hillcrest Mall Hillside Shopping Centre Intercity Shopping Centre Kildonan Place Kingsway Mall Lambton Mall Lansdowne Place Lawson Heights Mall Limeridge Mall Lloyd Mall	Londonderry Mall Lougheed Mall Lynden Park Mall Mapleview Shopping Centre Market Mall Markville Shopping Centre Masonville Place Mayfair Shopping Centre (Premises No.N119) Mayflower Mall Mcallister Place Mcarthurglen Designer Outlet Medicine Hat Mall Metropolis At Metrotown Mic Mac Mall Midtown Plaza New Sudbury Centre Northgate Square Shopping Cent Oakville Place Orchard Park Oshawa Centre Ottawa Outlets Outlet Collection At Edmonton Outlet Collection At Winnipeg Pacific Centre Park Place Shopping Centre Park Royal Shopping Centre Pen Centre Pickering Town Centre Pine Centre Place D'Orleans Polo Park Shopping Centre Prairie Mall Queen Street East Quinte Mall Regent Mall Richmond Centre	Rideau Centre Scarborough Town Centre Semiahmoo Centre Sevenoaks Shopping Centre Sherway Gardens Sherwood Park Mall Shoppers Mall Brandon Shops At Don Mills Southcentre Southgate Centre Southland Mall Square One Shopping Centre St. Albert Centre St. Laurent Centre St. Vital Centre Station Mall Stone Road Mall Sunnyside Mall Sunridge Mall The Centre The Core (Calgary Eaton Centre The Outlet Collection At Niaga Timmins Square Toronto Eaton Centre Toronto Pearson International Toronto Premium Outlets Truro Mall Upper Canada Mall Vaughan Mills Village Green Centre West Edmonton Mall White Oaks Mall Willowbrook Shopping Centre Woodgrove Centre Yorkdale Shopping Centre
b. Branded Corners:	Shoppers Drugmart		
c. Concessions:	Subject to Contract		
d. Website:	a Branded Website hosted on the Licenced DN		
e. Platforms:	Amazon (Canada) & Shoppers Drugmart		

f. Other:	N/A
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11. Manager (clause 9.2): the Canada country manager from time to time appointed

12. Incoterm (clause 7.4.1): DAP Wake Forest Incoterms 2020

13. Business Development Plan (clause 8.1):	
tbc	

14. Details¹ of processing of Personal Data (section 3 of Schedule 9):

a. With reference to section 2.a of Schedule 9 does either Party act as Data Processor on behalf of the other, being the Data Controller?	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> [point addressed under separate group agreement] (if YES, then populate sections 14.d to 14.h below, if not, leave the fields below blank)
b. Which party is the Data Controller?	Choose an item.
c. Which party is the Data Processor?	Choose an item.
d. Categories of data subjects:	Where applicable, the Personal Data processed concerns end customers (Consumers of Merchandise), i.e. it primarily involves Customer Data.
e. Subject-matter of the processing:	[Insert description of the services provided to Data Controller by Data Processor or refer to existing clause setting this out].
f. Nature and purpose of the processing:	Data Processor collects, processes and uses the Personal Data of the data subjects on behalf of Data Controller in order to [insert brief description of nature and purpose of processing or reference existing explanation] as further described in the Agreement.
g. Type of Personal Data:	The Personal Data collected, processed and used by Data Processor on behalf of Data Controller concerns [please insert types of Personal Data collected and processed by Data Processor, e.g. name, email address, home address, phone number].
h. Special Categories of Data (if relevant):	[The Personal Data transferred concerns [Insert details of any special categories of data collected and processed]] / [The processing of Special Categories of Data is not anticipated].

15. Previous Agreement(s) (which are superseded under clause 22.9): (1) Master Franchise Agreement (Canada) of 4 December 2015 with Commencement Date 13 May 2012 and related Side Letter; (2) Domain Name Licence Agreement of 01 November 2009; (3) The e-Commerce Agreement for Canada of 24 November 2016; (4) the market support letter of 19 September 2016.

16. Upstream Agreements (if applicable):

- Master (Tier 1) Agreement (between Company and Counterparty, vis-à-vis Counterparty 2, as referenced in section 1.a and 2.a of Schedule 5): N/A
- Intermediary (Tier 2) Agreement (between Counterparty and Counterparty 2, vis-à-vis Counterparty 3, as referenced in section 2.a of Schedule 5: N/A

17. Reserved Territories: as defined

18. Summary of Applicable Schedules:

Schedule #:	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Applicable	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

¹ This section 14 of this Schedule 14 should only be populated if section 2.a of Schedule 9 is applicable.

Not Applicable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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19. Software (s. 13 of Schedule 2):

Software	<p>AccordFT File Transfer Client and associated components.</p> <p>Data is transferred using FTP over SSL (Secure FTP).</p>
Hardware	<p>Windows Server 2008 or higher Sun JRE 1.5 or higher 500MB RAM</p> <p>150MB Disk space on system drive (C:)</p> <p>NOTE: Hardware is to be provisioned by the Counterparty.</p> <p>NOTE: A clean build is highly recommended to avoid any support issues with may arise due to previously installed software.</p>
Network / Firewall	<p>Outbound traffic to “accordft.thebodyshop.com” on Port 29105</p> <p>Outbound traffic to “accordft.thebodyshop.com” on Port range 2100 - 3100 Inbound traffic from “mailhost2.thebodyshop.com” on Port 29107 Outbound traffic on Port 25 (SMTP)</p> <p>NOTE: A static, public facing IP address for the Counterparty hardware is highly recommended. See also Remote Support.</p>
Remote Support	<p>To provide effective remote support Company recommends that remote access is allowed from “mailhost2.thebodyshop.com” to the Counterparty hardware using Microsoft Remote Desktop or other agreed technology such as TeamViewer. This will allow Company technical resources to diagnose any faults remotely.</p> <p>NOTE : If this facility is not available the ability for Company to provide remote support will be severely hampered.</p>
Other	<p>Windows firewall disabled or application added as an exception AntiVirus configuration should allow use of Port 25 (SMTP)</p> <p>An account with local administrator privileges will be required to run the AccordFT client.</p> <p>The AccordFT client runs as a Windows service, the Counterparty hardware should remain in an “on” state.</p>

20. Exempt Channels: Travel Retail; Hospitality; E-Commerce; catalogue sales; or any other remote selling channel.

21. Checklist:

- ✓ Collateral (clause 2.6)
- ✓ Confidentiality & Non-Compete (section 6 of Schedule 2)
- ✓ information under section 4.a of Schedule 3 for existing Branded Stores

This is Exhibit "C" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Öc^c^l~~, in the Country of England, before me on R } ^ Á G , 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Garay

Commissioner for Taking Affidavits (or as may be)

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A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

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Agreement for the Provision of Services

The Body Shop International plc
TBSI

&

The Body Shop Canada Limited
Customer

This Agreement is made this 16th day of November 2016, by and between

1. **THE BODY SHOP INTERNATIONAL PLC**, a corporation existing under the laws of England and Wales, with registered address at Watersmead, Littlehampton, West Sussex BN17 6LS (hereinafter "TBSI"), and
2. **The Body Shop Canada Limited**, a corporation existing under the laws of Canada with registered address at 155 Wellington Street West, Toronto, ON M5V 3J7, Canada (hereinafter "Customer"),

Whereas

- A. TBSI entered into a Franchise Agreement with Customer with effective date of 13/5/2012 whereby BSI granted Customer certain franchise rights in respect of the territory of Canada (the "Franchise Agreement");
- B. Pursuant to the Franchise Agreement, Customer is required to perform certain obligations as franchisee;
- C. Customer lacks certain administrative and management resources to allow it to fully carry out its obligations as a franchisee of BSI;
- D. The parties have agreed that TBSI may provide certain services to Customer to enable Customer to meet its obligations under the Franchise Agreement.

This agreement witnesses that, in consideration of the respective covenants, agreements, representations, warranties and indemnities of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

1. Interpretation

Sections & Headings

- 1.1. The division of this Agreement into Articles, Sections and Schedules and the insertion of headings and an index are for convenience of reference only and shall not affect the construction or the interpretation of this Agreement. Unless otherwise specified herein, any reference in this Agreement to an Article, Section or Schedule refers to the specified Article or Section of or Schedule to this Agreement. In this Agreement, the terms "this Agreement", "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and not to any particular part, Article, Section, subsection, paragraph or other provision hereof.

Rules of Construction

- 1.2. Unless the context otherwise requires, in this Agreement (including the recitals and schedule hereto), terms used herein that are defined in the Franchise Agreement shall, unless the context otherwise requires, have the meanings set out in the Franchise Agreement:
 - 1.2.1. words importing the singular number only shall include the plural and *vice versa* and words importing the masculine gender shall include the feminine and neuter genders and *vice versa*;
 - 1.2.2. the words "include", "includes" and "including" mean "include", "includes" or "including", in each case, "without limitation";

- 1.2.3. reference to any agreement, indenture or other instrument in writing means such agreement, indenture or other instrument in writing as amended, modified, replaced or supplemented from time to time;
- 1.2.4. reference to any statute shall be deemed to be a reference to such statute as amended, re-enacted or replaced from time to time;
- 1.2.5. if there is any conflict or inconsistency between the provisions contained in the body of this Agreement and those of any Schedule, the provisions contained in the body of this Agreement shall prevail;
- 1.2.6. time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and
- 1.2.7. whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.

2. Entire Agreement

This Agreement and the Franchise Agreement constitute the entire agreement between the parties or their respective affiliates with respect to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral, between such parties, particularly the agreement of 27/2/2006. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein provided.

3. Applicable Law

This Agreement will be governed by and construed under the laws of England and Wales without regard to conflicts-of-laws principles that would require the application of any other law.

4. Appointment of TBSI in relation to certain Services

- 4.1. Subject to such limitations as may be imposed by law or this Agreement, TBSI shall be authorised and empowered to carry out certain services to assist Customer in the operation and management of its franchise operations and obligations as set out herein at clause 5 below or as may be otherwise agreed between the parties from time to time and as shall be set out and detailed on monthly invoices issued by TBSI to Customer, such services generally being concerned with the administration and management of Customer.
- 4.2. TBSI shall perform its services hereunder in the manner in which Customer deems necessary or appropriate.
- 4.3. Except as expressly set forth in Section 4.1 above, without the prior written authority of the Board of Directors of Customer, TBSI shall not have the authority to take any other action on behalf of Customer.
- 4.4. TBSI shall exercise the authority granted in Section 4.1, in each case at such times and upon such terms and conditions, as Customer deems necessary or appropriate.
- 4.5. In consideration of the performance by TBSI of the services set forth herein, Customer shall pay to TBSI a fee as follows:

- 4.5.1. 5% on internal costs incurred to provide services to Customer i.e. on value added services. These intend to cover situations where an employee or team of TBSI is spending time on performing a service for Customer, e.g. a team providing bookkeeping services or a shared HR manager looking after the human resource affairs of Customer;
- 4.5.2. actual third party external costs plus 1% thereon passing through (the 1% margin being intended to cover the administrative processing of the invoicing);
- 4.5.3. 0% on re-invoicing of personnel costs to Customer. This specifically concerns expenses for seconded employees or expatriate employees (seconded by TBSI with Customer). This category is for cross-charging of personnel expenses to other companies, such as:
 - 4.5.3.1. cross-charging of salaries, expenses & costs for employees seconded by an entity to another entity (host company), where these costs are cross-charged to the host company;
 - 4.5.3.2. cross-charging to an entity employing expatriate employees, of certain compensation items (coverage of the social risk and pensions in particular) which continue to be paid in the country of origin of the expatriate;
 - 4.5.3.3. A seconded employee is an employee whom his employing company makes available to another company (host company), without his employment contract being interrupted. The employee is in a relationship of subordination with the host company and executes his work under the direction of the host company which gives him instructions and manages him. The secondment of an employee is time limited, and is effected via an addendum to the employment contract. It is usually characterised by a geographical relocation (except in specific situations). We expect instances of such secondments to be rare.
- 4.5.4. For the avoidance of doubt:
 - 4.5.4.1. Recharges of DC costs to TBSI fall within the category "external third party costs" if the administration and management of the DC are subcontracted to another provider and the recharging entity is passing on the costs invoiced to it;
 - 4.5.4.2. Recharges of Zone costs to TBSI Plc fall within the category "internal costs to provide services" as the work involves a value add service to enable TBSI Plc to manage its franchise operations
- 4.5.5. The terms set out above do not apply to invoicing of goods, non retail goods, visual merchandising and fixtures.

5. Services

- 5.1. The services may comprise the following (or such other services as may be agreed between the parties from time to time):
 - 5.1.1. Management and general administration or clerical support;
 - 5.1.2. Finance (accounts, receivables, payables, forecasting, budgeting, accruals, financial controls, audit, tax or other regulatory filings, debt collection, insurance, treasury, banking, cash management and all other Finance services which are incidental or indispensable for the normal running of a business);

- 5.1.3. Legal support as directed or authorised each time by Customer (supervision of litigation and payment of legal expenses on behalf of Customer as well as settlement of claims or disputes;
- 5.1.4. IT support, for networks, systems, equipment, etc.;
- 5.1.5. Human Resource management and Payroll and ancillary or similar services, including benefits, pensions, social security, insurance, etc.;
- 5.1.6. Marketing (whether creative, or media placement or any other type of marketing services);
- 5.1.7. Wholesale or Retail Operations (including physical stores, catalogue sales, online – ecommerce, or sales in any other channel);
- 5.1.8. CRM (customer relations management);
- 5.1.9. Training and Retail Academy.

6. Term & Termination

- 6.1. This Agreement shall be effective as of and from the date hereof and shall have an initial term (the "Initial Term") of one (1) year commencing on 1 January 2016 and will thereafter renew for successive terms of one year unless terminated by either party on not less than thirty (30) days prior notice, such notice to expiry on an anniversary of the Initial Term. Any such renewal shall be on the same terms and subject to the same conditions as those of the prior term unless otherwise agreed by Customer and TBSI.
- 6.2. Notwithstanding the provisions of clause 6.1 above, this Agreement shall terminate immediately in the event that the Franchise Agreement is terminated in accordance with its terms.

7. General

Independent Contractors

- 7.1. The parties are independent contractors and this Agreement shall not be construed to create any other relationship such as, by way of example only, that of employer-employee, principal agent, joint-venturer, partners or any similar relationship, the existence of which is expressly denied by the parties hereto.

Force Majeure

- 7.2. No party shall be liable for the failure to perform its obligations under this Agreement (other than the payment of monies due and payable) if such failure is occasioned by a contingency beyond such party's reasonable control, including, but not limited to, strikes or other labour disturbances, lockouts, riots, wars, fires, floods or storms. A party claiming a right to excused performance under this Section 6.2 shall immediately notify the other parties in writing of the extent of its inability to perform, which notice shall specify the occurrence beyond its reasonable control that prevents such performance.

Notice

- 7.3. Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by telecopy or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as to the entities at their respective addresses as first above written.
- 7.4. Any such notice or other communication shall be deemed to have been given and received on the day

on which it was personally delivered or transmitted by telecopier, receipt confirmed (or, if such day is not a Business Day, on the next following Business Day) or, if mailed, on the third Business Day following the date of mailing or, if couriered overnight, on the next following Business Day; provided, however, that, if at the time of mailing or within five Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of telecopier as aforesaid.

- 7.5. Any party may change its address for service at any time by giving notice to the other parties in accordance with Section 6.3.

Successors and Assigns

- 7.6. This Agreement shall enure to the benefit of and shall be binding on and enforceable by the parties and, where the context so permits, their respective successors and permitted assigns.

Business Days

- 7.7. In the event that any act is required hereunder to be done, any notice is required hereunder to be given, or any period of time is to expire hereunder on any day that is not a Business Day, such act shall be required to be done or notice shall be required to be given or time shall expire on the next succeeding Business Day.

Severability

- 7.8. The invalidity or unenforceability of any provision or part of any provision of this Agreement shall not affect the validity or enforceability of any other provision or part thereof, and any such invalid or unenforceable provision or part thereof shall be deemed to be separate, severable and distinct, and no provision or part thereof shall be deemed dependent upon any other provision or part thereof unless expressly provided for herein.

Further Assurances

- 7.9. Each party shall do such acts and shall execute such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of such acts and will cause the execution of such further documents as are within its power as any other parties may in writing at any time and from time to time reasonably request be done and/or executed, in order to give full effect to the provisions of this Agreement.

Survival

- 7.10. Notwithstanding the termination of this Agreement, any provision hereof which purports to impose obligations on a party following termination shall survive such termination and continue in full force and effect.

Counterparts.

- 7.11. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

In witness whereof, the parties have duly executed this Agreement as of the date and year first above written.

Susan N Flook
Signed for and on behalf of

THE BODY SHOP INTERNATIONAL PLC

SUSAN N FLOOK
GROUP GENERAL COUNSEL & COMPANY SECRETARY
THE BODY SHOP INTERNATIONAL PLC

name in capitals

Title

16/11/16

date

[Signature]
Signed for and on behalf of

THE BODY SHOP CANADA LIMITED

MARGARENA SWEINA - DIRECTOR

name in capitals

Title

17/11/16

Date

This is Exhibit "D" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Öççl~~, in the Country of England, before me on ~~R}^ÁG~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Jaray

Commissioner for Taking Affidavits (or as may be)

**A5 HH<9K `; 5 F5 Mž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

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19 September 2016

The Body Shop Canada Limited
1 Yorkdale Road
Suite 510
Toronto
Ontario
Canada



For the attention of the Directors

Dear Sirs,

Franchise Agreement between THE BODY SHOP INTERNATIONAL PLC and The Body Shop Canada Limited dated 13 May 2012 (the "Agreement")

The Body Shop International PLC ("TBSI") is the owner of THE BODY SHOP® franchise system, as defined in the Agreement, and all associated intellectual property. Its objective is to build the brand profile, status and reputation of The Body Shop business worldwide. In order to achieve this, TBSI granted you access to the franchise system and proprietary marks for use in operating THE BODY SHOP® stores in accordance with the Agreement.

In addition to the franchise fee, TBSI may charge you a fee for use of the franchise system. The fee will be calculated by reference to the operating margin you achieve from operating THE BODY SHOP® stores in accordance with the Agreement. The fee will be calculated so as to ensure that you achieve an operating margin not more than the upper quartile of a range of operating margins achieved by comparable independent businesses operating in your zone.

TBSI wants to ensure an ongoing presence and profile for its brand and build and maintain its reputation in your market. It may therefore pay you a market support payment in certain instances to allow you to continue to develop the market. The market support payment will be calculated by reference to the operating margin you achieve from operating THE BODY SHOP® stores in accordance with the Agreement. The market support payment will be calculated so as to ensure that you achieve an operating margin not less than the lower quartile of a range of operating margins achieved by comparable independent businesses operating in your zone. While TBSI may pay you a market support payment, you acknowledge that all intellectual property remains the property of TBSI.

2 Commencement Date for this letter will be 1st January 2016.

Please signify your acknowledgement of and agreement to the terms of this letter by signing and returning the duplicate to me at the address first above written.

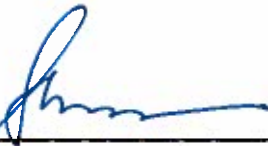
Yours faithfully,



Susie Flook

Company Secretary

THE BODY SHOP INTERNATIONAL PLC



Signed for and on behalf of

THE BODY SHOP CANADA LIMITED

MARGARET SILVEIRA

Print name

DIRECTOR

title

date

This is Exhibit "E" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Ö^Ç!~~, in the Country of England, before me on ~~R}^ÁG~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Garay

Commissioner for Taking Affidavits (or as may be)

**A5HH<9K` ; 5F5Mž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

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Execution Version

FINANCING AGREEMENT

dated

19th July 2017

between

THE BODY SHOP INTERNATIONAL PLC

and

THE BODY SHOP CANADA LIMITED**Baker
McKenzie.**

Baker & McKenzie LLP
100 New Bridge Street
London EC4V 6JA
United Kingdom
www.bakermckenzie.com

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FINANCING AGREEMENT

This Agreement is dated 19th July 2017

Between

1. **THE BODY SHOP INTERNATIONAL PLC**, a company incorporated in England and Wales with registered number 01284170 whose registered office is at Watersmead, Littlehampton, West Sussex, BN17 6LS ("**BODY SHOP INTERNATIONAL**"); and
2. **THE BODY SHOP CANADA LIMITED**, a company incorporated under the federal laws of Canada, with registered number 417311-2 whose registered office is at 155 Wellington Street West, Toronto, Ontario M5V 3J7, Canada ("**BODY SHOP SUB**").

BACKGROUND

- A. Body Shop Sub entered into a central bilateral cash management agreement with Finval, a French partnership having its registered office at 41 rue Martre, 92100 Clichy, France and identified under number 341 643781 RCS Nanterre ("**Finval**"), dated 10 March 2010 (the "**Finval Agreement**") pursuant to which Finval made available certain cash management facilities to Body Shop Sub. Body Shop Sub and Finval propose to terminate the arrangement under the Finval Agreement and as such, Body Shop Sub proposes to repay any and all monies owing to Finval under that agreement on the agreed reconciliation date (such sum being the "**Redemption Amount**"). To the extent that monies are owed by Finval to Body Shop Sub due to monies being held on deposit (any such amount being a "**Deposit Amount**"), such Deposit Amount will be repaid to Body Shop Sub on the agreed reconciliation date.
- B. Body Shop Sub entered into a franchise agreement with Body Shop International with an effective date of 13 May 2012 whereby Body Shop International granted Body Shop Sub certain franchise rights (the "**Franchise Agreement**").
- C. Body Shop Sub lacks certain administrative and management resources to allow it to fully carry out its obligations under the Franchise Agreement. In acknowledgement by the Parties of that, Body Shop International and Body Shop Sub entered into an agreement for the provision of services dated 16 November 2016 (the "**Services Agreement**") pursuant to which Body Shop International agreed to provide certain services to Body Shop Sub. The Parties intend that this Agreement will operate alongside the Franchise Agreement and the Services Agreement. As such, this Agreement is not intended to amend the Franchise Agreement or the Services Agreement in any way.
- D. Body Shop International is entering into this Agreement in order to provide a revolving facility to Body Shop Sub up to an agreed limit that can be utilised to fund its working capital needs and short term cash flow requirements.
- E. This Agreement also provides for a revolving facility to be made available by Body Shop Sub to Body Shop International up to an agreed limit that can be utilised to fund any working capital or other general corporate purposes.
- F. In addition to the revolving loan facilities referred to above, this Agreement also provides for the provision of an in house banking and pooling facility between the Parties.

It is agreed as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"Body Shop International Facility" has the meaning given to it in paragraph (b) of Clause 2 (*The Revolving Facility*).

"Body Shop International Facility Limit" has the meaning given to it in Clause 8.3 (*Availability and drawdown*).

"Body Shop Sub Facility" has the meaning given to it in paragraph (a) of Clause 2 (*The Revolving Facility*).

"Body Shop Sub Facility Limit" has the meaning given to it in Clause 8.2 (*Availability and drawdown*).

"Borrowing Party" means (i) Body Shop Sub in the context of the Body Shop Sub Facility (and any loan being made thereunder), (ii) Body Shop International in the context of the Body Shop International Facility (and any loan being made thereunder) and (iii) for the purposes of Clauses 12 (*Default interest*), 15 (*Payments*) and 16 (*Tax gross-up*) only, Body Shop Sub in the context of the Overdraft Facility.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London and Toronto.

"CDOR" means, in relation to any Revolving Loan:

- (a) the applicable Screen Rate as of the date 2 Business Days prior to the proposed Utilisation Date for Canadian dollars and for a period equal in length to the Interest Period of that Revolving Loan; or
- (b) if no Screen Rate is available for CDOR for the Interest Period of a Revolving Loan to be made in Canadian dollars, the Cost of Funds.

"Cost of Funds" means the rate notified by Body Shop International to Body Shop Sub (either in its capacity as the Lending Party under the Body Shop Sub Facility or in its capacity as treasury manager under the Body Shop International Facility) which expresses as a percentage rate per annum the cost to the relevant Lending Party of funding the relevant Revolving Loan from whatever source it may reasonably select.

"Deposit Reconciliation Loan" has the meaning given to it in paragraph (b) of Clause 4.1 (*Periodic reconciliation*).

"Event of Default" means any event or circumstance specified as such in Clause 14 (*Events of Default*).

"Facilities" means the Revolving Facilities and the In House Banking and Pooling Facility.

"In House Banking and Pooling Facility" has the meaning given to it in Clause 3.1 (*The In House Banking and Pooling Facility*).

"Interest Period" means, in relation to a Revolving Loan, a period of 1, 2, 3 or 6 week(s) or, in each case, month(s), as selected by Body Shop International (either in its capacity as the Borrowing Party under the Body Shop International Facility or in its capacity as treasury manager under the Body Shop Sub Facility and the Services Agreement) in accordance with Clause 8.1 (*Availability and drawdown*) or as ascertained pursuant to Clause 8.4 (*Availability and drawdown*), Clause 9.2 (*Repayment and prepayment - Revolving Loans*) or in the context of the deemed advance of an Overdraft Reconciliation Loan or a Deposit Reconciliation Loan.

"Lending Party" means (i) Body Shop Sub in the context of the Body Shop International Facility (and any loan being made thereunder), (ii) Body Shop International in the context of

the Body Shop Sub Facility (and any loan being made thereunder) and (iii) for the purposes of Clauses 12 (*Default interest*), 15 (*Payments*), 16 (*Tax gross-up*), 23 (*Determinations*) and 24 (*Remedies and waivers*) only, the Body Shop International in the context of the Overdraft Facility.

"Loan" means a loan made or to be made under any of the Facilities or the principal amount outstanding for the time being of any such loan.

"Maturity Date" has the meaning given to it in Clause 6 (*Term*).

"Overdraft Reconciliation Loan" has the meaning given to it in paragraph (a) of Clause 4.1 (*Periodic reconciliation*).

"Party" means a party to this Agreement.

"Repayment Date" has the meaning given to it in Clause 9.1 (*Repayment and prepayment - Revolving Loans*).

"Revolving Facilities" means the Body Shop Sub Facility and the Body Shop International Facility.

"Revolving Loan" means a Loan made under either of the Revolving Facilities.

"Screen Rate" means the average rate for Canadian dollar bankers' acceptances for the relevant period displayed and identified as such on the **"Reuters Screen CDOR Page"** as of 10:00 a.m. Toronto time.

"Tax" means any tax, levy, impost, duty, deduction or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"Treasury Benchmark Rate" shall be the rate set by Body Shop International from time to time in accordance with Clause 11.5 (*Interest*).

"Utilisation Date" means the date of a utilisation of a Facility, being the date on which a Loan is to be made under that Facility.

1.2 Construction

- (a) Unless a contrary indication appears, any reference in this Agreement to:
- (i) **"Body Shop Sub", "Body Shop International"** or any **"Party"** or any other person includes its successors in title, permitted assigns and permitted transferees;
 - (ii) this **"Agreement"** or any other agreement or instrument is to that agreement or instrument as amended (however fundamentally), novated, supplemented, varied, extended, restated or replaced from time to time;
 - (iii) **"debt"** or **"indebtedness"** includes any liabilities, whether incurred as principal or as surety, for the payment or repayment of money, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity; and
 - (iv) any statute or statutory provision includes any statute or statutory provision which amends, extends, consolidates or replaces it, or which has been amended, extended, consolidated or replaced by it, and any orders, regulations, instruments or other subordinate legislation made under it.

- (b) Clause headings are for ease of reference only.
- (c) An Event of Default is "continuing" if it has not been remedied or waived.
- (d) "\$", "CAD" and "Canadian dollars" denote the lawful currency of Canada.
- (e) "GBP" denotes the lawful currency of the United Kingdom.

1.3 Third party rights

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or to enjoy the benefit of any term of this Agreement unless expressly provided to the contrary.

2. THE REVOLVING FACILITY

Subject to the terms of this Agreement:

- (a) Body Shop International shall make available to Body Shop Sub a revolving credit facility in Canadian dollar in an aggregate amount not exceeding the Body Shop Sub Facility Limit (the "Body Shop Sub Facility"); and
- (b) Body Shop Sub shall make available to Body Shop International a revolving credit facility in Canadian dollar in an aggregate amount not exceeding the Body Shop International Facility Limit (the "Body Shop International Facility").

3. THE IN HOUSE BANKING AND POOLING FACILITY

- 3.1 Subject to the terms of this Agreement, the Parties agree to the creation of an in house banking and pooling facility that will operate as contemplated below (the "In House Banking and Pooling Facility").
- 3.2 As is currently the case, Body Shop International will continue to provide, amongst other things, financial related services to Body Shop Sub in the manner referred to in clause 5 (Services) of the Services Agreement and such services include, amongst other things, cash management. The provision of the In House Banking and Pooling Facility and the Revolving Facilities will form part of those services but be provided subject to the terms of this Agreement.
- 3.3 Pursuant to its obligations under the Services Agreement, Body Shop International shall continue to monitor the cash position of the Body Shop Sub on a frequent basis. In addition, the Body Shop Sub has requested that Body Shop International provides an in house banking and pooling facility under which:
 - (a) Body Shop Sub may deposit its surplus funds with Body Shop International (any such transfer of funds to Body Shop International shall be referred to as a "Deposit" and such facility being referred to as the "Deposit Facility"); and
 - (b) Body Shop International provides an overdraft facility to Body Shop Sub (the "Overdraft Facility").
- 3.4 Body Shop International has agreed to provide the In House Banking and Pooling Facility subject to the terms of this Agreement.
- 3.5 Body Shop International has absolute and unfettered discretion in relation to the currency of Deposits that it will accept and whether or not to make a particular advance under the Overdraft Facility.

- 3.6 The aggregate amount of Deposits (together with accrual interest thereon) that is owed from time to time by Body Shop International to Body Shop Sub shall be referred to as the **"Aggregate Deposit Amount"**.
- 3.7 Body Shop International shall be permitted to utilise the Deposits at its absolute discretion including, but not limited to, converting any Deposit into another currency. Any such conversion shall be effected at the exchange rate stipulated by Body Shop International.
- 3.8 The aggregate amount of advances made under the Overdraft Facility (together with accrued interest thereon) from time to time shall be referred to as the **"Aggregate Overdraft Balance"**.

4. PERIODIC RECONCILIATION

- 4.1 Periodically, Body Shop International will review the Aggregate Deposit Amount and the Aggregate Overdraft Balance and may:
- (a) designate the amount of the Aggregate Overdraft Balance as a deemed loan under the Body Shop Sub Facility and immediately following any such designation, an amount equal to the Aggregate Overdraft Balance shall be deemed to have been advanced under the Body Shop Sub Facility (such a loan being an **"Overdraft Reconciliation Loan"**) and an equal amount shall be deemed to have been repaid by the Body Shop Sub under the Overdraft Facility; and
 - (b) designate the amount of the Aggregate Deposit Amount as a deemed loan under the Body Shop International Facility and immediately following any such designation, an amount equal to the Aggregate Deposit Amount shall be deemed to have been advanced under the Body Shop International Facility (such a loan being a **"Deposit Reconciliation Loan"**) and an equal amount shall be deemed to have been repaid to the Body Shop Sub under the Deposit Facility.
- 4.2 The making of an Overdraft Reconciliation Loan or a Deposit Reconciliation Loan (and the relevant repayment of Deposits or repayment under the Overdraft Facility) shall not require any physical movement of funds between the Parties or the provision of any prior notice.

5. INTER-RELATIONSHIP WITH THE SERVICES AGREEMENT

Body Shop Sub confirms and acknowledges that Body Shop International is authorised and empowered to perform and carry out the functions described in this Agreement (the **"Finance Functions"**) for the purposes of clause 4.1 (*Appointment of TBSI in relation to certain Services*) of the Services Agreement and as such, Body Shop Sub deems the Finance Functions (and any manner in which Body Shop International views it to be appropriate to perform the Finance Functions) to be necessary and appropriate for the purposes of clauses 4.2 and 4.4 of the Services Agreement.

6. TERM

The term of the Facilities is the period commencing on the date of this Agreement and ending on the earlier of:

- (a) three calendar days following Body Shop International serving written notice of its intention to terminate this Agreement to Body Shop Sub;
- (b) three months following Body Shop Sub serving written notice of its intention to terminate this Agreement to Body Shop International; or
- (c) any other date as may be agreed between the Parties in writing.

(such date being the "Maturity Date").

7. PURPOSE

- 7.1 Body Shop Sub shall apply all amounts borrowed by it under the Body Shop Sub Facility or the Overdraft Facility towards its short term cash flow working capital needs and or general corporate purposes, it being acknowledged that the proceeds of the first Loan made under the Body Shop Sub Facility shall be applied in the repayment of any Redemption Amount to Finval.
- 7.2 Body Shop International shall apply all amounts borrowed by it under the Body Shop International Facility towards its working capital and general corporate purposes.

8. AVAILABILITY AND DRAWDOWN

- 8.1 A Lending Party will only be obliged to make a Loan available under the relevant Revolving Facility if that Lending Party (in its absolute discretion) agrees to make such Loan available. In circumstances where Body Shop International has assessed the cash flow needs of the Body Shop Sub and ascertained (pursuant to its authority under the Services Agreement) that a loan needs to be advanced to the Body Shop Sub and considers that it is willing to make such a loan under the Revolving Facility, then Body Shop International will make the loan and (if requested by the Body Shop Sub to do so) notify the Body Shop Sub as to the amount advanced, the date that the funds were made available and the Interest Period applicable to the Loan.
- 8.2 Body Shop Sub shall not be permitted to request (and Body Shop International will not be obliged to make available) any Loan under the Body Shop Sub Facility if, as a result of which, the aggregate principal amount outstanding of all Loans under the Body Shop Sub Facility would exceed CAD 24,000,000 (the "Body Shop Sub Facility Limit").
- 8.3 Body Shop International shall not be permitted to request (and Body Shop Sub will not be obliged to make available) any Loan under the Body Shop International Facility if, as a result of which, the aggregate principal amount outstanding of all Loans under the Body Shop International Facility would exceed CAD 48,000,000 (the "Body Shop International Facility Limit").
- 8.4 If Body Shop International (either in its capacity as Lending Party or as treasury manager on behalf of Body Shop Sub) fails to select an Interest Period in respect of the proposed Loan in accordance with Clause 8.1 above, the relevant Interest Period will be 1 month.
- 8.5 Utilisation of the In House Banking and Pooling Facility and the Revolving Facilities shall be subject to the absolute discretion of Body Shop International.
- 8.6 Neither the utilisation of the Facilities nor the making of any payments or repayments of principal or interest thereunder shall require any physical movement of funds save for in circumstances where the relevant Lending Party or the Borrowing Party (as the case may be) has made a contrary request or in respect of any payment made on the Maturity Date (unless the Parties agree otherwise).

9. REPAYMENT AND PREPAYMENT - REVOLVING LOANS

- 9.1 The relevant Borrowing Party shall be obliged to repay each Revolving Loan on the last day of its Interest Period (each such date being a "Repayment Date").
- 9.2 Without prejudice to the relevant Borrowing Party's obligations under Clause 9.1 above, if the relevant Borrowing Party notifies the relevant Lending Party (by provision of at least 2 Business Days' written notice) that it wishes to immediately redraw a Revolving Loan on the

Repayment Date and the relevant Lending Party agrees to such Revolving Loan being immediately redrawn, then the principal amount of such Revolving Loan shall be deemed to have been repaid and immediately re-advanced on the Repayment Date (such Revolving Loan being a "Rollover Loan"). If the principal amount of the maturing Revolving Loan exceeds the principal amount of the new Rollover Loan (such amount being the "Excess"), the relevant Borrowing Party will be required to pay to the relevant Lending Party an amount equal to the Excess on the relevant Repayment Date. If the principal amount of the maturing Revolving Loan is less than the principal amount of the new Rollover Loan (such amount being the "Shortfall"), the relevant Lending Party will be required to pay to the relevant Borrowing Party an amount equal to the Shortfall on the relevant Repayment Date. Absent agreement to the contrary between the Parties, any Rollover Loan shall have the same duration of Interest Period as the original Revolving Loan to which it relates.

- 9.3 Notwithstanding any such agreement pursuant to Clause 9.2 above, the accrued interest on each such Revolving Loan shall remain payable on the Repayment Date (absent agreement by the Parties to the contrary).
- 9.4 The Borrowing Party may only prepay the whole or any part of any Revolving Loan (together with any unpaid interest accrued on it) on the last day of the then current Interest Period relating to that Revolving Loan and any such prepayment shall require 2 Business Day's notice to be provided to the Lending Party of that Revolving Loan.
- 9.5 Unless a contrary indication appears in this Agreement, any part of the Facilities which is prepaid or repaid may be reborrowed in accordance with the terms of this Agreement.
- 10. REPAYMENT AND PREPAYMENT - IN HOUSE BANKING AND POOLING FACILITY**
- 10.1 Subject to the terms of this Agreement, the Aggregate Overdraft Balance may be repaid in full or in part at any time and shall also be repaid by Body Shop Sub within 10 Business Days of receipt of a demand from Body Shop International and in any event shall be repaid in full (together with accrued interest) on the Maturity Date.
- 10.2 The Body Shop Sub may request for all or part of the Aggregate Deposit Amount to be repaid to it at any time upon provision of 5 Business Days' notice to Body Shop International. The Aggregate Deposit Amount shall be repaid in full to the Body Shop Sub on the Maturity Date.

11. INTEREST

- 11.1 The rate of interest on each Revolving Loan for each successive Interest Period is:
 - (a) in respect of a Loan made under the Body Shop Sub Facility, the percentage rate *per annum* which is the aggregate of:
 - (i) 0.3 per cent; and
 - (ii) CDOR; and
 - (b) in respect of a Loan made under the Body Shop International Facility, the percentage rate *per annum* which is the aggregate of:
 - (i) CDOR; less
 - (ii) 0.1 per cent,

provided that, the relevant Lending Party may adjust the percentages set out in paragraphs (a)(i) and (b)(ii) above at any time as may be required to properly compensate that Lending Party for its costs involved in providing the relevant Revolving Loan.

- 11.2 Save for in the circumstances contemplated in Clause 11.3 below, the Borrowing Party shall pay accrued interest on each Revolving Loan on the last day of each Interest Period or any later date as may be agreed by the Lending Party (each such date being an "Interest Payment Date") and on the Maturity Date. In the event that the Lending Party agrees that interest may be paid at a later date, such interest shall not become due and payable until that later agreed date.
- 11.3 If the Borrowing Party notifies the Lending Party (no later than 2 Business Days prior to the end of an Interest Period in respect of a Loan), the amount of interest accrued and then accruing in respect of that Loan and that then current Interest Period pursuant to Clause 11.1 above shall be capitalised on the next occurring Interest Payment Date for that Loan and added to the principal amount of the relevant Loan (and shall thereafter be deemed to form part of the principal amount of that Loan) provided that the Body Shop Sub Facility Limit or the Body Shop International Facility Limit, as applicable, would not be exceeded as a result of such capitalisation.
- 11.4 The Aggregate Overdraft Balance and the Aggregate Deposit Amount shall bear interest at a variable rate as contemplated below:
- (a) in respect of a Loan made under the Overdraft Facility or a Deposit, interest shall be calculated on the net clear funds balance of such Business Day;
 - (b) in respect of a Loan made under the Overdraft Facility, at the percentage rate per annum which is the aggregate of:
 - (i) 0.5 per cent; and
 - (ii) the Treasury Benchmark Rate; and
 - (c) in respect of a Deposit, at the percentage rate per annum which is the aggregate sum of:
 - (i) the Treasury Benchmark Rate; less
 - (ii) 0.1 per cent,
- provided that, Body Shop International may adjust the percentage set out in paragraph (b)(i) at any time as may be required to properly compensate Body Shop International for its costs involved in providing the relevant Loan.
- 11.5 The Treasury Benchmark Rate shall be set by Body Shop International on a monthly basis and notified to the Body Shop Sub if requested to do so. Interest in respect of the Aggregate Deposit Amount and the Aggregate Overdraft Balance shall be paid monthly in arrear on the last day of each month.
- 11.6 An Interest Period for a Revolving Loan shall not extend beyond the Maturity Date. Each Interest Period for a Revolving Loan shall start on its Utilisation Date.
- 11.7 A Loan has one Interest Period only.
- 11.8 Unless otherwise agreed by the Parties, all computations of interest in respect of any Loan shall be made by the Lending Party on the basis of a year of 365 days for the actual number of days elapsed occurring in the period for which such interest is payable.

- 11.9 Notwithstanding the foregoing provisions of this Clause 11, the Borrowing Party shall in no event be obliged to make any payments of interest or other amounts payable to a Lending Party hereunder in excess of an amount or rate which would be prohibited by law or would result in the receipt by such Lending Party of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)).

12. DEFAULT INTEREST

- 12.1 If the Borrowing Party fails to pay any amount payable by it under this Agreement on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 2 per cent higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan under the relevant Facility for successive Interest Periods. Any interest accruing pursuant to this Clause shall be immediately payable by the Borrowing Party on demand by the Lending Party.
- 12.2 Default interest (if unpaid) arising on an overdue amount under the Revolving Facilities will be compounded with the overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable (unless the Lending Party agrees otherwise). In relation to the Overdraft Facility, default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount on the last day of the relevant month, but will remain immediately due and payable (unless the Lending Party agrees otherwise).

13. REPRESENTATIONS

- 13.1 The Borrowing Party hereby makes the following representations and warranties to the Lending Party on the date of this Agreement and thereafter on the last day of each Interest Period applicable to a Revolving Loan:
- (a) it is a limited liability company, duly incorporated under the laws of its jurisdiction of incorporation;
 - (b) it has all the requisite power and authority to enter into and perform all its obligations under this Agreement; and
 - (c) the carrying into effect and the entering into and performance of this Agreement by it will not:
 - (i) conflict with any law or regulation applicable to it; or
 - (ii) breach the provisions of any mortgage, bond, agreement or other contractual undertaking to which it is a party.

14. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Clause 14 (*Events of Default*) is an Event of Default (save for Clause 14.9 (*Acceleration*)).

14.1 Non-payment

The Borrowing Party does not pay on the due date any amount payable pursuant to this Agreement at the place and in the currency in which it is expressed to be payable unless its failure to pay is caused by an administrative or technical error which is not its fault and payment is made within 10 Business Days of its due date.

14.2 Breach of obligations

The Borrowing Party breaches any provision of this Agreement and remains in breach for a period of 20 Business Days after receiving written notice from the Lending Party calling upon the Borrowing Party to remedy such breach.

14.3 Misrepresentation

Any representation or statement made or deemed to be made by the Borrowing Party in this Agreement is or proves to have been incorrect or misleading in any material respect when made or deemed to be made and is not remedied within 20 Business Days after receiving written notice from the Lending Party of such misrepresentation.

14.4 Insolvency

- (a) The Borrowing Party (i) is unable or admits inability to pay its debts as they fall due, (ii) is deemed to or declared to be unable to pay its debts under applicable law, (iii) suspends or threatens to suspend making payments on any of its debts or (iv) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (excluding the Lending Party) with a view to rescheduling any of its indebtedness.
- (b) A moratorium or other protection from its creditors is declared in respect of any indebtedness of the Borrowing Party.
- (c) Body Shop Sub commits an act of bankruptcy under the Bankruptcy and Insolvency Act (Canada) or under analogous foreign law, or makes an assignment of its property for the general benefit of its creditors under such Act or under analogous foreign law, or makes a proposal (or files a notice of its intention to do so) under such Act or under analogous foreign law.

14.5 Insolvency proceedings

- (a) Any corporate action, legal proceedings or other formal legal procedure or step is taken (including the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution) in relation to:
 - (i) the suspension of payments generally, a moratorium of any indebtedness, winding-up, dissolution, striking off, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Borrowing Party;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of the Borrowing Party;
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager, trustee, supervisor or other similar officer in respect of the Borrowing Party or any of its assets where such assets have an aggregate value in excess of GBP 100,000 (or its Canadian dollar equivalent); or
 - (iv) enforcement of any security interest over any assets of the Borrowing Party where such assets have an aggregate value in excess of GBP 100,000 (or its Canadian dollar equivalent),

or any analogous procedure or step is taken in any jurisdiction.

- (b) Paragraph (a) shall not apply to any legal proceeding or other formal procedure or step which is frivolous or vexatious and/or which is discharged, stayed or dismissed within 14 days of its commencement.

14.6 Unlawfulness

It is or becomes unlawful for the Borrowing Party to perform any of its obligations under this Agreement.

14.7 Repudiation

The Borrowing Party repudiates this Agreement or evidences an intention to repudiate this Agreement.

14.8 Change of Control

Body Shop Sub is subject to a change of control (for the purposes of this clause "change of control" means the event that any person or persons who were not a shareholder(s) of the Body Shop Sub at the date of this Agreement becomes directly or indirectly beneficially entitled to shares in the capital of the Body Shop Sub, where such shares represent 50% or more of the total share capital of the Body Shop Sub).

14.9 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing the Lending Party may by written notice to the Borrowing Party:

- (a) declare that all or part of the Loans under the Facility pertaining to which an Event of Default has occurred and is continuing (the "**Defaulting Facility**"), together with accrued interest, and all other amounts accrued or outstanding under the Defaulting Facility, be immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (b) declare that all or part of the Loans under the Defaulting Facility be payable on demand, whereupon they shall immediately become payable on demand by the relevant Lending Party.

15. PAYMENTS

15.1 All payments due and payable by the Borrowing Party under this Agreement shall be made for value on the due date to such account details as the Lending Party may from time to time specify.

15.2 Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

16. TAX GROSS-UP

16.1 Any and all payments by or on behalf of the Borrowing Party under this Agreement shall be made free and clear of and without deduction for any and all present or future Tax, and all liabilities with respect thereto.

16.2 If the Borrowing Party is required by applicable law to deduct any Tax from or in respect of any sum payable under this Agreement to the Lending Party, (i) the Borrowing Party shall make such deductions and shall notify the Lending Party accordingly, (ii) the Borrowing Party shall pay the full amount deducted to the relevant taxation authority or other authority in

accordance with applicable law and (iii) the Borrowing Party shall provide to the Lending Party a certificate evidencing any such deduction.

- 16.3 If the Borrowing Party is required by applicable law to deduct any Tax from or in respect of any sum payable under this Agreement, the sum payable shall, unless the Lending Party requires otherwise in writing, be increased as may be necessary so that after making all required deductions the Lending Party receives an amount equal to the sum it would have received had no such deductions been made.
- 16.4 In advance of any interest payment being made under this Agreement, the Borrowing Party and the Lending Party commit to use best endeavours to obtain the benefit of any double taxation treaty or directive to reduce or eliminate such Tax liability, and to make such filings or applications as may be required to the relevant taxation authority in connection with such reduction or elimination.
- 16.5 If the Borrowing Party has deducted Tax in accordance with Clause 16.2 above, the Borrowing Party and the Lending Party commit to use best endeavours to obtain the benefit of any double taxation treaty or directive to reduce or eliminate such Tax liability, and to make such filings or applications as may be required to the relevant taxation authority in connection with such reduction or elimination. Unless the amount payable to the Lending Party has been increased in accordance with Clause 16.3 above, the Borrowing Party undertakes to pass on to the Lending Party any refund received from any tax authority pursuant to a successful filing or application, as the case may be.

17. SET-OFF

Each Party ("Party 1") may set off any matured obligation due from the other Party ("Party 2") under this Agreement against any matured obligation owed by Party 1 to Party 2 hereunder.

18. NOTICES

- 18.1 Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, shall be made by letter.
- 18.2 For any communication or document to be made or delivered under or in connection with this Agreement the address of each Party is that identified with its name below or any substitute address as the Party may notify to the other by not less than 5 Business Days' notice.
- 18.3 Any communication to be made between the Parties under this Agreement may be made by email if the Parties notify each other in writing of their email address and notify each other of any change to their address by not less than 5 Business Days' notice. Any such communication may only be made by email to the extent that the Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.
- 18.4 Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:
- (a) if by way of email, when received in legible form; or
 - (b) if by way of letter, when it has been left at the relevant address, or two Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

provided that, any communication or document which becomes effective, in accordance with paragraphs (a) and (b) above, after 5.00 p.m. (London time) in the place of receipt shall be deemed only to become effective on the following day.

19. CHANGES TO THE PARTIES

- 19.1 Body Shop International may assign any of its rights or transfer any of its obligations under this Agreement at any time without the prior written consent of the Body Shop Sub provided that Body Shop International provides at least 10 Business Day's prior notice to the Body Shop Sub of such proposed transfer or assignment becoming effective.
- 19.2 Body Shop Sub may not assign any of its rights or transfer any of its obligations under this Agreement at any time without the prior written consent of Body Shop International (provided that such consent shall not be unreasonably withheld or delayed).

20. AMENDMENTS

No variation or waiver of any provision or condition of this Agreement shall be effective unless it is in writing and signed by or on behalf of the Parties (or, in the case of a waiver, by or on behalf of the Party waiving compliance).

21. FEES, COSTS AND EXPENSES

- 21.1 Each Party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement.

22. PARTIAL INVALIDITY

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

23. DETERMINATIONS

All determinations made by the Lending Party in relation to matters pertaining to the relevant Facility provided under this Agreement shall be conclusive and binding for all purposes, absent manifest error.

24. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Lending Party, any right or remedy under this Agreement shall operate as a waiver of any such right or remedy or constitute an election to affirm this Agreement. No election to affirm this Agreement on the part of the Lending Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

25. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

26. GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

27. JURISDICTION

- 27.1 The courts of England are to have exclusive jurisdiction to settle any dispute, whether contractual or non-contractual, arising out of or in connection with this Agreement. Any proceeding, suit or action arising out of or in connection with this Agreement or the negotiation, existence, validity or enforceability of this Agreement ("Proceedings") shall be brought only in the courts of England.
- 27.2 Each Party waives (and agrees not to raise) any objection, on the ground of *forum non conveniens* or on any other ground, to the taking of Proceedings in the courts of England. Each Party also agrees that a judgment against it in Proceedings brought in England shall be conclusive and binding upon it and may be enforced in any other jurisdiction.
- 27.3 Each Party irrevocably submits and agrees to submit to the jurisdiction of the courts of England.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

EXECUTION**THE BODY SHOP INTERNATIONAL PLC**By: Name: Jeremy SchwartzAddress: Watersmead, Littlehampton,
West Sussex, BN17 6LSAttention: The Directors of The Body Shop
International PLC**THE BODY SHOP
CANADA LIMITED**By: 

Name: _____

Address: 155 Wellington Street West,
Toronto, Ontario M5V 3J7,
CanadaAttention: The Directors of The Body
Shop Canada Limited

FIRST AMENDMENT TO THE FINANCING AGREEMENT DATED 19TH JULY 2017 BETWEEN THE BODY SHOP INTERNATIONAL LIMITED (FORMERLY PLC) AND THE BODY SHOP CANADA LIMITED

BETWEEN

- (1) **THE BODY SHOP INTERNATIONAL LIMITED**, a company incorporated in England and Wales with registered address Watersmead, Littlehampton, West Sussex, BN17 6LS and company number 1284170 ("Body Shop International").
- (2) **THE BODY SHOP CANADA LIMITED**, a company incorporated under the federal laws of Canada, with registered number 417311-2 whose registered office is at 155 Wellington Street West, Toronto, Ontario M5V 3J7, Canada ("Body Shop Sub").

BACKGROUND

1. Body Shop International and Body Shop Sub entered into a revolving facility agreement dated 19th July 2017, (the "Financing Agreement").
2. Body Shop International has recently entered into a new external borrowing facility to fund on-going working capital requirements which results in an increase in its borrowing cost. As a consequence of this increase, the parties hereby wish to change the margin charged on the loan facilities, under the Financing Agreement.

It is agreed as follows:

AMENDMENTS

1. Pursuant to the above, the Parties hereby agree the following amendments to the Financing Agreement:
 - a. Clause 11.1 (a) of the Financing Agreement (regarding the rate of interest on each Revolving Loan), shall be deleted and replaced with the following:

"in respect of a Loan made under the Body Shop Sub Facility, the percentage rate per annum which is the aggregate of:

 - (i) 2.75 per cent; and
 - (ii) CDOR; and"
 - b. Clause 11.4 (b) of the Financing Agreement (regarding the rate of interest on the In House Banking and Pooling Facility), shall be deleted and replaced with the following:

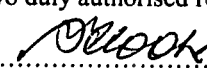
"in respect of a Loan made under the Overdraft Facility, at the percentage rate per annum which is the aggregate of:

- (i) 2.95 per cent; and
- (ii) the Treasury Benchmark Rate; and"

2. The parties hereby agree that the above amendments shall be effective from 26th June 2018 and shall remain in force for the duration of the Financing Agreement.
3. In case of conflict between the provisions of this Amendment and the provisions of the Financing Agreement, the provisions of this Amendment shall prevail. Any non-modified provision of the Financing Agreement by the present Amendment remains fully applicable between the parties.

SIGNATURES

Signed by two duly authorised representatives of **The Body Shop International Limited:**

Signed: 
 Position: COMPANY SECRETARY
 Date: 18/06/18
 Name: Susan Flook

Signed: 
 Position: INTERNATIONAL DIRECTOR OF GROUP TREASURY
 Date: 21/06/18
 Name: Paolo Salci

Signed and agreed by a duly authorised representative of **The Body Shop Canada Limited:**

Signed:
 Position:
 Date:

Signed:
 Position:
 Date:



FIRST AMENDMENT TO THE FINANCING AGREEMENT DATED 19TH JULY 2017 BETWEEN THE BODY SHOP INTERNATIONAL LIMITED (FORMERLY PLC) AND THE BODY SHOP CANADA LIMITED

BETWEEN

- (1) **THE BODY SHOP INTERNATIONAL LIMITED**, a company incorporated in England and Wales with registered address Watersmead, Littlehampton, West Sussex, BN17 6LS and company number 1284170 ("Body Shop International").
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It is agreed as follows:

AMENDMENTS

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 - a. Clause 11.1 (a) of the Financing Agreement (regarding the rate of interest on each Revolving Loan), shall be deleted and replaced with the following:
"in respect of a Loan made under the Body Shop Sub Facility, the percentage rate per annum which is the aggregate of:
 - (i) 2.75 per cent; and
 - (ii) CDOR; and"
 - b. Clause 11.4 (b) of the Financing Agreement (regarding the rate of interest on the In House Banking and Pooling Facility), shall be deleted and replaced with the following:
"in respect of a Loan made under the Overdraft Facility, at the percentage rate per annum which is the aggregate of:

ENRICH
NOT EXPLOIT™

Knollys House, 17 Addiscombe Road,
Croydon, CRO 6FN, UK
T: +44(0)208 3882000

Watersmead, Littlehampton,
West Sussex, BN17 6LS, UK
T: +44(0)1903 731500
F: +44(0)1903 644588

THEBODYSHOP.COM



- (i) 2.95 per cent; and
- (ii) the Treasury Benchmark Rate; and"

2. The parties hereby agree that the above amendments shall be effective from 26th June 2018 and shall remain in force for the duration of the Financing Agreement.
3. In case of conflict between the provisions of this Amendment and the provisions of the Financing Agreement, the provisions of this Amendment shall prevail. Any non-modified provision of the Financing Agreement by the present Amendment remains fully applicable between the parties.

SIGNATURES

Signed by two duly authorised representatives of The Body Shop International Limited:

Signed: [Signature]
 Position: COMPANY SECRETARY
 Date: 18/06/18

Signed: [Signature]
 Position: INTERNATIONAL DIRECTOR OF GROUP TREASURY
 Date: 21/06/18

Signed and agreed by a duly authorised representative of The Body Shop Canada Limited:

Signed: [Signature]
 Position: MANAGING DIRECTOR
 Date: 26/06/18

Signed:
 Position:
 Date:



- (i) 2.95 per cent; and
 (ii) the Treasury Benchmark Rate; and"

2. The parties hereby agree that the above amendments shall be effective from 26th June 2018 and shall remain in force for the duration of the Financing Agreement.
3. In case of conflict between the provisions of this Amendment and the provisions of the Financing Agreement, the provisions of this Amendment shall prevail. Any non-modified provision of the Financing Agreement by the present Amendment remains fully applicable between the parties.

SIGNATURES

Signed by two duly authorised representatives of The Body Shop International Limited:

Signed: [Signature]
 Position: COMPANY SECRETARY
 Date: 18/06/18

Signed: [Signature]
 Position: INTERNATIONAL DIRECTOR OF GROUP TREASURY
 Date: 21/06/18

Signed and agreed by a duly authorised representative of The Body Shop Canada Limited:

Signed:
 Position:
 Date:

Signed: [Signature]
 Position: 2nd C.F.O.
 Date: 27/6/18

**ENRICH
NOT EXPLOIT.**

Knollys House, 17 Addiscombe Road,
 Croydon, CR0 6FN, UK
 T: +44(0) 208 882000

Watersmead, Littlehampton,
 West Sussex, BN17 6LS, UK
 T: +44(0) 1903 731500
 F: +44(0) 1903 544966

THEBODYSHOP.COM

This is Exhibit "F" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Ö^Ç~~, in the Country of England, before me on ~~R}^Á~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Garay

Commissioner for Taking Affidavits (or as may be)

**A 5 HH<9K `; 5 F 5 Mž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES >I B9`% ž&\$&+"



12th February 2024

The Body Shop International Limited (“**GLS Agent**”) and the Participants listed in Schedule 1 (“**Participants**”)

Watersmead
Littlehampton
West Sussex
BN17 6LS

By email: Freya.Macken@aurelius-group.com
Stephan.Senfle@aurelius-group.com
Tyler.Reddien@thebodyshop.com

For attention of the General Counsel and the Directors

Dear Sirs

Cash Concentration Services – Notice of Termination

1. We refer to the Cash Concentration terms and conditions between the **GLS Agent**) and the Participants listed in Schedule 1 (“**Participants**”, and together with the GLS Agent, the “**Customers**”), in relation to the Cash Concentration Services (the “**Services**”) and accounts between HSBC Bank Plc (the “**Bank**”) and the Customers, dated 1 October 2018, as amended from time to time (the “**GLS Terms**”).
2. In this Notice of Termination (“**Notice**”), “**Effective Date**” means the date on which you receive a copy of this Notice in electronic or hard copy form.
3. Capitalised terms used in this Notice but not otherwise defined shall have the meaning given to them in the GLS Terms.
4. This Notice constitutes our irrevocable notice to you that, with effect from the Effective Date, we will:
 - a. terminate the Services provided by the Bank pursuant to the GLS Terms; and
 - b. terminate the GLS Terms.
5. Nothing in this Notice shall constitute a waiver of, or otherwise prejudice any rights and remedies of the Bank, at law or otherwise and all rights and remedies of the Bank are hereby reserved.

HSBC Bank plc
8 Canada Square, London E14 5HQ
Tel: 020 7991 8888 Fax: 020 7991 4719

Registered in England number 14259. Registered Office: 8 Canada Square, London E14 5HQ.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

RESTRICTED



6. Interest will continue to accrue at the rate provided in the GLS Terms (as applicable) or as otherwise agreed with us, in each case on the full amount outstanding pursuant to the GLS Terms (as the case may be) until payment is made in respect of all monies outstanding.
7. This Notice shall be governed by and construed in accordance with English law.

Yours faithfully

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

for and on behalf of
HSBC BANK PLC

HSBC Bank plc
8 Canada Square, London E14 5HQ
Tel: 020 7991 8888 Fax: 020 7991 4719

Registered in England number 14259. Registered Office: 8 Canada Square, London E14 5HQ.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

RESTRICTED



Schedule 1 – The Participants

1. B.S. Danmark A/S
2. Buth-Na-Bodhaige, Inc.
3. Mighty Ocean Company Limited
4. The Body Shop (Singapore) Pte Limited
5. The Body Shop at Home US LLC
6. The Body Shop Australia PTY Limited
7. The Body Shop Belgium B.V.
8. The Body Shop Benelux B.V.
9. The Body Shop Canada Limited
10. The Body Shop Cosmetics Ireland Limited
11. The Body Shop España, S.A.U.
12. The Body Shop France SARL
13. The Body Shop Germany GmbH
14. The Body Shop Global Travel Retail Limited
15. The Body Shop GmbH
16. The Body Shop International Limited
17. The Body Shop Luxembourg SARL
18. The Body Shop Portugal, S.A.
19. The Body Shop Service B.V.
20. The Body Shop Svenska AB

HSBC Bank plc

8 Canada Square, London E14 5HQ

Tel: 020 7991 8888 Fax: 020 7991 4719

Registered in England number 14259. Registered Office: 8 Canada Square, London E14 5HQ.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

This is Exhibit "G" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of Ottawa, in the Country of England, before me on 17th April, 2024 in accordance with O.A. Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Garay

Commissioner for Taking Affidavits (or as may be)

**A5 HH<9K `; 5 F5 Mž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES >I B9 `% ž&\$&+"

Estate/Court File No.: BK-31-3050418



**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE) MONDAY, THE 4th DAY
JUSTICE OSBORNE) OF MARCH, 2024.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF THE BODY SHOP CANADA LIMITED, IN THE
CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

ORDER

THIS MOTION, made by The Body Shop Canada Limited (the "**Company**") for an order, *inter alia*: (a) expanding the stay of proceedings under the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (the "**BIA**") by ordering the continuation of services and certain other protections in respect of the Company; (b) approving the Administration Charge (as defined below); (c) approving the D&O Charge (as defined below); (d) directing all persons who have in their possession and property, books or documents of the Company to deliver such books or documents or property to the Company, and (e) granting certain other relief was heard this day by videoconference.

ON READING the affidavit of Jordan Searle sworn on March 1, 2024, the First Report (the "**First Report**") of Alvarez & Marsal Canada Inc., in its capacity as proposal trustee of the Company (the "**Proposal Trustee**") filed, on being advised that the Company filed a notice of intention to make a proposal pursuant to section 50.4(1) of the BIA on March 1, 2024 (the "**NOI Filing Date**"), and on hearing the submissions of respective counsel for the Company, the Proposal Trustee, certain Landlords (defined below), including, Crombie Property Holdings

Limited, Oxford Properties Group and its affiliates, and The Cadillac Fairview Corporation Limited and its affiliates, who have consented to the rent payment terms set out herein on an exceptional basis, and such other counsel as were present as shown on the Participant Information Form, no one else appearing although duly served:

SERVICE AND DEFINED TERMS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, Motion Record and First Report are hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used but not defined in this Order shall have the meanings given to them in the Searle Affidavit.

EXTENSION OF TIME TO FILE A PROPOSAL

3. **THIS COURT ORDERS** that pursuant to 50.4(9) of the BIA, the time for the Company to file a proposal is hereby extended to April 16, 2024 (the "**Extension Date**").

RESTRUCTURING

4. **THIS COURT ORDERS** the Company shall have the right to:
 - (a) permanently or temporarily cease, downsize or shut down any of their business or operations, and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$1,000,000 in the aggregate; and
 - (b) refuse to honour any gift cards, existing return policies, refunds or discounts or other similar customer programs or obligations.

NO INTERFERENCE WITH RIGHTS

5. **THIS COURT ORDERS** that until the Extension Date (including as such date may be extended pursuant to section 50.4(9) of the BIA, the "**Proposal Outside Date**"), no individual, firm, corporation, governmental body or agency, or any other entities, including the UK Administrator or the UK Parent (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence, permit, lease, purchase order or other arrangement, whether written or oral (each, an "**Agreement**"), in favour of or held by the

Company, except with the written consent of the Company and the Proposal Trustee, or leave of this Court.

6. **THIS COURT ORDERS** that any Person who has, or is believed or suspected to have, in their possession or power any of the property of the Company, or any book, document or paper of any kind relating in whole or in part to the Company, shall promptly, upon the request of the Company and the Proposal Trustee, be required to produce the book, document or paper for the information of the Company, or to deliver to the Company any property of the Company in their possession.

7. **THIS COURT ORDERS** that no Person, including HSBC Bank Canada, shall disburse, remit, transfer or otherwise pay any funds from the bank accounts held at HSBC Bank Canada in the name of the Company, except with the prior written consent of the Company or the Proposal Trustee, or leave of this Court.

CONTINUATION OF SERVICES

8. **THIS COURT ORDERS** that until the expiry of the Proposal Outside Date, all Persons having an Agreement or arrangement with the Company 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, banking services, payroll services, merchant and credit card processing services, insurance, transportation services, utility or other services to the Company, 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 Company, and that the Company shall be entitled to the continued use of its 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 Company in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and the Company and the Proposal Trustee, or as may be ordered by this Court.

9. **THIS COURT ORDERS** that until a real property lease is disclaimed or resiliated in accordance with the BIA, the Company shall pay all amounts constituting rent or payable as rent under real property leases (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 the lease or as otherwise may be negotiated between the Company and the

Landlord from time to time ("**Rent**"), (a) for the period commencing from and including the NOI Filing Date until March 31, 2024, four times monthly in equal payments on the first business day of each week, in advance (but not in arrears), and (b) for the period commencing April 1, 2024 until the Extension Date, as such date may further extended pursuant to an Order of this Court, twice monthly in equal payments on the first and fifteenth day of each month, in each case, in advance (but not in arrears) in the amounts set out in the applicable lease or, with the consent of the Proposal Trustee, at such other intervals and dates as may be agreed to between the Company and the Landlord. On the date of the first of such payments following the date of this Order, any Rent relating to the period commencing from and including the NOI Filing Date shall also be paid.

10. **THIS COURT ORDERS** that 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 NOI Filing Date, nor shall any Person be under any obligation on or after the NOI Filing Date to advance or re-advance any monies or otherwise extend any credit to the Company.

ADMINISTRATION CHARGE

11. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee, and counsel to the Company (collectively, the "**Restructuring Professionals**") 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 NOI Filing Date, by the Company as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of the Restructuring Professionals on a weekly basis, or as they may otherwise agree, and is hereby authorized to pay or to have paid retainers to the Restructuring Professionals as security for the payment of their respective fees and disbursements outstanding from time to time.

12. **THIS COURT ORDERS** that the Restructuring Professionals shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on all of the Company's present and future assets, undertakings and property of every nature and kind whatsoever and wherever situate, including all proceeds thereof (collectively, the "**Property**"), which charge shall not exceed an aggregate amount of \$700,000, as security for payment of their respective professional fees and disbursements incurred at their standard rates and charges, both before and after the making of this Order, in respect of this proceeding. The Administration Charge shall have the priority set out in paragraphs 17 and 19 hereof.

INDEMNIFICATIONS AND CHARGE

13. **THIS COURT ORDERS** that the Company shall indemnify its directors and its officers against obligations and liabilities that they may incur as a director or officer of the Company after the NOI Filing Date, 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.

14. **THIS COURT ORDERS** that the director and officers of the Company shall be entitled to the benefit of and are hereby granted a charge (the "**D&O Charge**") on the Property, which charge shall not exceed an aggregate amount of \$2,100,000, as security for the indemnity provided in paragraph 13 of this Order. The D&O Charge shall have the priority set out in paragraphs 17 and 19 herein.

15. **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 D&O Charge; and (b) the Company's director and officers shall only be entitled to the benefit of the D&O 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 13 of this Order.

LANDLORD CHARGE

16. **THIS COURT ORDERS** that in respect of each real property lease, until the earlier of (a) April 16, 2024, or (ii) the effective date of any disclaimer of the lease pursuant to section 65.2 of the BIA (i.e. 30 days after the notice is sent in accordance with the BIA) (the "**Applicable Period**"), the Landlord under such lease shall be entitled to the benefit of and is hereby granted a charge (the "**Landlord Charge**") on all of the Company's present and future assets, undertakings and property of every nature and kind whatsoever and wherever situate, including all proceeds thereof (collectively, the "**Property**"), which charge shall not, in the case of the Landlord, exceed an aggregate amount equal to 50% of the monthly rent set under such lease with the Company and the Landlord, as security for payment of the Landlord's rent during the Applicable Period. The Landlord Charge shall have the priority set out in paragraphs 17 and 19 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

17. **THIS COURT ORDERS** that the priorities of the Administration Charge and the D&O Charge (collectively, the “**Charges**”), as among them, with respect to the Property shall be as follows:

First – Administration Charge

Second – D&O Charge

Third – Landlord Charge

18. **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.

19. **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 any statutory, deemed or constructive trust), liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person, notwithstanding the order of perfection or attachment, provided that the Charges shall rank subordinate to the Encumbrances evidenced by registrations listed on Schedule “A” to this Order.

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

21. **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 subsequently made; (c) the provisions of any federal or provincial statutes; or (d) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances,

contained in any Agreement which binds the Company, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Company of any Agreement to which it is a party;
- (b) 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
- (c) the payments made by the Company 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.

22. **THIS COURT ORDERS** that any Charge created by this Order over a lease of real property in Canada shall only be an Encumbrance in the Company's interest in such real property lease.

SERVICE OF DOCUMENTS

23. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "Guide") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/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 13 of the Guide, 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 Guide with the following URL www.alvarezandmarsal.com/thebodyshop

24. **THIS COURT ORDERS** that the Company, the Proposal Trustee and their respective counsel are at liberty to serve or distribute this Order, and 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 Company's 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).

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide is not practicable, the Company and the Proposal Trustee and their respective counsel and agents 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, email or facsimile transmission to the Company's creditors or other interested parties at their respective addresses (including email addresses) as last shown on the records of the Company and that any such service or distribution shall be deemed to be received on the earlier of (a) the date of transmission thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Time; (b) the next business day following the date of forwarding or transmission thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. Eastern; or (c) on the third business day following the date of forwarding thereof, if sent by ordinary mail.

GENERAL

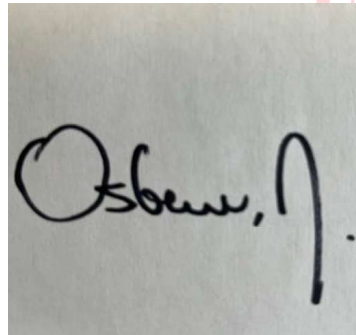
26. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

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

28. **THIS COURT ORDERS** that each of the Company and the Proposal Trustee be at liberty and are 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 Proposal Trustee 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.

29. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time on the date of this Order without the need for entry or filing.

A rectangular stamp containing a handwritten signature in black ink. The signature appears to be "Osben, J." with a stylized flourish at the end.

2024.03.
04
14:47:03
-05'00'

**SCHEDULE A
PPSA REGISTRATIONS**

Secured Party	Jurisdiction	Registration Number
Enterprise Fleet Management Canada, Inc.	British Columbia	625741P
	Alberta	20051800301
	Nova Scotia	37880374
	Ontario	20231218 1404 1462 0081
		20200225 1401 1462 3626
		20230515 1405 1462 5479
		20230529 1406 1462 1279
		20230529 1406 1462 1280

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF THE BODY SHOP CANADA LIMITED, IN THE CITY
OF TORONTO, IN THE PROVINCE OF ONTARIO

Estate/Court File No.: 31-3050418

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**
Proceeding commenced at Toronto

ORDER

DAVIES WARD PHILLIPS & VINEBERG LLP
155 Wellington Street West
Toronto ON M5V 3J7

Natasha MacParland (LSO# 42383G)
Tel: 416.863.5567
nmacparland@dwpv.com

Natalie Renner (LSO #55954A)
Tel: 416.863.5502
nrenner@dwpv.com

Counsel for The Body Shop Canada Limited

This is Exhibit "H" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Öc^c\~~, in Country of England, before me on R } ^ Á G , 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Jaray

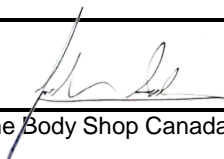
Commissioner for Taking Affidavits (or as may be)

**A 5 H H < 9 K ; 5 F 5 M Ž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES > I B 9 ' % Ž & \$ & + "

Rule 14.4**PROOF OF DEBT - GENERAL FORM**

The Body Shop International Limited		
Relevant Date: 13 February 2024		
1.	Name of Creditor (If a company please also give company registration number)	The Body Shop Canada Limited 417311-2
2.	Address of Creditor for correspondence	Please see the appended contact information sheet ("Appendix A").
3.	Email address	Please see the appended contact information sheet ("Appendix A").
4.	Total amount of claim, (including any Value Added Tax) as at the relevant date, less any payments received after the relevant date, trade and other usual discounts and any other amounts to be set off.	£25,770,985.79 (CAD\$44,015,347.21 based on the CAD/GBP exchange rate published by the Bank of Canada on 13 February 2024)
5.	If amount in 4 above includes outstanding uncapitalised interest please state amount	Not applicable
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	Please see the appended continuation sheet ("Appendix B").
7.	Particulars of any security held, the value of the security, and the date it was given.	Not applicable
8.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	Not applicable
9.	Details of any document by which the debt can be substantiated [Note there is no need to attach these now but the office holder may call for any document or evidence to substantiate the whole or any part of a claim]	Please see the appended list of substantiating documents ("Appendix C").

This document must be signed:	
Name in capital letters	JORDAN SEARLE
Address	510-1 Yorkdale Avenue Toronto, ON M6A 3A1
Email Address	jordan.searle@thebodyshop.com
Signature	
For and on behalf of	The Body Shop Canada Limited
Relationship or authority to sign (eg director/accountant/member)	President, North America
If signing on behalf of a body corporate please indicate if you are the sole member	No
Date	30 April 2024

Appendix A
Contact Information Sheet

DAVIES WARD PHILLIPS & VINEBERG LLP

155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Natasha MacParland
Email: NMacParland@dwpv.com

The Body Shop Canada Limited

510-1 Yorkdale Avenue
Toronto, ON M6A 3A1

Attention: Jordan Searle
Email: jordan.searle@thebodyshop.com

CASSELS BROCK & BLACKWELL LLP

Suite 3200, Bay Adelaide Centre - North Tower
40 Temperance Street
Toronto, ON M5H 0B4

Attention: Jane Dietrich
Email: jdietrich@cassels.com

ALVAREZ & MARSAL CANADA INC.

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON M5J 2J1

Attention: Joshua Nevsky
Email: jnevsky@alvarezandmarsal.com

Appendix B
Continuation Sheet

(see attached)

THE BODY SHOP INTERNATIONAL LIMITED (IN ADMINISTRATION) - PROOF OF DEBT OF THE BODY SHOP CANADA LIMITED – PARTICULARS OF HOW AND WHEN DEBT INCURRED (as at May 1, 2024)

- 1 We refer to:
 - 1.1 a market supply and royalty letter between The Body Shop International Limited ("**TBSIL**") and The Body Shop Canada Limited ("**TBS Canada**") dated 1 January 2016 (the "**Market Supply Agreement**");
 - 1.2 an agreement for the provision of services by and between TBSIL and TBS Canada dated 16 November 2016 (the "**Services Agreement**"); and
 - 1.3 a financing agreement between TBSIL and TBS Canada dated 19 June 2017 and an amendment thereto dated 26 June 2018 (the "**Financing Agreement**").
- 2 TBSIL has historically controlled several functions of TBS Canada, including account/finance, treasury, tax, human resources, payroll, information technology, real estate, marketing, procurement and logistics services (the "**Shared Services**"). This was achieved through a cash management system and cash pooling arrangement (the "**Cash Pooling Arrangements**"). Pursuant to the Cash Pooling Arrangement, all of TBS Canada's funds were deposited in certain accounts held by TBS Canada at Royal Bank of Canada (formerly HSBC Bank Canada) (the "**RBC Accounts**") and then swept by TBSIL daily. The daily cash sweeps were recorded through an intercompany account and generated intercompany receivables between TBSIL and TBS Canada. TBSIL would use the swept funds to pay TBS Canada's payables upon direction by TBS Canada and to pay intercompany receivables owing to TBSIL.
- 3 Pursuant to the Market Supply Agreement, TBSIL is required to pay market support payments to TBS Canada if TBS Canada does not meet a designated operating income threshold. If TBS Canada exceeds the operating income threshold, it is charged a franchise fee that is payable to TBSIL.
- 4 In addition to the Shared Services, the fees payable under the Marketing Supply Agreement, and amounts owing for inventory purchases from TBSIL, among other intercompany payables, were administered through the Cash Pooling Arrangements.
- 5 The Services Agreement and the Financing Agreement, taken together, (a) provide TBSIL with the authority to make decisions regarding the operations and cash management of TBS Canada, and (b) establish the Cash Pooling Arrangements and the ability of TBSIL to sweep the RBC Accounts.
- 6 Pursuant to the Services Agreement, TBS Canada authorized TBSIL to act as its treasury manager (in such capacity, the "**Treasury Manager**") and make decisions in relation to its cash management. In exchange, TBSIL provided the Shared Services to assist TBS Canada in the operation and management of its business.
- 7 The Financing Agreement established loan facilities between TBSIL and TBS Canada that comprised (a) revolving loan facilities made available by both TBSIL and TBS Canada to the other party (each, a "**Revolving Loan Facility**"), (b) an overdraft facility, pursuant to which TBS Canada had the ability to draw amounts from TBSIL (the "**Overdraft Facility**"), and (c) a deposit facility under which TBS Canada deposited amounts to be drawn (or swept) by TBSIL (the "**Deposit Facility**"). The intercompany receivables owing between TBSIL and TBS Canada were recorded and settled through these loan facilities.
- 8 Under the Services Agreement and Financing Agreement, the Cash Pooling Arrangements were structured such that:
 - 8.1 transfers would be made as required to or by TBSIL from or to TBS Canada in an amount determined by TBSIL, either for itself or in its capacity as Treasury Manager. To the extent that funds were transferred from TBS Canada to TBSIL, it

was recorded as a deposit under the Deposit Facility and to the extent that money was transferred from TBSIL to TBS Canada, it was recorded as a loan under the Overdraft Facility; and

- 8.2 from time to time, the (i) aggregate amount of deposits were deemed as loans from TBS Canada to TBSIL under the relevant Revolving Loan Facility and (ii) the amount outstanding under the Overdraft Facility were deemed as loans from TBSIL to TBS Canada under the relevant Revolving Loan Facility.
- 9 In the weeks leading up to TBSIL filing for administration, it swept cash from the RBC Accounts but failed to remit payment for amounts owing to TBS Canada's vendors/suppliers and landlords. This created an immediate liquidity crisis for TBS Canada and significant outstanding payables.
- 10 As a direct result of TBSIL's actions, TBS Canada was forced to file a Notice of Intention to Make a Proposal pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985, c. B-3 (the "**NOI Proceedings**"). TBS Canada continues to incur significant financial, legal and other professional fees associated with the NOI Proceedings. This amount is approximately £641,740 (approximately CAD\$1,100,000 based on the CAD/GBP exchange rate published by the Bank of Canada on 29 April 2024) to date and is to increase as the proceedings in Canada, the United States and the United Kingdom progress.
- 11 TBS Canada has accrued additional costs associated with the NOI Proceedings that it would not have contracted but for the actions of TBSIL. These costs are expected to total approximately £1,161,200 (approximately CAD\$2,000,000 based on the CAD/GBP exchange rate published by the Bank of Canada on 4 March 2024) for expenses related to, among other things, (i) fees paid to landlords associated with the closure of thirty-three stores, (ii) additional costs paid in connection with acquiring inventory outside the ordinary course of business due to interruptions in the supply chain stemming from TBS Canada's U.S. affiliate, Buth-Na-Bodhaige Inc.'s Chapter 7 bankruptcy proceedings and (iii) a key employee retention program designed to retain and incentivize certain employees who perform important management or business functions with institutional knowledge and skills that are irreplaceable, making their continued engagement vital to TBS Canada's operations.
- 12 The filing of this Proof of Debt does not constitute an admission as to the validity, amount, or classification of the debt, nor does it constitute a release, discharge, waiver or compromise of any rights, remedies or claims, whether legal, equitable, or statutory against (i) the Aurelius Group¹ ("**Aurelius**"), Natura International Inc. ("**Natura**"), any of their subsidiaries and affiliates or any other interested party and (ii) the employees, advisors, directors and officers of TBSIL, Aurelius, Natura, any of their subsidiaries and affiliates or any other interested party. Our rights are expressly reserved notwithstanding any terms or provisions to the contrary in any documentation or in any communication from TBS Canada to TBSIL or its representatives.
- 13 TBS Canada in its sole discretion reserves the right to amend, alter, change, revise, withdraw, increase or add new heads of damage to this Proof of Debt as necessary at any time after the date first written above.

¹ Including Aurelius IV UK Acquico Seven Ltd., Aurelius IV UK Acquico Eight Ltd., Aurelius Invesment Lux One Sarl, and Aurelius European Opportunities IV, S.C.A. SICAV-RAIF.

Appendix C
List of Substantiating Documents

The documents listed below provide details by which the debt can be substantiated:

1. A market supply and royalty letter between The Body Shop International Limited ("**TBSIL**") and The Body Shop Canada Limited ("**TBS Canada**") dated 1 January;
2. An agreement for the provision of services by and between TBSIL and TBS Canada dated 16 November 2016; and
3. A financing agreement between TBSIL and TBS Canada dated 19 June 2017 and an amendment thereto dated 26 June 2018.

This is Exhibit "I" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Ö^c^l~~, in the Country of England, before me on ~~R}^ÁG~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Jaray

Commissioner for Taking Affidavits (or as may be)

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A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES >I B9`% ž&\$&+"

The Body Shop Canada Limited

Balance Sheet

*As at May 31, 2024***Assets**

Cash		7,311,733
Trade receivables		206,804
Inventories		4,778,133
Intercompany receivables		53,930,085
Other receivables		1,298,041
Income tax and socia		745,932
Total Current Assets		<u>68,270,727</u>
Property, plant & equipment	35,511,522	
Accumulated depreciation	<u>(27,634,774)</u>	7,876,749
Intangible assets	9,997,505	
Accumulated amortization	<u>(384,665)</u>	9,612,840
Other non-current assets		5,000
Total Non-Current Assets		<u>17,494,589</u>
TOTAL ASSETS		<u>85,765,316</u>

Liabilities

Trade payables		5,872,243
Intercompany payables		11,874,920
Payroll & benefits payables		859,918
Taxes payable		301,204
Current provisions		406,430
Other current liabilities		3,656,841
Total Current Liabilities		<u>22,971,557</u>
Non-Current Liabilities		<u>2,012,593</u>
TOTAL LIABILITIES		<u>24,984,150</u>
Shareholder's Equity		
Capital		12,000,000
Capital reserves		-
Earnings reserves		48,101,581
Current year earnings		679,585
TOTAL SHAREHOLDER'S EQUITY		<u>60,781,166</u>
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY		<u>85,765,316</u>

The Body Shop Canada Limited
Income Statement
For the period ended May 31, 2024

Turnover	27,611,215
Cost of sales	<u>(6,276,776)</u>
Gross margin	<u>21,334,439</u>
Staff costs & payroll	(7,864,845)
Other employee costs	(1,682,445)
Office & IT costs & IT Services	(385,418)
Marketing costs	(458,089)
Printing & PR	(323,368)
Postage	(25,550)
Office Cost	(122,593)
Telecom	(103,888)
Insurance	(62,908)
Convention & seminars	(2,547)
Professional fees	(1,457,413.59)
Bad Debt	(5,743)
Storage, waste & security	(438,433)
Customer care	(15,923)
Repairs & maintenance	(96,607)
Courier & transportation	(16,633)
Rent	(5,772,153)
Travel & entertainment	(110,802)
Contributions & donations	(5,265)
Depreciation & amortization	(1,462,616)
Credit card fees + Banking	(528,815)
Royalty	-
Sales & waste taxes	-
Realized gains/losses	915,373
Penalties	(25,064.56)
Other store costs	-
Other operating costs	(185,346)
Intercompany	(216,428)
Financial costs	-
Non-recurring Costs	-
Corporate tax	(201,334)
Dividend	-
	<u>(20,654,854)</u>
Net income (loss)	<u>679,585</u>

This is Exhibit "J" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Ö^Ç!~~, in the Country of England, before me on ~~R}^ÁG~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Garay

Commissioner for Taking Affidavits (or as may be)

**A5 HH<9K `; 5 F5 Mž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES >I B9 `% ž&\$&+"



PERSONAL PROPERTY SECURITY REGISTRATION
SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for :	ONCORP - DWPV
Reference :	abunting
Docket :	tbf
Search ID :	961410
Date Processed :	2/21/2024 2:28:30 PM
Report Type :	PPSA Electronic Response
Search Conducted on :	THE BODY SHOP CANADA LIMITED
Search Type :	Business Debtor

DISCLAIMER :

This report has been generated using data provided by the Personal Property Registration Branch, Ministry of Government Services, Government of Ontario. No liability is undertaken regarding its correctness, completeness, or the interpretation and use that are made of it.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE
CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT
OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: THE BODY SHOP CANADA LIMITED

FILE CURRENCY: February 20, 2024

RESPONSE CONTAINS: APPROXIMATELY 6 FAMILIES and 7 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS
WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME
IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE
OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT
ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY
THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER
AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS
UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE
INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: THE BODY SHOP CANADA LIMITED

FILE CURRENCY: February 20, 2024

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 6 ENQUIRY PAGE : 1 OF 7

SEARCH : BD : THE BODY SHOP CANADA LIMITED

00 FILE NUMBER : 501302754 EXPIRY DATE : 18DEC 2026 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20231218 1404 1462 0081 REG TYP: P PPSA REG PERIOD: 3
 02 IND DOB : IND NAME:
 03 BUS NAME: THE BODY SHOP CANADA LTD.
 OCN :
 04 ADDRESS : 3307 GRANITE GATE
 CITY : BURLINGTON PROV: ON POSTAL CODE: L7M0L7
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 ENTERPRISE FLEET MANAGEMENT CANADA, INC
 09 ADDRESS : 709 MILNER AVE
 CITY : SCARBOROUGH PROV: ON POSTAL CODE: M1B6B6
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X 65950 18DEC2026
 YEAR MAKE MODEL V.I.N.
 11 2024 VOLVO XC40 YV4ER3XK5R2253723
 12

GENERAL COLLATERAL DESCRIPTION

13
 14
 15

16 AGENT: ENTERPRISE FLEET MANAGEMENT, INC

17 ADDRESS : 2281 BALL DRIVE

CITY : ST. LOUIS PROV: MO POSTAL CODE: 63146

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: THE BODY SHOP CANADA LIMITED

FILE CURRENCY: February 20, 2024

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 6 ENQUIRY PAGE : 2 OF 7

SEARCH : BD : THE BODY SHOP CANADA LIMITED

00 FILE NUMBER : 501451686 EXPIRY DATE : 22DEC 2028 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
 REG NUM : 20231222 1121 1590 4230 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : IND NAME:
 03 BUS NAME: THE BODY SHOP CANADA LIMITED
 OCN :
 04 ADDRESS : 1 YORKDALE ROAD, UNIT 510
 CITY : TORONTO PROV: ON POSTAL CODE: M6A 3A1
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 AURELIUS IV UK ACQUICO SEVEN LIMITED
 09 ADDRESS : 33 GLASSHOUSE STREET, 6TH FLOOR
 CITY : LONDON PROV: UK POSTAL CODE: W1B5DG
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X X
 YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13 ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY AND
 14 PROCEEDS THEREOF.

15

16 AGENT: DLA PIPER (CANADA) LLP - TORONTO (VINO SHAN)

17 ADDRESS : 6000-100 KING STREET WEST

CITY : TORONTO PROV: ON POSTAL CODE: M5X 1E2

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: THE BODY SHOP CANADA LIMITED

FILE CURRENCY: February 20, 2024

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 6 ENQUIRY PAGE : 3 OF 7

SEARCH : BD : THE BODY SHOP CANADA LIMITED

00 FILE NUMBER : 760369104 EXPIRY DATE : 25FEB 2024 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20200225 1410 1462 3626 REG TYP: P PPSA REG PERIOD: 3
 02 IND DOB : IND NAME:
 03 BUS NAME: THE BODY SHOP CANADA LTD.
 OCN :
 04 ADDRESS : 791 DEVERON CRESCENT
 CITY : NEW YORK PROV: ON POSTAL CODE: N5Z5B6
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 ENTERPRISE FLEET MANAGEMENT CANADA, INC
 09 ADDRESS : 77 BELFIELD RD STE 100
 CITY : TORONTO PROV: ON POSTAL CODE: M9W1G6
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X 28107 X
 YEAR MAKE MODEL V.I.N.
 11 2020 NISSAN ROGUE S 5N1AT2MV9LC769009
 12

GENERAL COLLATERAL DESCRIPTION

13
 14
 15

16 AGENT: ENTERPRISE FLEET MANAGEMENT, INC

17 ADDRESS : 9315 OLIVE BLVD

CITY : ST. LOUIS PROV: MO POSTAL CODE: 63132

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: THE BODY SHOP CANADA LIMITED

FILE CURRENCY: February 20, 2024

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 3 OF 6 ENQUIRY PAGE : 4 OF 7

SEARCH : BD : THE BODY SHOP CANADA LIMITED

FILE NUMBER 760369104

PAGE TOT REGISTRATION NUM REG TYPE

01 CAUTION : 01 OF 001 MV SCHED: 20230222 1002 1462 9198

21 REFERENCE FILE NUMBER : 760369104

22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 1 CORR PER:

23 REFERENCE DEBTOR/ IND NAME:

24 TRANSFEROR: BUS NAME: THE BODY SHOP CANADA LTD.

25 OTHER CHANGE:

26 REASON:

27 /DESCR:

28 :

02/05 IND/TRANSFEE:

03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:

CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY : PROV : POSTAL CODE :

CONS. MV DATE OF NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10

11

12

13

14

15

16 NAME : ENTERPRISE FLEET MANAGEMENT, INC

17 ADDRESS : 9315 OLIVE BLVD

CITY : ST. LOUIS PROV : MO POSTAL CODE : 63132

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: THE BODY SHOP CANADA LIMITED

FILE CURRENCY: February 20, 2024

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 4 OF 6 ENQUIRY PAGE : 5 OF 7

SEARCH : BD : THE BODY SHOP CANADA LIMITED

00 FILE NUMBER : 793313496 EXPIRY DATE : 15MAY 2026 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20230515 1405 1462 5479 REG TYP: P PPSA REG PERIOD: 3
 02 IND DOB : IND NAME:
 03 BUS NAME: THE BODY SHOP CANADA LTD
 OCN :
 04 ADDRESS : 5658 GLEN ERIN DR
 CITY : MISSISSAUGA PROV: ON POSTAL CODE: L5M5J2
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 ENTERPRISE FLEET MANAGEMENT CANADA, INC
 09 ADDRESS : 709 MILNER AVE
 CITY : SCARBOROUGH PROV: ON POSTAL CODE: M1B6B6
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X 38966 15MAY2026
 YEAR MAKE MODEL V.I.N.
 11 2023 NISSAN ROGUE JN8BT3BB2PW198219
 12

GENERAL COLLATERAL DESCRIPTION

13
 14
 15

16 AGENT: ENTERPRISE FLEET MANAGEMENT, INC

17 ADDRESS : 9315 OLIVE BLVD

CITY : ST. LOUIS PROV: MO POSTAL CODE: 63132

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: THE BODY SHOP CANADA LIMITED

FILE CURRENCY: February 20, 2024

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 5 OF 6 ENQUIRY PAGE : 6 OF 7

SEARCH : BD : THE BODY SHOP CANADA LIMITED

00 FILE NUMBER : 793737504 EXPIRY DATE : 29MAY 2026 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20230529 1406 1462 1279 REG TYP: P PPSA REG PERIOD: 3
 02 IND DOB : IND NAME:
 03 BUS NAME: THE BODY SHOP CANADA LTD
 OCN :
 04 ADDRESS : 790 DEVERON CRES
 CITY : LONDON PROV: ON POSTAL CODE: N5Z5B6
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 ENTERPRISE FLEET MANAGEMENT CANADA, INC
 09 ADDRESS : 709 MILNER AVE
 CITY : SCARBOROUGH PROV: ON POSTAL CODE: M1B6B6
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X 39519 29MAY2026
 YEAR MAKE MODEL V.I.N.
 11 2023 NISSAN ROGUE JN8BT3BB2PW198365
 12

GENERAL COLLATERAL DESCRIPTION

13
 14
 15

16 AGENT: ENTERPRISE FLEET MANAGEMENT, INC

17 ADDRESS : 9315 OLIVE BLVD

CITY : ST. LOUIS PROV: MO POSTAL CODE: 63132

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: THE BODY SHOP CANADA LIMITED

FILE CURRENCY: February 20, 2024

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 6 OF 6 ENQUIRY PAGE : 7 OF 7

SEARCH : BD : THE BODY SHOP CANADA LIMITED

00 FILE NUMBER : 793737513 EXPIRY DATE : 29MAY 2026 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20230529 1406 1462 1280 REG TYP: P PPSA REG PERIOD: 3
 02 IND DOB : IND NAME:
 03 BUS NAME: THE BODY SHOP CANADA LTD
 OCN :
 04 ADDRESS : 75 GAIL PARKS CRES
 CITY : NEWMARKET PROV: ON POSTAL CODE: L3X3B9
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 ENTERPRISE FLEET MANAGEMENT CANADA, INC
 09 ADDRESS : 709 MILNER AVE
 CITY : SCARBOROUGH PROV: ON POSTAL CODE: M1B6B6
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X 36386 29MAY2026
 YEAR MAKE MODEL V.I.N.
 11 2023 NISSAN ROGUE JN8BT3BB1PW198454
 12

GENERAL COLLATERAL DESCRIPTION

13
 14
 15

16 AGENT: ENTERPRISE FLEET MANAGEMENT, INC

17 ADDRESS : 9315 OLIVE BLVD

CITY : ST. LOUIS PROV: MO POSTAL CODE: 63132

LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "The Body Shop Canada Limited"

Search Date and Time: February 26, 2024 at 1:01:03 pm Pacific time
Account Name: Not available.

TABLE OF CONTENTS

2 Matches in 2 Registrations in Report

Exact Matches: 2 (*)

Total Search Report Pages: 5

	Base Registration	Base Registration Date	Debtor Name	Page
1	625741P	June 26, 2023	* THE BODY SHOP CANADA LTD.	2
2	985899P	December 22, 2023	* THE BODY SHOP CANADA LIMITED	4

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 625741P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	June 26, 2023 at 9:52:26 am Pacific time
Current Expiry Date and Time:	June 26, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of February 26, 2024 at 1:01:03 pm Pacific time)

Secured Party Information**ENTERPRISE FLEET MANAGEMENT
CANADA, INC****Address**13160 88 AVE
SURREY BC
V3W 3K3 Canada**Debtor Information****THE BODY SHOP CANADA LTD.****Address**2538 MENDHAM ST
ABBOTSFORD BC
V2S 4K7 Canada**Vehicle Collateral**

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2023	NISSAN / ROGUE	JN8BT3BB9PW198055

General Collateral

None.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

**ENTERPRISE FLEET MANAGEMENT,
INC**

Address

9315 OLIVE BLVD
ST. LOUIS MO
63132 United States of America



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 985899P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	December 22, 2023 at 8:22:12 am Pacific time
Current Expiry Date and Time:	December 22, 2028 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of February 26, 2024 at 1:01:03 pm Pacific time)

Secured Party Information**AURELIUS IV UK ACQUICO SEVEN
LIMITED****Address**33 GLASSHOUSE STREET, 6TH FLOOR
LONDON
W1B 5DG United Kingdom**Debtor Information****THE BODY SHOP CANADA LIMITED****Address**1 YORKDALE ROAD, UNIT 510
TORONTO ON
M6A 3A1 Canada**Vehicle Collateral**

None

General Collateral**Base Registration General Collateral:**

All of the Debtor's present and after acquired personal property and proceeds thereof

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

**DLA PIPER (CANADA) LLP -
TORONTO (VINO SHAN)**

Address

100 KING STREET WEST
TORONTO ON
M5X 1E2 Canada



Search ID #: Z17090437

Transmitting PartyWEST-END REGISTRATIONS LICENSING & SEARCHES
LTD. (P158)10011 170 STREET
EDMONTON, AB T5P 4R5Party Code: 50076967
Phone #: 780 483 8211
Reference #: 05192667-144606

Search ID #: Z17090437

Date of Search: 2024-Feb-26

Time of Search: 14:01:08

Business Debtor Search For:

THE BODY SHOP CANADA LIMITED

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z17090437

Business Debtor Search For:

THE BODY SHOP CANADA LIMITED

Search ID #: Z17090437

Date of Search: 2024-Feb-26

Time of Search: 14:01:08

Registration Number: 20051800301

Registration Type: SECURITY AGREEMENT

Registration Date: 2020-May-18

Registration Status: Current

Expiry Date: 2024-May-18 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

23050306337

Renewal

2023-May-03

Debtor(s)**Block****Status**

Current

1 THE BODY SHOP CANADA LTD.
148 LAFAYETTE STREET
NEW YORK, AB T1Y6J1

Secured Party / Parties**Block****Status**

Current

1 ENTERPRISE FLEET MANAGEMENT CANADA, INC
77 BELFIELD RD STE 100
TORONTO, ON M9W1G6
Email: e516wf@efleets.com

Collateral: Serial Number Goods**Block****Serial Number****Year****Make and Model****Category****Status**

1 5N1AT2MV9LC775456 2020 NISSAN ROGUE MV - Motor Vehicle Current

Search ID #: Z17090437

Business Debtor Search For:

THE BODY SHOP CANADA LIMITED

Search ID #: Z17090437

Date of Search: 2024-Feb-26

Time of Search: 14:01:08

Registration Number: 23032713283

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Mar-27

Registration Status: Current

Expiry Date: 2026-Mar-27 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)**Block****Status**

Current

1 THE BODY SHOP CANADA LTD
1429 115 A ST NW
EDMONTON, AB T6J7A8

Secured Party / Parties**Block****Status**

Current

1 ENTERPRISE FLEET MANAGEMENT CANADA INC
5821 6 ST SE
CALGARY, AB T2H1M4
Email: E23BVN@EFLEETS.COM

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	JN8BT3BB9PW197262	2023	NISSAN ROGUE	MV - Motor Vehicle	Current

Search ID #: Z17090437

Business Debtor Search For:

THE BODY SHOP CANADA LIMITED

Search ID #: Z17090437

Date of Search: 2024-Feb-26

Time of Search: 14:01:08

Registration Number: 23061224294

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jun-12

Registration Status: Current

Expiry Date: 2026-Jun-12 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)**Block****Status**

Current

1 THE BODY SHOP CANADA LTD
165 EVANSPARK GARDEN NW, 5TH FLOOR
CALGARY, AB T3P0B1

Secured Party / Parties**Block****Status**

Current

1 ENTERPRISE FLEET MANAGEMENT CANADAN INC
5821 6 ST SE
CALGARY, AB T2H1M4
Email: E23BVN@EFLEETS.COM

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	JN8BT3BB5PW201551	2023	NISSAN ROGUE	MV - Motor Vehicle	Current

Search ID #: Z17090437

Business Debtor Search For:

THE BODY SHOP CANADA LIMITED

Search ID #: Z17090437

Date of Search: 2024-Feb-26

Time of Search: 14:01:08

Registration Number: 23122208936

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Dec-22

Registration Status: Current

Expiry Date: 2028-Dec-22 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 THE BODY SHOP CANADA LIMITED
1 YORKDALE ROAD, UNIT 510
TORONTO, ON M6A 3A1

Current

Secured Party / Parties

Block

Status

1 AURELIUS IV UK ACQUICO SEVEN LIMITED
33 GLASSHOUSE STREET, 6TH FLOOR
LONDON, XX W1B 5DG
Email: christina.nayman-mills@aurelius-group.com

Current

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY
AND PROCEEDS THEREOF.

Current

Result Complete



Saskatchewan Personal Property Registry Search Result

Searching Party: OnCorp Direct Inc.
Search Date: 27-Feb-2024 14:46:02
Search Type: Standard

Search #: 204361106
Client Reference:
Control #:

Search Criteria

Search By: Business Debtor Name
Business Name

THE BODY SHOP CANADA LIMITED

The following list displays all matches & indicates the ones that were selected.
3 Registration(s) Found: Exacts (1) - Similar (2)

Selected	Match	Reg #	Registration Type	Debtor Name	City	Enforcement Instruction Reg #
Yes	Exact	302500434	Personal Property Security Agreement	THE BODY SHOP CANADA LIMITED	Toronto	N/A
Yes	Similar	101354005	Personal Property Security Agreement	THE BODY SHOP	Saskatoon	N/A
Yes	Similar	119693706	Personal Property Security Agreement	THE BODY SHOP	Saskatoon	N/A



Saskatchewan Personal Property Registry Search Result

Current - Exact

Registration Type: Personal Property Security Agreement
Registration Date: 22-Dec-2023 10:21:14

Registration #: 302500434
Expiry Date: 31-Dec-2028

Event Type: Setup
Transaction Reason: Regular

Notations

Trust Indenture: NO

Registrant

Party ID: 154279289-1 Entity Type: Business Name: DLA Piper (Canada) LLP - Toronto James Padwick	Address: 100 King Street West Toronto, Ontario M5X1E2 Canada
--	--

Secured Party

Item #: 1 Party ID: 154279291-1 Entity Type: Business Name: AURELIUS IV UK ACQUICO SEVEN LIMITED	Address: 33 Glasshouse Street, 6th Floor London, GB W1B5DG Other
---	--

Debtor Party

* Item #: 1 Party ID: 154279290-1 Entity Type: Business Name: THE BODY SHOP CANADA LIMITED	Address: 1 Yorkdale Road, Unit 510 Toronto, Ontario M6A3A1 Canada
---	---

General Property

All of the Debtor's present and after acquired personal property and proceeds thereof.



Saskatchewan Personal Property Registry Search Result

Current - Similar

Registration Type: Personal Property Security Agreement
Registration Date: 31-May-1991 09:26:00

Registration #: 101354005
Expiry Date: Infinity

Event Type: Amendment
Transaction Reason: Regular

Notations

Trust Indenture: No
Purchase Money Interest Claimed: Yes
Proceeds Claimed: Yes

Registrant

Party ID: 150003271-1	Address: 321-21ST STREET EAST
Entity Type: Business	SASKATOON, SK
Name: HSBC BANK CANADA	S7K0C1 Canada

Secured Party

Item #: 1	Address: 321 21ST STREET EAST
Party ID: 101680996-1	Saskatoon, Saskatchewan
Entity Type: Business	S7K0C1
Name: HSBC BANK CANADA	Canada

Debtor Party

Item #: 1	Address: C/O 1ST AVENUE AND 21ST ST.
Party ID: 100197711-1	Saskatoon, Saskatchewan
Entity Type: Business	S7K1J9
Name: TREK 2000 CORPORATION	Canada
 * Item #: 2	 Address: 1ST AVENUE AND 21ST STREET
Party ID: 100197712-1	Saskatoon, Saskatchewan
Entity Type: Business	S7K1J9
Name: THE BODY SHOP	Canada

General Property

ALL OF THE PRESENT AND AFTER-ACQUIRED PROPERTY OF THE DEBTORS.

Old Registration Number(s)

03912074

History - Setup

Registration Type: Personal Property Security Agreement
Registration Date: 31-May-1991 09:26:00

Registration #: 101354005
Transaction #: 1
Expiry Date: Infinity

Event Type: Setup
Transaction Reason: Regular



Saskatchewan Personal Property Registry Search Result

Notations

Trust Indenture: No
Purchase Money Interest Claimed: Yes
Proceeds Claimed: Yes

Registrant

Party ID: 100001032-1	Address: 1500-410 22ND ST E
Entity Type: Business	Saskatoon, Saskatchewan
Name: MACPHERSON, LESLIE & TYERMAN,	S7K5T6
	Canada

Secured Party

Item #: 1	Address: 224 4TH AVENUE SOUTH
Party ID: 100020342-1	Saskatoon, Saskatchewan
Entity Type: Business	S7K5M5
Name: HONGKONG BANK OF CANADA	Canada

Debtor Party

Item #: 1	Address: C/O 1ST AVENUE AND 21ST ST.
Party ID: 100197711-1	Saskatoon, Saskatchewan
Entity Type: Business	S7K1J9
Name: TREK 2000 CORPORATION	Canada
Item #: 2	Address: 1ST AVENUE AND 21ST STREET
Party ID: 100197712-1	Saskatoon, Saskatchewan
Entity Type: Business	S7K1J9
Name: THE BODY SHOP	Canada

General Property

ALL OF THE PRESENT AND AFTER-ACQUIRED PROPERTY OF THE DEBTORS.

History - Amendment

Amendment Date: 03-Feb-2010 13:18:05

Registration #: 101354005

Transaction #: 2

Event Type: Amendment
Transaction Reason: Regular

Registrant

Party ID: 150003271-1	Address: 321-21ST STREET EAST
Entity Type: Business	SASKATOON, SK
Name: HSBC BANK CANADA	S7K0C1
	Canada



**Saskatchewan
Personal Property Registry
Search Result**

Secured Party

Action:	Update	Address:	321 21ST STREET EAST
Item #:	1		Saskatoon, Saskatchewan
Party ID:	101680996-1		S7K0C1
Entity Type:	Business		Canada
Name:	HSBC BANK CANADA		



Saskatchewan Personal Property Registry Search Result

Current - Similar

Registration Type: Personal Property Security Agreement
Registration Date: 14-Jul-2003 16:00:18

Registration #: 119693706
Expiry Date: 14-Jul-2033

Event Type: Amendment
Transaction Reason: Regular

Notations

Trust Indenture: No

Registrant

Party ID: 152167111-1	Address: 939 EGLINTON AVE. EAST, SUITE 201
Entity Type: Business	TORONTO, Ontario
Name: D+H LIMITED PARTNERSHIP	M4G4H7 Canada

Secured Party

Item #: 1	Address: 321-21ST STREET EAST
Party ID: 100603183-33	Saskatoon, Saskatchewan
Entity Type: Business	S7K0C1
Name: HSBC BANK CANADA	Canada

Debtor Party

Item #: 1	Address: #1 301 PAKWA PLACE
Party ID: 102474885-1	Saskatoon, Saskatchewan
Entity Type: Business	S7L6A3
Name: TREK 2000 CORPORATION	Canada
* Item #: 2	Address: #1-301 PAKWA PLACE
Party ID: 102474891-1	Saskatoon, Saskatchewan
Entity Type: Business	S7L6A3
Name: THE BODY SHOP	Canada

General Property

ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONALPROPERTY OF EVERY NATURE AND KIND AND WHERESOEVER SITUATE, AND ALL PROCEEDS INCLUDING BUT NOT LIMITED TO ACCOUNTS RECEIVABLE, BILLS OF EXCHANGE, INSURANCE PROCEEDS, CHATTEL PAPER, INTANGIBLES, MOTOR VEHICLES AND ALL OTHER AFTER- ACQUIRED PROPERTY CONSTITUTING PROCEEDS.

History - Setup

Registration Type: Personal Property Security Agreement
Registration Date: 14-Jul-2003 16:00:18

Registration #: 119693706
Transaction #: 1
Expiry Date: 14-Jul-2008

Event Type: Setup
Transaction Reason: Regular

Notations

Trust Indenture: No



Saskatchewan Personal Property Registry Search Result

Registrant

Party ID: 100603183-33 Entity Type: Business Name: HSBC BANK CANADA	Address: 321-21ST STREET EAST Saskatoon, Saskatchewan S7K0C1 Canada
--	---

Secured Party

Item #: 1 Party ID: 100603183-33 Entity Type: Business Name: HSBC BANK CANADA	Address: 321-21ST STREET EAST Saskatoon, Saskatchewan S7K0C1 Canada
--	---

Debtor Party

Item #: 1 Party ID: 102474885-1 Entity Type: Business Name: TREK 2000 CORPORATION	Address: #1 301 PAKWA PLACE Saskatoon, Saskatchewan S7L6A3 Canada
Item #: 2 Party ID: 102474891-1 Entity Type: Business Name: THE BODY SHOP	Address: #1-301 PAKWA PLACE Saskatoon, Saskatchewan S7L6A3 Canada

General Property

ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONALPROPERTY OF EVERY NATURE AND KIND AND WHERESOEVER SITUATE, AND ALL PROCEEDS INCLUDING BUT NOT LIMITED TO ACCOUNTS RECEIVABLE, BILLS OF EXCHANGE, INSURANCE PROCEEDS, CHATTEL PAPER, INTANGIBLES, MOTOR VEHICLES AND ALL OTHER AFTER- ACQUIRED PROPERTY CONSTITUTING PROCEEDS.

History - Amendment

Amendment Date: 10-Jun-2008 15:29:38

Registration #: 119693706

Transaction #: 2

Expiry Date: 14-Jul-2013

Event Type: Amendment

Transaction Reason: Regular

Life Time: Life Time Amended

Registrant

Party ID: 150003271-1 Entity Type: Business Name: HSBC BANK CANADA	Address: 321-21ST STREET EAST SASKATOON, SK S7K0C1 Canada
---	---

History - Amendment

Amendment Date: 19-Jun-2013 15:52:02

Registration #: 119693706

Transaction #: 3

Expiry Date: 14-Jul-2023



Saskatchewan Personal Property Registry Search Result

Event Type: Amendment
Transaction Reason: Regular

Life Time: Life Time Amended

Registrant

Party ID:	151220943-1	Address:	939 EGLINTON AVE. EAST, SUITE 201
Entity Type:	Business		TORONTO, Ontario
Name:	CANADIAN SECURITIES REGISTRATION SYSTEMS		M4G4H7
			Canada

History - Amendment

Amendment Date: 08-Jun-2023 14:27:10

Registration #: 119693706

Transaction #: 4

Expiry Date: 14-Jul-2033

Event Type: Amendment
Transaction Reason: Regular

Life Time: Life Time Amended

Registrant

Party ID:	152167111-1	Address:	939 EGLINTON AVE. EAST, SUITE 201
Entity Type:	Business		TORONTO, Ontario
Name:	D+H LIMITED PARTNERSHIP		M4G4H7
			Canada

End of Search Result

Sue Shaunessy



Logoff

Services

Account Services

Account
StatementsRegistration
ServicesFinancing
Statement

Change Statement

Discharge
Statement

Global Change

Search Services

Individual Debtor

Business Debtor

Registration
Number

Serial Number

Document Copies

Other Services

Fees

Party Code

Registration
History

Contact Us

eRegistration

Land Titles Online

Plan Deposit
Submission

Title Check

Account
Information

Business Debtor

Search
ResultsPrint
RequestsMailing
Information

Payment

Help

Search by Business Debtor

Date: 2024-02-27
Time: 2:48:17 PM
Transaction Number: 10272479440
User ID: Sue Shaunessy

Business Name: THE BODY SHOP CANADA LIMITED

1 exact match was found.**0 similar matches were found.**

EXACT MATCHES

Business Debtor Name	No. of Registrations
1. THE BODY SHOP CANADA LIMITED	1

1. THE BODY SHOP CANADA LIMITED

1.1 THE BODY SHOP CANADA LIMITED: Registration 202321135503 (2023-12-22 10:18:24 AM)

Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2028-12-31
Debtor Address	1 Yorkdale Road, Unit 510 Toronto, ON CA M6A 3A1
Secured Parties (party code, name, address)	AURELIUS IV UK ACQUICO SEVEN LIMITED 33 Glasshouse Street, 6th Floor London, England GB W1B 5DG
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property.

[Back to Top](#)

END OF EXACT MATCHES

Additional Options:

To request Printed Search Results or Printed Registered Documents, please select the "Print Requests" tab.

To start a new search, please select the "New Search" button:

New Search

Search
ResultsPrint
RequestsMailing
Information

Payment

[Printer Friendly Version](#)

Privacy

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: New Brunswick
Type of Search: Debtors (Enterprise)
Search Criteria: The Body Shop Canada Limited
Date and Time of Search (YYYY-MM-DD hh:mm): 2024-02-26 17:01 (Atlantic)
Transaction Number: 25315601
Searched By: S185207

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	39387741	THE BODY SHOP CANADA LIMITED	Toronto

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 1 registration(s) contained information that **exactly** matched the search criteria you specified.

- 0 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 39387741

Province or Territory: New Brunswick
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	39387741	2023-12-22 12:39	2028-12-22	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
THE BODY SHOP CANADA LIMITED
1 Yorkdale Road, Unit 510

Toronto ON M6A 3A1
Canada

Secured Parties

Type: Enterprise
AURELIUS IV UK ACQUICO SEVEN LIMITED
33 Glasshouse Street, 6th Floor
London - W1B 5DG
GB

General Collateral

All of the Debtor's present and after acquired personal property and proceeds thereof.

END OF REPORT

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Nova Scotia
Type of Search: Debtors (Enterprise)
Search Criteria: The Body Shop Canada Limited
Date and Time of Search (YYYY-MM-DD hh:mm): 2024-02-26 17:02 (Atlantic)
Transaction Number: 25315613
Searched By: S185207

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	38896395	THE BODY SHOP CANADA LIMITED	Toronto
	*	37880374	THE BODY SHOP CANADA LTD	DARTMOUTH

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 1 registration(s) contained information that **exactly** matched the search criteria you specified.

- 1 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 38896395

Province or Territory: Nova Scotia
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	38896395	2023-12-22 12:34	2028-12-22	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 THE BODY SHOP CANADA LIMITED

1 Yorkdale Road, Unit 510
Toronto ON M6A 3A1
Canada

Secured Parties

Type: Enterprise
AURELIUS IV UK ACQUICO SEVEN LIMITED
33 Glasshouse Street, 6th Floor
London - W1B 5DG
GB

General Collateral

All of the Debtor's present and after acquired personal property and proceeds thereof.

Registration Details for Registration Number: 37880374

Province or Territory: Nova Scotia

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	37880374	2023-05-23 12:35	2026-05-23	26QLS3 CU01

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
THE BODY SHOP CANADA LTD
6 GRIFFIN PL
DARTMOUTH NS B2V2N6
Canada

Secured Parties

Type: Enterprise
ENTERPRISE FLEET MANAGEMENT CANADA, INC
709 MILNER AVE
SCARBOROUGH ON M1B6B6
Canada

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
JN8BT3BB8PW199620	Motor Vehicle	2023 NISSAN ROGUE	37880374	

END OF REPORT

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Newfoundland and Labrador
Type of Search: Debtors (Enterprise)
Search Criteria: The Body Shop Canada Limited
Date and Time of Search (YYYY-MM-DD hh:mm): 2024-02-26 17:01 (Atlantic)
Transaction Number: 25315606
Searched By: S185207

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	21386677	THE BODY SHOP CANADA LIMITED	Toronto

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 1 registration(s) contained information that **exactly** matched the search criteria you specified.

- 0 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 21386677

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	21386677	2023-12-22 12:37	2028-12-22	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
THE BODY SHOP CANADA LIMITED
1 Yorkdale Road, Unit 510

Toronto ON M6A 3A1
Canada

Secured Parties

Type: Enterprise
AURELIUS IV UK ACQUICO SEVEN LIMITED
33 Glasshouse Street, 6th Floor
London - W1B 5DG
GB

General Collateral

All of the Debtor's present and after acquired personal property and proceeds thereof.

END OF REPORT

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Prince Edward Island
Type of Search: Debtors (Enterprise)
Search Criteria: The Body Shop Canada Limited
Date and Time of Search (YYYY-MM-DD hh:mm): 2024-02-26 17:05 (Atlantic)
Transaction Number: 25315628
Searched By: S185207

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	6424407	THE BODY SHOP CANADA LIMITED	Toronto

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 1 registration(s) contained information that **exactly** matched the search criteria you specified.

- 0 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 6424407

Province or Territory: Prince Edward Island
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	6424407	2023-12-22 12:28	2028-12-22	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
THE BODY SHOP CANADA LIMITED
1 Yorkdale Road, Unit 510

Toronto ON M6A 3A1
Canada

Secured Parties

Type: Enterprise
AURELIUS IV UK ACQUICO SEVEN LIMITED
33 Glasshouse Street, 6th Floor
London - W1B 5DG
GB

General Collateral

All of the Debtor's present and after acquired personal property and proceeds thereof.

END OF REPORT

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Nunavut
Type of Search: Debtors (Enterprise)
Search Criteria: The Body Shop Canada Limited
Date and Time of Search (YYYY-MM-DD hh:mm): 2024-02-26 17:05 (Atlantic)
Transaction Number: 25315623
Searched By: S185207

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	559005	THE BODY SHOP CANADA LIMITED	Toronto

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 1 registration(s) contained information that **exactly** matched the search criteria you specified.

- 0 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 559005

Province or Territory: Nunavut
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	559005	2023-12-22 12:30	2028-12-22	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
THE BODY SHOP CANADA LIMITED
1 Yorkdale Road, Unit 510

Toronto ON M6A 3A1
Canada

Secured Parties

Type: Enterprise
AURELIUS IV UK ACQUICO SEVEN LIMITED
33 Glasshouse Street, 6th Floor
London - W1B 5DG
GB

General Collateral

All of the Debtor's present and after acquired personal property and proceeds thereof.

END OF REPORT

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Northwest Territories
Type of Search: Debtors (Enterprise)
Search Criteria: The Body Shop Canada Limited
Date and Time of Search (YYYY-MM-DD hh:mm): 2024-02-26 17:02 (Atlantic)
Transaction Number: 25315609
Searched By: S185207

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	1994220	THE BODY SHOP CANADA LIMITED	Toronto

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 1 registration(s) contained information that **exactly** matched the search criteria you specified.

- 0 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 1994220

Province or Territory: Northwest Territories
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	1994220	2023-12-22 12:32	2028-12-22	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
THE BODY SHOP CANADA LIMITED
1 Yorkdale Road, Unit 510

Toronto ON M6A 3A1
Canada

Secured Parties

Type: Enterprise
AURELIUS IV UK ACQUICO SEVEN LIMITED
33 Glasshouse Street, 6th Floor
London - W1B 5DG
GB

General Collateral

All of the Debtor's present and after acquired personal property and proceeds thereof.

END OF REPORT

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Yukon
Type of Search: Debtors (Enterprise)
Search Criteria: The Body Shop Canada Limited
Date and Time of Search (YYYY-MM-DD hh:mm): 2024-02-26 17:06 (Atlantic)
Transaction Number: 25315630
Searched By: S185207

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	9438637	THE BODY SHOP CANADA LIMITED	Toronto

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 1 registration(s) contained information that **exactly** matched the search criteria you specified.

- 0 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 9438637

Province or Territory: Yukon
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	9438637	2023-12-22 12:20	2028-12-22	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
THE BODY SHOP CANADA LIMITED
1 Yorkdale Road, Unit 510

Toronto ON M6A 3A1
Canada

Secured Parties

Type: Enterprise
AURELIUS IV UK ACQUICO SEVEN LIMITED
33 Glasshouse Street, 6th Floor
London - W1B 5DG
GB

General Collateral

All of the Debtor's present and after acquired personal property and proceeds thereof.

END OF REPORT



Date, heure, minute de certification : **2024-02-26 10:59**

Critère de recherche Nom d'organisme : **The Body Shop Canada Limited**



















Résultat exact (1)

Fiche	Inscription	Date	h:min
001	HYPOTHÈQUE CONVENTIONNELLE SANS DÉPOSSESSION 24-0020790-0001	2024-01-10	09:00

Date, heure, minute de certification : **2024-02-26 10:59**

Critère de recherche Nom d'organisme : **The Body Shop Canada Limited**

Noms présentant des similarités (20)

Nom	Code postal	Nombre de fiches détaillées
 ATTIVO LAVAL BODYSHOP LTD	H7R 3X8	
 ATTIVO LAVAL BODYSHOP LTD CARROSSERIE ATTIVO LAVA...	H7R 3X8	
 BATH & BODY WORKS CANADA CORP	B3J 0J2	
 BEAUDIER INC	H3B 4W5	
 BODY ID	H4N 1H2	
 CANADAA INC	J5C 1W2	
 CARROSSERIE ATTIVO LAVAL LTEE ATTIVO LAVAL BODYSH...	H7R 3X8	
 CHABOT BODY SHOP INC	G5V 4S5	
 CUSTOM RIDES MECHANIC & BODY SHOP	H7L 3W3	
 DES CANADA	H4S 1X7	
 GAMING SHOP CANADA INC	H4C 2K1	
 IDEAL BODY	H4A 1G8	
 LES ATELIERS PELLETIER LTEE PELLETIER BODY SHOP L...	J8P 1G5	
 NDG INTERNATIONAL SPORTS CARS BODY SHOP LTD	H4A 2G1	
 PELLETIER BODY SHOP LTD	J8P 1G5	
 PREFERENCE BODY	J6Y 1S9	
 STEPCAR BODY SHOP	G2N 1T9	
 STEPHEN BAUDI INC	H3X 3S2	
 THE HEALTH & BODY SHOP MAXIDENT	H2T 2W8	
 TRAILER SHOP CANADA	J0H 1B0	

Date, heure, minute de certification : **2024-02-26 10:59**

Critère de recherche Nom d'organisme : **The Body Shop Canada Limited**

Critère de sélection Nom d'organisme :
THE BODY SHOP CANADA LTD
Code Postal :
M6A3A1

Fiche	Inscription	Date	h:min
001	HYPOTHÈQUE CONVENTIONNELLE SANS DÉPOSSESSION 24-0020790-0001	2024-01-10	09:00

Date, heure, minute de certification : 2024-02-26 10:59

Critère de recherche Nom d'organisme : The Body Shop Canada Limited

Critère de sélection Nom d'organisme : THE BODY SHOP CANADA... Code Postal : M6A3A1

Fiche 001 - Détail de l'inscription 1 (de 1)

INSCRIPTION	DATE-HEURE-MINUTE	DATE EXTRÊME D'EFFET
24-0020790-0001	2024-01-10 09:00	2034-01-10
HYPOTHÈQUE CONVENTIONNELLE SANS DÉPOSSESSION		

PARTIES

Titulaire

AURELIUS IV UK ACQUICO SEVEN LIMITED
33 Glasshouse Street, London, United Kingdom, W1B 5DG

Constituant

THE BODY SHOP CANADA LIMITED
510-1 Yorkdale Road, Toronto, Ontario M6A 3A1

BIENS

L'universalité des biens meubles de THE BODY SHOP CANADA LIMITED (le "Débiteur"), présents et à venir, corporels et incorporels, de quelque nature qu'ils soient et où qu'ils puissent être situés (les "Biens hypothéqués").

MENTIONS

Somme de l'hypothèque

12 000 000\$ avec intérêt à compter du 9 janvier 2024 au taux de 25% l'an.

Référence à l'acte constitutif

Forme de l'acte : Sous seing privé
Date : 2024-01-09

Autres mentions :

Le Débiteur peut percevoir les Créances faisant partie des Biens hypothéqués tant que AURELIUS IV UK ACQUICO SEVEN LIMITED ne lui en a pas retiré l'autorisation.

"Créances" signifie les créances du Débiteur, présentes et futures, corporelles et incorporelles, de quelque nature et situées où que ce soit, incluant notamment, mais sans limiter la généralité de ce qui précède, tous les compte-clients, comptes débiteurs, recours, demandes, jugements, droits contractuels, sommes en dépôt, produits de vente, cession ou location de biens, droits ou titres, indemnités payables en vertu d'un contrat d'assurance, les sommes dues au Débiteur ou pouvant devenir exigibles, ainsi que tous les jugements et autres droits, avantages, garanties et sûretés pour les créances qui existent, ou peuvent exister, en faveur du Débiteur, ainsi que tous les livres et comptes, listes de clients, dossiers de clients, et toute autre information relative aux clients et tous les titres, lettres, factures, papiers et documents qui constatent les créances ou s'y rapportent.

This is Exhibit "K" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Ö^Ç!~~, in the Country of England, before me on ~~R}^ÁG~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Garay

Commissioner for Taking Affidavits (or as may be)

**A5HH<9K` ; 5F5Mž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES >I B9`% ž&\$&+"

Guarantee and Indemnity

The Companies listed in Schedule 1
as Original Guarantors
Aurelius IV UK Acquico Seven Limited
as Lender

Dated 202



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This Guarantee and Indemnity is made on

202

Parties

- (1) The Companies listed in Schedule 1 (*Original Guarantors*) as original guarantors (the **Original Guarantors**);

in favour of:

- (2) **Aurelius IV UK Acquico Seven Limited**, a company incorporated in England with company number 01284170 (the **Lender**).

It is agreed:

1 Definitions and interpretation

1.1 Definitions

In this Deed:

- (a) terms defined in, or construed for the purposes of, the Loan Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed); and

- (b) the following terms have the following meanings:

Accession Deed means a document substantially in the form set out in Schedule 2 (*Form of Accession Deed*);

Additional Guarantor means a company which becomes a party to this Deed by executing an Accession Deed;

Borrower means The Body Shop International Limited a company incorporated and registered under the laws of England and Wales with number 01284170;

Default Rate means the rate of interest determined in accordance with clause 9.5 (*Interest and fees*) of the Loan Agreement;

Guaranteed Obligations has the meaning given to that term in clause 3(a);

Guarantor means an Original Guarantor or an Additional Guarantor;

Intercreditor Agreement means any intercreditor deed entered into after the date of this Deed between, amongst others, (1) the Borrower, (2) the Lender and (3) a Senior Lender as it may from time to time be amended, restated, novated or replaced.

Loan Agreement means the loan agreement made on or about the date of this Deed between (1) the Lender as Lender and (2) the Borrower as Borrower as it may from time to time be amended, restated, novated or replaced (however fundamentally, including by an increase of any size in the amount of the facilities made available under it, the alteration of the nature, purpose or period of those facilities or the change of its parties);

Party means a party to this Deed and includes the Lender whether or not it is a signatory to this Deed; and

Senior Lender means any third party bank, fund or financial institution providing loan facilities to the Borrower.

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
 - (i) the **Borrower**, a **Guarantor**, an **Obligor**, the **Lender** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) **this Deed**, the **Loan Agreement**, any other **Finance Document** or any other agreement or instrument is a reference to this Deed, the Loan Agreement, that Finance Document or other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the Borrower's obligations or provides for further advances);
 - (iii) **including** or **includes** means including or includes without limitation;
 - (iv) **Guaranteed Obligations** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Obligor;
 - (v) a provision of law is a reference to that provision as amended or re-enacted; and
 - (vi) the singular includes the plural and vice versa.
- (b) References to clauses, paragraphs and schedules are to be construed, unless otherwise stated, as references to clauses, paragraphs and schedules of this Deed and references to this Deed include its schedules.
- (c) Clause and schedule headings are for ease of reference only and shall not affect the construction of this Deed.
- (d) If the Lender reasonably considers that an amount paid by any Guarantor under this Deed or by an Obligor under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the relevant Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (e) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Third party rights

A person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.4 Intercreditor Agreement

This Deed is subject to the terms of any Intercreditor Agreement. In the event of any inconsistency between any provision of this Deed and any provision of any Intercreditor Agreement, the provision of the relevant Intercreditor Agreement shall prevail.

1.5 Joint and several

The liabilities of the Guarantors to the Lender under this Deed are joint and several.

2 The Loan Agreement

Each Guarantor confirms that it has been provided with the form of Loan Agreement agreed in writing by or on behalf of the Borrower and the Lender and which is agreed to be in final form prior to execution of this Deed and acknowledges the terms of the Loan Agreement.

3 Guarantee and Indemnity

Each Guarantor irrevocably and unconditionally, jointly and severally:

- (a) guarantees to the Lender the punctual performance by each Obligor of all of that Obligor's obligations under the Finance Documents (the **Guaranteed Obligations**);
- (b) undertakes with the Lender that whenever another Obligor does not pay any amount of the Guaranteed Obligations when due, that Guarantor shall immediately on demand pay that amount as if it were the principal obligor; and
- (c) agrees with the Lender that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Lender immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by each Guarantor under this indemnity will not exceed the amount it would have had to pay under this Deed if the amount claimed had been recoverable on the basis of a guarantee.

4 Nature of Guarantee

4.1 Continuing guarantee

This Deed is a continuing guarantee and will extend to the ultimate balance of all the Guaranteed Obligations, regardless of any intermediate payment or discharge in whole or in part.

4.2 Additional and separate guarantee

This Deed is in addition to, and without prejudice to and shall not merge with, any other right, remedy, guarantee or security which the Lender may at any time hold for any of the Guaranteed Obligations.

4.3 Immediate recourse

Each Guarantor waives any right it may have of first requiring the Lender (or any trustee or agent on their behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from any Guarantor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

4.4 No discharge

If the Lender releases or discharges any Guarantor from this Deed (or any other guarantor from any other guarantee of the Guaranteed Obligations (or part of them)), or accepts any

composition from or makes any arrangements with any of them, it shall not, as a result, release or discharge any other party from this Deed or any other guarantee.

5 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Borrower or any Obligor or any security for those obligations or otherwise) is made by the Lender in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Guarantor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

6 Waiver of defences

The obligations of each Guarantor under this Deed will not be affected by an act, omission, matter or thing which, but for this Deed, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it, the Lender) including:

- (a) any time, waiver or consent granted to, or composition with, the Borrower or any other Guarantor or other person;
- (b) the release of the Borrower or any other Guarantor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or any other Guarantor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other Guarantor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security;
- (g) any insolvency or similar proceedings; or
- (h) any other act, event or omission which, but for this clause 6, might operate to discharge or impair any of the obligations of any Guarantor contained in this Deed or any of the rights, powers or remedies conferred upon the Lender by this Deed or by law.

7 Guarantor intent

Without prejudice to the generality of clause 6 (*Waiver of defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance

Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variations or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

8 Appropriations and suspense account

8.1 Right of appropriation

- (a) All monies received or recovered by the Lender, from any of the Guarantors, Obligors or the Borrower or any other person in respect of the Guaranteed Obligations may be applied by the Lender to reduce any part of the Guaranteed Obligations or as it sees fit or in accordance with clause 8.2 (*Application and suspense account*).
- (b) Any such appropriation shall override any appropriation by the Guarantors.

8.2 Application and suspense account

Until all the amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by it (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and each Guarantor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from each Guarantor or on account of each Guarantors' liabilities under this Deed.

9 Deferral of Guarantor's rights

9.1 Deferral of rights

Until all the amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, and unless the Lender otherwise directs, no Guarantor shall exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:

- (a) to be indemnified by the Borrower or any other Guarantor or to make or enforce any claim or right against the Borrower or any other Guarantor, including any rights of subrogation to the Lender's position with respect to any payments made in respect of this Deed;
- (b) to claim any contribution from any other Guarantor or other guarantor of the Obligors' obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Lender;

- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which each Guarantor has given a guarantee, undertaking or indemnity under clause 3 (*Guarantee and Indemnity*);
- (e) to exercise any right of set-off against an Obligor; and/or
- (f) to claim or prove as a creditor of an Obligor in competition with the Lender.

If any Guarantor receives any benefit, payment or distribution in relation to such rights or any security as a result of any breach of clause 9.2 (*No security*) it shall:

- (i) hold that benefit, payment, security or distribution, to the extent necessary to enable all the Guaranteed Obligations to be repaid in full on trust for the Lender; and
- (ii) promptly pay or transfer the same to the Lender or as the Lender may direct for application in or towards discharge of the Guaranteed Obligations.

9.2 No security

Until all the amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, and unless the Lender otherwise directs, no Guarantor shall have or take from an Obligor or any other surety for any Guaranteed Obligation any security in respect of its liability under this Deed or in respect of any other obligation or liability which an Obligor has or may in future have to the relevant Guarantor.

9.3 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lender.

10 Representations of each Guarantor

10.1 General

To induce the Lender to enter into the Loan Agreement, each Guarantor makes the representations and warranties set out in this clause 10 to the Lender on the date of this Deed (or, in the case of an Additional Guarantor, the date of the relevant Deed of Accession).

10.2 Status

It is a company, duly incorporated and validly existing under the law of its jurisdiction of incorporation and it has the power to own its assets and carry on its business as it is being conducted.

10.3 Binding obligations

This Deed has been duly executed and delivered by the Guarantor and the obligations expressed to be assumed by the Guarantor in this Deed are valid, legal, binding and enforceable.

10.4 Non-conflict with other obligations

The entry into and performance by the Guarantor of this Deed and the transactions contemplated by it do not and will not conflict with:

- (a) any law or regulation applicable to it;

- (b) the constitutional documents of the Guarantor; or
- (c) any agreement or other obligation binding on the Guarantor or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument in each case the effect of which has or is reasonably likely to have a Material Adverse Effect.

10.5 Power and authority

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Deed and the transactions contemplated by this Deed.
- (b) No limit on its powers will be exceeded as a result of the giving of the guarantee or indemnity contemplated by this Deed.

10.6 Validity and admissibility in evidence

- (a) All governmental and other authorisations, approvals, licences and consents required or desirable to enable it lawfully to enter into, exercise its rights and comply with its obligations under, this Deed, and to make this Deed admissible in evidence in its jurisdiction of incorporation have been obtained or effected and are in full force and effect.
- (b) All material governmental and other authorisations necessary for the conduct of the business, trade and ordinary activities of the Guarantor have been obtained or effected and are in full force and effect.

10.7 Insolvency

No corporate action, legal proceeding or other procedure or step described in clause 10 of the Loan Agreement is being taken or, to the knowledge of the Guarantor, is threatened in relation to the Guarantor.

10.8 Anti-corruption

It has conducted its businesses in all material respects in compliance with applicable anti-corruption laws and has instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

10.9 No breach of laws

It is not in breach of any law or regulation which breach has or is reasonably likely to have a Material Adverse Effect.

10.10 Repetition

The representations and warranties set out in this clause 10 are also deemed to be made by each Guarantor by reference to the facts and circumstances then existing on each date on which any representation or warranty is made or deemed to be made by the Borrower pursuant to the Loan Agreement.

11 Set-off

11.1 Set-off rights

- (a) The Lender may (but shall not be obliged to) set off any obligation which is due and payable by any Obligor and unpaid (whether under the Finance Documents or which

has been assigned to the Lender by any Obligor against any obligation (whether or not matured) owed by the Lender to such Obligor, regardless of the place of payment, booking branch or currency of either obligation.

- (b) At any time after an Event of Default has occurred and is continuing (and in addition to its rights under clause 11.1(a)), the Lender may (but shall not be obliged to) set-off any contingent liability owed by any Obligor under any Finance Document against any obligation (whether or not matured) owed by the Lender to such Obligor, regardless of the place of payment, booking branch or currency of either obligation.
- (c) If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (d) If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

12 Payment

12.1 Payments

Subject to clause 12.2 (*Gross-up*), all payments to be made by each Guarantor under this Deed shall be made without (and free and clear of, and without any deduction for or on account of) any set-off or counterclaim, or (except to the extent compelled by law) any deduction or withholding for or on account of tax.

12.2 Gross-up

If any Guarantor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Lender, the sum so payable by each Guarantor shall be increased so as to result in the receipt by the Lender of a net amount equal to the full amount expressed to be payable under this Deed.

13 Costs and expenses

13.1 Transaction and amendment expenses

Each Guarantor shall within three Business Days of demand pay to the Lender the amount of all reasonable costs, charges and expenses (including, without limitation, reasonable legal fees, valuation, accountancy and consultancy fees (and any VAT or similar Tax thereon)) incurred by the Lender in connection with:

- (a) the negotiation, preparation, printing, execution, registration, perfection and completion of this Deed or any document referred to in this Deed; or
- (b) any actual or proposed amendment or extension of, or any waiver or consent under, this Deed.

13.2 Enforcement and preservation costs

Each Guarantor shall promptly on demand pay to the Lender the amount of all costs, charges and expenses (including, without limitation, legal fees and any VAT or similar Tax thereon) incurred in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed.

14 Default interest

Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the Default Rate from time to time. Default interest will accrue from day to day and will be compounded at such intervals as the Lender considers appropriate.

15 Currencies

15.1 Currency of account

Payments under this Deed in relation to the Guaranteed Obligations shall be made in the currency demanded and each payment in respect of costs, expenses or Taxes under this Deed shall be made in the currency in which the costs, expenses or Taxes are incurred.

15.2 Currency indemnity

If any sum due from any Guarantor under this Deed (a **Sum**), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the **First Currency**) in which that Sum is payable into another currency (the **Second Currency**) for the purpose of:

- (a) making or filing a claim or proof against each Guarantor; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

each Guarantor shall, as an independent obligation, indemnify the Lender on demand, against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to the Lender at the time of its receipt of that Sum.

15.3 Waiver

Each Guarantor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than that in which it is expressed to be payable.

16 Indemnity

Each Guarantor shall indemnify the Lender promptly on demand, against any cost, loss, liability or expense (however arising) incurred by the Lender as a result of or in connection with any breach by the relevant Guarantor of any of its obligations under this Deed.

17 Changes to parties

17.1 Additional Guarantors

- (a) A member of the Group shall become an Additional Guarantor if the Borrower and the proposed Additional Guarantor deliver to the Lender a duly completed and executed Accession Deed and a copy of all other documents or evidence required by the Lender in relation to such member of the Group in form and substance satisfactory to the Lender.

17.2 Repetition of Representations

Delivery of an Accession Deed constitutes confirmation by the relevant Subsidiary that the representations and warranties referred to in clause 10 (*Representations of each Guarantor*) are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

17.3 The Guarantors

A Guarantor may not assign or transfer any of its rights or obligations under this Deed.

17.4 The Lender

The Lender may assign or transfer all or any part of its rights under this Deed. Each Guarantor shall, immediately upon being requested to do so by the Lender and at the cost of such Guarantor, enter into such documents as may be necessary or desirable to effect such transfer.

18 Miscellaneous

18.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Lender are prima facie evidence of the matters to which they relate.

18.2 Calculations and certificates

Any certification of or determination by the Lender specifying the amount of any Guaranteed Obligation due from each Guarantor or other obligation due from any Obligor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against any Obligor of the matters to which it relates.

18.3 Partial invalidity

If at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

18.4 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under this Deed or any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed and/or any Finance Document, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

18.5 Amendments and waivers

Any provision of this Deed may be amended only if the Lender and each Guarantor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

19 Other Guarantors

Each Guarantor agrees to be bound by this Deed notwithstanding that any other person intended to execute or be bound by this Deed or by any other guarantee or assurance under or pursuant to any Finance Document may not do so or may not be effectually bound.

20 Notices

20.1 Communication in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

20.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

- (a) in the case of each Original Guarantor, that identified with its names;
- (b) in the case of the Lender, that identified with its name; and
- (c) in the case of each other Guarantor, that notified in writing to the Lender on or prior to the date on which it becomes a Party,

or any substitute address, fax number or department or officer as each Guarantor or the Lender may notify to the other Party by not less than five Business Days' notice.

20.3 Delivery

- (a) Subject to clause 20.3(b), any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 20.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer specified in clause 20.2 (*Addresses*) (or any substitute department or officer as the Lender shall specify for this purpose).

20.4 English language

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
 - (i) in English; or

- (ii) if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

21 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

22 Governing law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

23 Enforcement

23.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **Dispute**).
- (b) Each Guarantor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

23.2 Service of process

Without prejudice to any other mode of service allowed under any relevant law, each Guarantor incorporated outside England and Wales:

- (a) irrevocably appoints the Borrower as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed; and
- (b) agrees that failure by a process agent to notify each Guarantor of the process will not invalidate the proceedings concerned.

IN WITNESS of which this Deed has been duly executed and delivered by each Original Guarantor as a deed and has been delivered on the first date specified on page 1 of this Deed.

Schedule 1 Original Guarantors

Name of Guarantor	Registration number (or equivalent, if any) and Original Jurisdiction
The Body Shop International Limited	England and Wales, 01284170
Buth-Na-Bodhaige, Inc.	Virginia, United States of America, 22-2883487
The Body Shop Canada Limited	Ontario, Canada, 417311-2

Schedule 2 Form of Accession Deed

To: [****] as Lender (as defined in the Guarantee referred to below)

From: [*Subsidiary*] and [*Borrower*]

Dated: [****] 20[**]

GUARANTEE AND INDEMNITY BETWEEN (1) [**][THE COMPANIES LISTED IN SCHEDULE 1 THERETO] AS ORIGINAL GUARANTOR[S] AND (2) [****] AS LENDER DATED [****] 20[**] (THE GUARANTEE)**

- 1 We refer to the Guarantee. This deed (the **Accession Deed**) shall take effect as an Accession Deed for the purposes of the Guarantee. Terms defined in the Guarantee have the same meaning in this Accession Deed unless given a different meaning in this Accession Deed.
- 2 [*Subsidiary*] agrees to become an Additional Guarantor and to be bound by the terms of the Guarantee as an Additional Guarantor pursuant to clause 17.1 (*Additional Guarantors*) of the Guarantee. [*Subsidiary*] is a company duly incorporated under the laws of [*name of relevant jurisdiction*] and is a limited liability company with registered number [****].
- 3 [*Subsidiary's*] administrative details for the purposes of the Guarantee are as follows:

Address: [****]

Fax no: [****]

Attention: [****]
- 4 This Accession Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

THIS ACCESSION DEED has been signed on behalf of the Lender and the Borrower and executed as a deed by [Subsidiary] and is delivered on the date stated above.

[Subsidiary]

[EXECUTED AS A DEED)
By [Subsidiary])

Director

Director/Secretary]

OR

[EXECUTED AS A DEED)
By [Subsidiary])

Signature of Director

Name of Director

in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness]

Occupation of witness]

Occupation of witness]

The Borrower

By:

The Lender

By:

Date:

Signature page

THE GUARANTORS

Executed as a deed, but not delivered until the)
first date specified on page 1, by **THE BODY**
SHOP INTERNATIONAL LIMITED acting by:)
)

Director

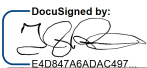
DocuSigned by:

Ian Martin Bickley

A3A045C9818E2464...

Director

DocuSigned by:



E4D847A6ADAC497

Address: Watersmead, Littlehampton, West Sussex BN17 6LS

Attention:

Executed as a deed, but not delivered until the)
first date specified on page 1, by **THE BODY**
SHOP CANADA LIMITED acting by:)
)

Director

DocuSigned by:

Benoit Mennegand

A8F76B5E91BF400

Witness signature

DocuSigned by:

Amanda Baracat

8E7EFC2CAF92423...

Witness name: Amanda Baracat

Witness address: 315 Ivy Lane

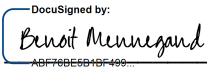
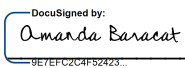
Weston FL

33326

Address: 89 jefferson St Apt 5A Hoboken NJ 07030

Attention: Benoit Mennegand

Executed as a deed, but not delivered until the)
first date specified on page 1, by **BUTH-NA-**
BODHAIGE, INC. acting by:)

Director  DocuSigned by:
ABF78BE6D16F499...
Witness signature  DocuSigned by:
9E7EFC2C4F82423...
Witness name: Amanda Baracat
Witness address: 315 Ivy Lane
Weston FL
33326

Address: 89 jefferson St Apt 5A Hoboken NJ 07030

Attention: Benoit Mennegand

THE LENDER

Executed as a deed, but not delivered until the)
first date specified on page 1, by **AURELIUS IV**
UK ACQUICO SEVEN LIMITED acting by:)

Director  DocuSigned by:
474BD92A0408406...
Witness signature  DocuSigned by:
7FF3559DAU9A27...
Witness name: Peter Alldread
Witness address: 47 Thayers farm road
London
BR3 4LY

Address: 6th Floor, 33 Glasshouse Street, London United Kingdom W1B 5DG

Attention: Christina Nayman-Mills

GENERAL SECURITY AGREEMENT

made by

THE BODY SHOP CANADA LIMITED

in favour of

AURELIUS IV UK ACQUICO SEVEN LIMITED

dated as of

This GENERAL SECURITY AGREEMENT, dated as of _____ (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by THE BODY SHOP CANADA LIMITED, a corporation governed by the federal laws of Canada (the "**Debtor**"), in favour of AURELIUS IV UK ACQUICO SEVEN LIMITED, (the "**Secured Party**").

WHEREAS, THE BODY SHOP INTERNATIONAL LIMITED as borrower (the "**Borrower**") and the Secured Party have entered into a loan agreement dated as of _____ (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**") under which the Secured Party has made and will make loans and/or other credit facilities available to the Borrower (the "**Loans**");

WHEREAS, pursuant to the terms of a guarantee and indemnity dated _____ (as the same may be modified, amended, restated or replaced from time to time, the "**Guarantee**"), the Debtor has guaranteed the Borrower's obligations to the Secured Party under the Loan Agreement.

WHEREAS, this Agreement is given by the Debtor in favour of the Secured Party to secure the payment and performance of all of the Secured Obligations (defined below); and

WHEREAS, it is a condition to the obligations of the Secured Party under the Loan Agreement that the Debtor execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the Secured Party entering into the Loan Agreement and agreeing to make the Loans available to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor agrees as follows.

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

- (a) Capitalized terms that are used but not defined in this Agreement shall have the respective meanings assigned to such terms in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.
- (b) For purposes of this Agreement, the following terms shall have the following meanings:

"Collateral" is defined in Section 2.01.

"Equity Interests" means, with respect to any Person, all of the securities, investment property, units, trust units, partnership, membership and other equity interests, participations, investment certificates, notes (or other ownership or profit interests in) in or of such Person (collectively, **"ownership interests"**), all of the warrants, options or other rights for the purchase or acquisition from such Person of ownership interests in such Person, all of the securities convertible into or exchangeable for ownership interests in such Person or warrants, rights or options for the purchase or acquisition from such Person of ownership interests, and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such ownership interests are outstanding on any date of determination.

"Event of Default" has the meaning given to it in the Loan Agreement.

"Excluded Asset" is defined in Section 2.03(a).

"Finance Document" and **"Finance Documents"** have the meanings given to them in the Loan Agreement.

"Intellectual Property" means any intellectual or intangible property and proprietary rights (whether owned or licensed) including, without limitation, trademarks, trademark applications and registrations, service marks, trade styles, trade names, patents, patent applications and registrations, copyrights, copyright registrations and applications, works of authorship, industrial designs, industrial design applications and registrations, integrated circuit topographies, know-how and processes, trade secrets, inventions, formulas, processes, mask works, other business or technical confidential or proprietary information, software and computer hardware programs and systems, source codes, object codes, databases and documentation related to the foregoing, all domain names, internet addresses, internet sites and social media, including all related accounts, names and content and other proprietary information, and all rights to sue at law or in equity for any past, present, or future infringement, violation, misuse, misappropriation or other impairment thereof, whether arising under the laws of Canada, the laws of any Canadian

province or territory or foreign laws or otherwise, including the right to receive injunctive relief and all proceeds and damages therefrom.

"Issuer" means a Person identified as an issuer of Pledged Securities in **Schedule A** hereto.

"Permitted Encumbrance" is defined in Section 7.01(c)

"Person" means any corporation, company, partnership, association, unincorporated association, entity, trust, joint venture, individual, estate, sole proprietorship, institution or any governmental entity.

"Pledged Securities" means all of the issued and outstanding Equity Interests of each Issuer described in **Schedule A** hereto that are now or from time to time hereafter held by the Debtor.

"PPSA" means the Personal Property Security Act as in effect from time to time in the Province of Ontario.

"Proceeds" means "proceeds" as such term is defined in section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

"Receiver" is defined in Section 13.03(i).

"Secured Obligations" is defined in Section 3.01.

"Securities Accounts" means the securities accounts described in **Schedule B** to this Agreement.

"STA" means the *Securities Transfer Act, 2006*, as in effect from time to time in the Province/ of Ontario.

"ULC" means an issuer that is an unlimited company, unlimited liability corporation or an unlimited liability company.

"ULC Legislation" means the Companies Act (Nova Scotia), the Business Corporations Act (Alberta), the Business Corporations Act (British Columbia) and other present or future laws governing ULCs.

"ULC Shares" means shares or other Equity Interests in a ULC.

Section 1.02 Interpretation. Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Debtor hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Secured Party, and hereby creates a general and continuing security interest in favour of the Secured Party in and to all of the Debtor's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Debtor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Intellectual Property, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property (including the Pledged Securities and the Securities Accounts), Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including any and all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Debtor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing; and
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing.

The last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Debtor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Debtor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, (i) a security interest is taken in all of the Debtor's present and after acquired personal property; and (ii) the Collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Debtor acknowledges that any security interest in this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Debtor acquires rights in such after-acquired Collateral.

Section 2.03 Limitation on Grant of Security Interest.

- (a) To the extent the grant of the security interest in respect of any contract, permit, lease, licence, instrument, document or other agreement entered into by the Debtor would result in the breach or termination of or cause a default under such contract, permit, lease, licence, instrument, or other agreement (each an “**Excluded Asset**”), each such Excluded Asset shall not be subject to the security interest created hereby while such restriction applies but shall be held in trust by the Debtor in favour of the Secured Party, but only for so long as such prohibition or requirement for consent is not terminated, rendered unenforceable or otherwise deemed ineffective by the PPSA or any other applicable law; provided however that Excluded Assets shall not include any Proceeds, products, substitutions or replacements of any Excluded Asset (unless such Proceeds, products, substitutions, or replacements would themselves otherwise constitute Excluded Assets) and provided further that if any Excluded Asset would have otherwise constituted Collateral, when such asset shall cease to be an Excluded Asset, such asset shall be deemed at all times from and after the date hereof to constitute Collateral subject to the security interest created hereby. The Debtor will use all commercially reasonable efforts to obtain the consent of each other party to any and all Excluded Assets to the assignment of such Excluded Assets to the Secured Party in accordance with this Agreement. The Debtor will also use all commercially reasonable efforts to ensure that no material agreement entered into on or after the date of this Agreement shall expressly prohibit assignment of the benefits of such agreement as collateral security to the Secured Party.
- (b) The security interest with respect to trademarks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Secured Party, but does not constitute an assignment of such Collateral to the Secured Party.

ARTICLE III SECURED OBLIGATIONS

Section 3.01 Secured Obligations. The Collateral secures the payment and performance of all present and future obligations of the Debtor to the Secured Party from time to time including, without limitation, all present and future obligations of the Debtor arising under the Guarantee, this Agreement and the Finance Documents to which the Debtor is a party, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Debtor alone or with another or others and whether as a principal or surety, and, without limiting the foregoing, the payment and discharge of: (i) the principal of and premium, if any, and interest on the Credit Facilities, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise; and (ii) all other present and future obligations and liabilities, including fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities related thereto (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the “**Secured Obligations**”).

ARTICLE IV

PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES

Section 4.01 Perfection. The Debtor shall, from time to time, and at its expense, take all actions as may be requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral.

Section 4.02 Intellectual Property. The Debtor hereby further authorizes the Secured Party to file with the Canadian Intellectual Property Office this Agreement and other required documents for the purpose of recording, perfecting, confirming, continuing, enforcing or protecting the security interests in Intellectual Property granted by the Debtor hereunder.

Section 4.03 Tangible Chattel Paper, Documents of Title, Instruments. If the Debtor shall at any time hold or acquire any promissory notes, tangible chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Debtor shall immediately endorse, assign and deliver possession of the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

Section 4.04 Control.

- (a) **Control Agreement.** Where Investment Property (i) is held in an account of a securities intermediary, the Debtor shall enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Debtor and said securities intermediary in a form and substance acceptable to the Secured Party; and (ii) consists of uncertificated securities and is not held in an account of a securities intermediary, the Debtor shall enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Debtor and said issuer, in a form and substance acceptable to the Secured Party.
- (b) **Certificates.** The Debtor shall promptly, in a manner satisfactory to the Secured Party: (i) cause a security certificate to be issued for any Investment Property that is in the form of an uncertificated security to the extent that such request can be accommodated by the Issuer thereof; (ii) duly endorse all share certificates at any time held or acquired by it relating to the Collateral in blank for transfer or execute stock powers of attorney in blank in form and substance satisfactory to the Secured Party; (iii) deliver such share certificates and stock powers to the Secured Party; and (iv) take all other steps to give exclusive control over such certificated securities to the Secured Party.
- (c) **Electronic Chattel Paper.** Where Collateral includes electronic chattel paper, the Debtor shall take all commercially reasonable efforts required by the Secured Party to cause the record comprising such chattel paper to be created, stored and

transferred in a manner satisfactory to the Secured Party and which will provide the Secured Party with control of the electronic chattel paper.

Section 4.05 Copy of Verification Statement. To the extent permitted by law, the Debtor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Secured Party in connection with the Secured Party's interest in the Collateral.

Section 4.06 Further Assurances. The Debtor agrees that, at any time and from time to time, at the expense of the Debtor, the Debtor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the secured party with a fixed and specific mortgage) or to enable the Secured Party to exercise and enforce their rights and remedies hereunder or under any other Finance Document with respect to any Collateral.

ARTICLE V REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties. The Debtor represents and warrants as follows:

- (a) **Location of Collateral and Places of Business.** The Debtor's place or places of business and the location or locations of the Collateral, including all books and records in respect of Accounts, are set out in **Schedule C** hereto.
- (b) **Ownership and Title.** The Debtor is the sole, direct, legal and beneficial owner of, and has good marketable title to, all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to, each item of after-acquired Collateral free and clear of all encumbrances except for the security interests created by this Agreement.
- (c) **Existence and Capacity.** The Debtor has been duly incorporated and validly exists under the laws of its jurisdiction of incorporation and has full power, capacity, authority and legal right to borrow, grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement and the full and correct name of the grantor is set forth on the first page of this Agreement.
- (d) **Binding Obligation.** Each of this Agreement and the other Finance Documents has been duly authorized, executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).

- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the borrowing of the Loans and the pledge by the Debtor of the Collateral under this Agreement or for the execution and delivery of the other Finance Documents by the Debtor or the performance by the Debtor of its obligations thereunder.
- (f) **No Violation of Laws, Constatng Documents, Agreements.** The execution and delivery of the Finance Documents by the Debtor and the performance by the Debtor of its obligations thereunder, will not violate any provision of any applicable laws or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Debtor or any of its property, or the constating or governing documents of the Debtor or any agreement or instrument to which the Debtor is party or by which it or its property is bound.
- (g) **Pledged Securities Validly Issued.** The Pledged Securities, if any, and other Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable and subject to no options to purchase or similar rights. No Person (other than the Debtor) has any right to acquire or cause to be issued to them any of the Pledged Securities or other Equity Interests.
- (h) **Delivery of Certificated Securities.** The Collateral does not include any certificated securities that the Debtor has not delivered to the Secured Party.
- (i) **Perfection by Control.** The Debtor has taken all action required on its part for control to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the PPSA and the STA. No person other than the Secured Party has control or possession of all or any part of the Collateral.
- (j) **Intellectual Property.** Schedule D sets forth a complete list and description at the date hereof of all material Intellectual Property, and all registered Intellectual Property, owned or licensed by the Debtor and used in the operation of the Debtor's business. The Debtor owns the Intellectual Property free and clear of all encumbrances except for the security interests created by this Agreement.

ARTICLE VI

VOTING, DISTRIBUTIONS AND RECEIVABLES

Section 6.01 Voting. Unless a Default or an Event of Default shall have occurred and be continuing, the Debtor may, to the extent the Debtor has such right as a holder of the Collateral consisting of Investment Property, other Equity Interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Loan Agreement or this Agreement.

Section 6.02 Distributions. The Debtor may, unless a Default or an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities (including Pledged Securities), other Equity Interests or indebtedness owed by any obligor.

Section 6.03 Receivables. After an Event of Default has occurred and is continuing, the Secured Party may, or at the request and option of the Secured Party, the Debtor shall: (i) notify account debtors of the Secured Party's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Secured Party.

ARTICLE VII COVENANTS

Section 7.01 Covenants. The Debtor covenants as follows:

- (a) **Consent re: Change of Legal Name and Place of Business.** The Debtor will not, without providing at least 20 days' prior written notice to the Secured Party, change its legal name, jurisdiction of incorporation or formation, corporate structure, or the province or territory in which its registered office, chief executive office or its principal place of business is located. The Debtor will, prior to any change described in the preceding sentence, take all actions requested by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (b) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Secured Party under ARTICLE IV, will be kept at those locations listed in Schedule C and, except for Inventory sold or leased in the ordinary course of business, the Debtor will not remove the Collateral from such locations except as permitted in the Loan Agreement or with the Secured Party's prior written consent. The Debtor will, before any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (c) **Dealing with Collateral: No Sale or Encumbrances.** The Debtor will not sell, dispose of, lease, license, assign or otherwise transfer any of the Collateral except, as expressly provided in the Loan Agreement, in the ordinary course of business, or with the prior written consent of the Secured Party. The Debtor will not grant, create, permit or suffer to exist any encumbrances whatsoever on the Collateral except Permitted Encumbrances or with the prior written consent of the Secured Party. **"Permitted Encumbrance"** means those liens and other encumbrances, designated as "Permitted Encumbrances" by the Secured Party in writing by notice to the Debtor from time to time, in the Secured Party's sole and absolute discretion. For greater certainty, all parties hereto agree that the Secured Party may, in its sole and absolute discretion, remove a lien or other encumbrance from being considered a "Permitted Encumbrance" from time to time by written notice to the Debtor.

- (d) **Maintenance and Protection of Collateral.** The Debtor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Secured Party. The Debtor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Debtor will keep all licences, permits, agreements, registrations and applications relating to the Intellectual Property used by Debtor in good standing. The Debtor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Party therein against the claim or demand of any person claiming against or through the Debtor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (e) **Performance of Obligations.** The Debtor will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Debtor shall perform all of its obligations under material agreements, leases, licences, arrangements to obtain and preserve its rights, powers, licences, privileges and goodwill thereunder and comply with all applicable laws, by-laws, rules and regulations so as to preserve and protect the Collateral and the Debtor's business.
- (f) **Access to Collateral, Inspection.** The Debtor will permit the Secured Party, and its representatives, agents, consultants and advisors, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Debtor shall, upon request by the Secured Party, provide the Secured Party with any information concerning the Collateral, the Debtor and its business, as the Secured Party may reasonably request, including access to the Debtor's senior executives, accountants and auditors to discuss any information concerning the Collateral.
- (g) **Notification.** The Debtor shall notify the Secured Party within five (5) business days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Debtor, the Collateral or the Debtor's business; (iii) any loss or damage to the Collateral or the value of the Collateral; and (iv) any default by any account debtor in the payment or performance of its obligations.
- (h) **Insurance.** The Debtor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts and upon such other terms as required by the Secured Party from time to time. For greater certainty, the Debtor shall ensure that, within 30 days of the date of this Agreement, and at all times thereafter, the Secured Party shall be listed as additional insured (in respect of liability insurance) and first loss payee (in respect of property insurance) for all insurance policies of the Debtor (other than directors and officer's insurance).

Any insurance proceeds received by the Secured Party shall be applied against the Secured Obligations or released to the Debtor, in such manner and at such times as the Secured Party determines in its sole and absolute discretion, without prejudice to any rights or remedies of the Secured Party.

- (i) **Intellectual Property.** The Debtor will make and maintain all filings, registrations and recordals necessary to maintain its rights in the patents, trademarks, copyrights and industrial designs included in the Intellectual Property.

ARTICLE VIII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 8.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Debtor shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE IX

SECURED PARTY POWER OF ATTORNEY

Section 9.01 Secured Party Power of Attorney. The Debtor hereby irrevocably constitutes and appoints the Secured Party and any officer or employee of the Secured Party as the Debtor's true and lawful attorney, with full power of substitution and with full authority in the place and stead of the Debtor and in the name of the Debtor or otherwise, from time to time, in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to the Debtor representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same, to transfer, endorse, negotiate and sign on behalf of the Debtor any of the Equity Interests, to complete the blanks in any transfers of shares, bonds or debentures, any power of attorney or other documents delivered to it, to provide instructions or entitlement orders to any securities intermediary which maintains any securities account in which any Collateral is maintained, and to delegate its powers and for any delegate to sub-delegate the same (but the Secured Party shall not be obligated to and shall have no liability to the Debtor or any third party for failure to do so or take any action). Such appointment, being coupled with an interest, shall be irrevocable until the full and final discharge of the security interests created by this Agreement. The Debtor hereby ratifies all acts that such attorneys shall lawfully do or cause to be done by virtue hereof.

ARTICLE X

ULC INTERESTS

Section 10.01 ULC Interests. The Debtor acknowledges that the Secured Party shall not under any circumstances prior to realization be deemed to be a "member" or "shareholder", as applicable, of a ULC for the purposes of ULC Legislation with respect to any Collateral that

consists of ULC Shares. Except upon the exercise of rights of the Secured Party to sell, transfer or otherwise dispose of ULC Shares in accordance with this Agreement, the Debtor shall not cause or permit, or enable the ULC to cause or permit, the Secured Party or another Person, as applicable to: (a) be registered as shareholder or member of such ULC for the purposes of any ULC Law (whether listed or unlisted, registered or beneficial); (b) have any notation entered in their favour in the share or unit register of such ULC; (c) be held out as a shareholder or member of such ULC; (d) receive, directly or indirectly, any dividends, property or other distributions from such ULC by reason of the Secured Party holding the security interests over the ULC Shares; or (e) act as a shareholder or member of such ULC or exercise any rights of a shareholder or member, including the right to attend a meeting of shareholders or members of such ULC or to vote its ULC Shares or control the direction, management and policies of the applicable ULC.

ARTICLE XI SECURED PARTY MAY PERFORM

Section 11.01 Secured Party May Perform. If the Debtor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the costs and expenses of the Secured Party incurred in connection therewith shall be payable by the Debtor; provided that the Secured Party shall not be required to perform or discharge any obligation of the Debtor and the performance by the Secured Party shall not waive the rights of the Secured Party to enforce this Agreement.

ARTICLE XII SET-OFF

Section 12.01 Set-Off. The Secured Party may, without notice to the Debtor or any other Person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Debtor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

ARTICLE XIII REMEDIES UPON DEFAULT

Section 13.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing, the Secured Party may, by notice, terminate any further advances and declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Debtor.

Section 13.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Secured Party may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 13.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Secured Party may exercise, without any other notice to or demand upon the Debtor, in addition to the other rights and remedies provided herein or in any other Finance Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Secured Party may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Secured Party may take possession of the Collateral by requiring the Debtor to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Secured Party at a place and time to be designated by the Secured Party;
- (d) the Secured Party may take possession of the Collateral by carrying on all or any part of the business of the Debtor, and may to the exclusion of all others, including the Debtor, enter upon, occupy and use any of the premises; buildings, plants and undertakings owned, occupied or used by the Debtor and may use any of the tools, machinery, equipment and intangibles (including Intellectual Property) of the Debtor for such time as the Secured Party sees fit, free of charge and without liability, in order to carry on the business of the Debtor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products; and the Secured Party will not be liable to any Debtor for any neglect in so doing (other than gross negligence or wilful misconduct on their part thereof as determined by a final non-appealable judgment of a court of competent jurisdiction) or in respect of any rent, charges, depreciation or damages in connection with such actions;
- (e) the Secured Party may enter upon and occupy any land and premises owned, leased or occupied by the Debtor where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Debtor;
- (f) the Secured Party may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Secured Party may exercise and enforce all rights and remedies of the Debtor with respect to the Collateral, including collecting or compromising all or any of the Debtor's Accounts;

- (h) the Secured Party may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Secured Party may deem commercially reasonable;
- (i) the Secured Party may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Secured Party or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any Person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this ARTICLE XIII;
- (j) the Secured Party may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this ARTICLE XIII;
- (k) all rights of the Debtor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 6.01; (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to Section 6.02, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and (iii) the Secured Party may require that the Debtor have any Equity Interests registered in the name of the Secured Party or in the name of its nominee and shall be entitled but not bound or required to exercise any of the rights that any holder of such Equity Interests may at any time have; and
- (l) the Secured Party may retain the Collateral in satisfaction of the Secured Obligations.

The Secured Party shall not be liable or responsible for any failure to seize, collect, realize, or obtain payment with respect to the Collateral and shall not be bound to institute proceedings or to take other steps for the purpose of seizing, collecting, realizing or obtaining possession or payment with respect to the Collateral or for the purpose of preserving any rights of the Secured Party, the Debtor or any other person, in respect of the Collateral.

Section 13.04 Receiver Agent of Debtor. In exercising any powers, any such Receiver so appointed shall act as agent of the Debtor and not the Secured Party and the Secured Party shall not in any way be responsible for any of the actions of the Receiver, its employees, agents and contractors. The Secured Party may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 13.05 Distribution of Proceeds. Any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Secured Party shall elect, in its sole discretion. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Debtor or to whomsoever may be lawfully entitled to receive such surplus. The Debtor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Secured Party to collect such deficiency.

Section 13.06 Debtor Pays Expenses. The Debtor agrees to pay all reasonable expenses incurred by the Secured Party or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered, including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIV MISCELLANEOUS

Section 14.01 No Waiver and Cumulative Remedies. The Secured Party shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 14.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Debtor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Debtor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 14.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Guarantee and shall be given in the manner and become effective as set forth in the Guarantee.

Section 14.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 14.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Debtor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Party and its successors, transferees and assigns; provided that the Debtor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party.

Section 14.05 Assignment. The Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Debtor. The Debtor may not assign its obligations under this Agreement without the prior written consent of the Secured Party.

Section 14.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Secured Party in its sole discretion), the Secured Party will, at the request and sole expense of the Debtor (a) duly assign, transfer and deliver to or at the direction of the Debtor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Debtor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

Section 14.07 Acknowledgement. The Debtor acknowledges receipt of a fully executed copy of this Agreement.

Section 14.08 Amalgamation. The Debtor acknowledges that, if it amalgamates with another person, the term Debtor, when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.

Section 14.09 Governing Law. This Agreement and all matters arising out of or relating to this Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable in Ontario and the parties irrevocably attorn to the exclusive jurisdiction of the courts of Ontario.

Section 14.10 Counterparts and Electronic Transmission. This Agreement and any amendments, waivers, consents, notice or other forms of communication, may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute one and the same agreement. A handwritten or electronically signed counterpart of this Agreement delivered by facsimile, email ("PDF" or "tif" format) or other electronic or digital transmission (including by transmission over an electronic platform acceptable to the Lender such as DocuSign or the equivalent thereof) is deemed to have the same legal effect as delivery of a manually executed original counterpart of this Agreement. Electronic signature means a signature that consists of one or more letters, characters, numbers or other symbols in digital form incorporated in, attached to or associated with an electronic document that is sent or stored by means of any electronic or digital transmission. The words "execution", "signed", "signature", and words of similar import in any agreement, instruction, document, information or other form of communication, shall be deemed to include electronic or digital signatures or the keeping of records in electronic form, each of which shall be of the same effect, validity and enforceability as manually executed signatures or a paper-based record keeping system, as the case may be, to the extent and as provided for under applicable law, including Parts 2 and 3 of the Personal

Information Protection and Electronic Documents Act (Canada) and other similar federal or provincial laws.

Section 14.11 Conflict with Loan Agreement. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be executed as of the date first written above.


THE BODY SHOP CANADA LIMITED, as
Debtor

DocuSigned by:
By 
ABF76BE5B1BF499...

Name: Mennegand benoit

Title: Director

AURELIUS IV UK ACQUICO SEVEN
LIMITED , as Secured Party

DocuSigned by:
By 
474BD52A6409466...

Name: Doreen Alldread

Title: Director

SCHEDULE A
PLEDGED SECURITIES

Nil.

SCHEDULE B
SECURITIES ACCOUNTS

Nil.

SCHEDULE C
LOCATION OF COLLATERAL

See attached.

Shop Name	Address	Address 2	City	Province	Postal Code
Halifax Shopping Centre	7001 Mumford Road	Box 81	Halifax	NS	B3L 2H8
St. Albert Centre	375 St. Albert Trail		St. Albert	AB	T8N 3K8
Outlet Collection Winnipeg	555 Sterling Lyon Park		Winnipeg	MB	R3P 1J9
Rideau Centre	50 Rideau Street 0259B		Ottawa	ON	K1N 9J7
Lansdowne Place	645 Lansdowne Street W.	Unit 249	Peterborough	ON	K9J 7Y5
Edmonton International Outlets	1 Outlet Collection Way	Unit 102	Edmonton Intl Airport	AB	T9E 1J5
The Centre	3310 8th Street East		Saskatoon	SK	S7H 5M3
Georgian Mall	509 Bayfield Street		Barrie	ON	L4M 4Z8
The Shops at Don Mills	1090 Don Mills Road	Unit H004	Toronto	ON	M3C 3R6
Mayfair Shopping Centre	3147 Douglas Street	Unit 644	Victoria	BC	V8Z 6E3
Aberdeen Mall	209/1320 Trans Canada Hwy		Kamloops	BC	V1S 1J2
Avalon Mall	48 Kenmount Road		St. John's	NL	A1B 1W3
Bayshore Shopping Centre	100 Bayshore Drive		Ottawa	ON	K2B 8C1
Queen Street East	1952 Queen Street East		Toronto	ON	M4L 1H6
Bloor West Village	2366 Bloor Street West		Toronto	ON	M6S 1P3
Bramalea City Centre	25 Peel Centre Drive	Unit 246	Brampton	ON	L6T 3R5
The Core	250-751 3rd Street S.W.		Calgary	AB	T2H 0K3
Cataraqui Town Centre	945 Gardiners Road		Kingston	ON	K7M 7H4
Champlain Place	477 Paul Street		Dieppe	NB	E1A 4X5
Chinook Centre	0134-6455 McLeod Trail S. W.		Calgary	AB	T2H 0K8
Coquitlam Centre	2929 Barnett Highway	Unit 2415	Coquitlam	BC	V3B 5R5
Cornwall Centre	2102-11th Avenue		Regina	SK	S4P 3Y6
Devonshire Mall	3100 Howard Avenue		Windsor	ON	N8X 3Y8
Erin Mills Town Centre	5100 Erin Mills Parkway	Box 33	Mississauga	ON	L5M 4Z5
Fairview Mall	1800 Sheppard Ave E.	# 2035	Toronto	ON	M2J 5A8
Fairview Park Mall	2960 Kingsway Drive		Kitchener	ON	N2C 1X1
Regent Mall	1381 Regent Street	Unit C003B	Fredericton	NB	E3C 1A2
Hillcrest Mall	9350 Yonge Street		Richmond Hill	ON	L4C 5G2
Hillside Shopping Centre	36-1644 Hillside Avenue		Victoria	BC	V8T 2C5
Intercity Shopping Centre	1000 Fort William Road		Thunder Bay	ON	P7B 6B9
Kildonan Place	1555 Regent Avenue West		Winnipeg	MB	R2C 4J2
Kingsway Mall	109 Street NW & Princess Elizabeth	Unit 696	Edmonton	AB	T5G 3E6
Lambton Mall	1380 London Road		Sarnia	ON	N7S 1P8
Lime Ridge Mall	999 Upper Wentworth Street		Hamilton	ON	L9A 4X5
Lougheed Town Centre	9855 Austin Road Unit 172		Burnaby	BC	V3J 1N4
Mapleview Centre	900 Maple Avenue		Burlington	ON	L7S 2J8
Market Mall	3625 Shagnappi Trail N.W.		Calgary	AB	T3A 0E2
Markville Shopping Centre	5000 Highway 7 East		Markham	ON	L3R 4M9
Masonville Place	1680 Richmond Street North		London	ON	N6G 3Y9
McAllister Place	519 Westmorland Road		Saint John	NB	E2J 3W9
Mic Mac Mall	21 Micmac Boulevard		Dartmouth	NS	B3A 4N3
Metropolis at Metrotowne	2160A-4700 Kingsway		Burnaby	BC	V5H 4M1
Midtown Plaza	201 First Avenue South	Box 9	Saskatoon	SK	S7K 1J9
New Sudbury Centre	1349 LaSalle Boulevard		Sudbury	ON	P3A 1Z2
Northgate Square Shopping Centre	1500 Fisher Street	Unit 161	North Bay	ON	P1B 2H3
Oakville Place	240 Leighland Avenue	Unit 114	Oakville	ON	L6H 3H6
Orchard Park Shopping Centre	2271 Harvey Avenue North		Kelowna	BC	V1Y 6H2
Oshawa Centre	419 King Street West	Unit 2105	Oshawa	ON	L1J 2K5
Pacific Centre	700 Georgia St at Howe St.	#DO60	Vancouver	BC	V7Y1K8
Park Place Shopping Centre	501 First Avenue South	Unit 94	Lethbridge	AB	T1J 4L9
Park Royal Shopping Centre	2002 Park Royal South		West Vancouver	BC	V7T 2W4
Pen Centre	221 Glendale Avenue		St. Catharines	ON	L2T 2K9
Pickering Town Centre	1355 Kingston Road	Unit 68	Pickering	ON	L1V 1B8
Pine Centre	#133-3055 Massey Drive		Prince George	BC	V2N 2S9
Polo Park Shopping Centre	1485 Portage Avenue	Unit 124	Winnipeg	MB	R3G 0W4
Scarborough Town Centre	300 Borough Drive	Unit 227	Scarborough	ON	M1P 4P5
Semiahmoo Shopping Centre	1711-152nd Street West	Unit 114	White Rock	BC	V4A 4N3
Sevensoaks Shopping Centre	338-32900 South Fraser Way		Abbotsford	BC	V2S 5A1

Southcentre Mall	100 Anderson Rd S. E.	Box 59A	Calgary	AB	T2J 3V1
Southgate Centre	#330, 5015 111 Street NW		Edmonton	AB	T6H 4M6
Southland Mall	2807 Gordon Road		Regina	SK	S4S 6H7
Square One Shopping Centre	100 City Centre Drive		Mississauga	ON	L5B 2C9
St. Laurent Centre	1200 St. Laurent Blvd	Box 30	Ottawa	ON	K1K 3B8
St. Vital Centre	1225 St. Mary's Road	Unit 100	Winnipeg	MB	R2M 5E5
Stone Road Mall	435 Stone Road West		Guelph	ON	N1G 2X6
Sunnyside Mall	1595 Bedford Highway		Bedford	NS	B4A 3Y4
Toronto Eaton Centre	220 Yonge Street	Box 152	Toronto	ON	M5B 2H1
Upper Canada Mall	17600 Yonge Street	Box 61	Newmarket	ON	L3Y 4Z1
White Oaks Mall	1105 Wellington Road		London	ON	N6E 1V4
Willowbrook Shopping Centre	19705 Fraser Highway	Unit 447	Langley	BC	V3A 7E9
Woodgrove Centre	25-6631 Island Highway North		Nanaimo	BC	V9T 4T7
Bower Place Shopping Centre	1000-4900 Molly Banister Drive		Red Deer	AB	T4R 1N9
Medicine Hat Mall	3292 Dunmore Road S.E.	Unit 112B	Medicine Hat	AB	T1B 2R4
Sunridge Mall	2525 36 Street NE Unit 207		Calgary	AB	T1Y 5T4
Bayview Village	2901 Bayview Avenue	Unit A16	Willowdale	ON	M2K 1E6
Truro Mall	245 Robie Street	Unit 115	Truro	NS	B2N 5N6
The Outlet Collection at Niagara	300 Taylor Road	Space 445	Niagara on the Lake	ON	L0S 1J0
Ottawa Outlets	8555 Campeau Dr	Unit 952	Ottawa	ON	K2T 0K5
Cookstown Outlets	3311 Simcoe Rd 89	Unit H20	Cookstown	ON	L0L 1L0
Place d'Orleans	110 Place d'Orleans Dr	Unit 1285, Box 57	Orleans	ON	K1C 2L9
Sherway Gardens	25 The West Mall		Etobicoke	ON	M9C 1B8
Shoppers Mall Brandon	1570 18th St.	Unit #25	Brandon	MB	R7A 5C5
McArthurGlen Outlets	7899 Templeton Station Rd	Unit # 36	Richmond	BC	V7B 0B7
Vaughan Mills	1 Bass Pro Mills Drive	Unit 241	Vaughan	ON	L4K 5W4
Quinte Mall	390 North Front Street	Unit D3C	Belleville	ON	K8P 3E1
Timmins Square	1500 Riverside Drive	Unit 37	Timmins	ON	P4R 1A1
Lloyd Mall	5211 44 Street	Unit 193	Lloydminster	AB	T9V 0A7
Richmond Centre	6551 No. 3 Road	#1554	Richmond	BC	V6Y 2B6
Londonderry Mall	137th Avenue & 66th Street	Unit 298	Edmonton	AB	T5C 3C8
Prairie Mall	Unit 115, 11801-100 St.		Grand Prairie	AB	T8V 3Y2
Carlingwood Mall	2121 Carling Avenue		Ottawa	ON	K2A 1H2
Sherwood Park Mall	2020 Sherwood Drive	Unit 23	Sherwood Park	AB	T8A 3H9
Cambridge Centre	Unit #226 - 355 Hespeler Road		Cambridge	ON	N1R 6B3
Royalty Crossing	Unit #19 - 670 University Avenue		Charlottetown	PEI	C1E 1H6
Lawson Heights Mall	Unit #43 - 134 Primrose Drive		Saskatoon	SK	S7K 5S6
Crossiron Mills	Unit # 267 261055 Crossiron Blvd.		Rocky View	AB	T4A 0G3
Conestoga Mall	550 King Street North	Suite B10A	Waterloo	ON	N2L 5W6
Mayflower Mall	800 Grand Lake Rd.	Ste 16	Sydney	NS	B1P 6S9
Corner Brook Plaza	44 Maple Valley Road	Unit 345	Corner Brook	NL	A2H 6L8
Toronto Pearson Term. 1	5980 Airport Rd, Level 2 Departures	Rm EF 2019	Toronto AMF	ON	L5P 1B2
Yorkdale Shopping Centre	3401 Dufferin Street	Unit 22A	Toronto	ON	M6A 2T9
West Edmonton Mall	8882-170 Street	Unit 1742	Edmonton	AB	T5T 4J2
Guildford Town Centre	10355 152 Street	Suite 1122	Surrey	BC	V3R 7C1
Dufferin Mall	900 Dufferin Street	Unit 545	Toronto	ON	M6H 4A9
Lynden Park Mall	84 Lynden Road	Unit E1	Brantford	ON	N3R 6B8
Toronto Premium Outlets	13850 Steeles Avenue West	Suite 868	Halton Hills	ON	L7G 0J1
Station Mall	293 Bay Street	Space J1	Sault Ste. Marie	ON	P6A 1X3
Village Green	4900 27th Street	Unit 780	Vernon	BC	V1T 7G7

SCHEDULE D
INTELLECTUAL PROPERTY

Nil.

This is Exhibit "L" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Ö^Ç!~~, in the Country of England, before me on ~~R}^ÁG~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Garay

Commissioner for Taking Affidavits (or as may be)

**A5 HH<9K `; 5 F5 Mž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

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SALE PROCESS

On March 1, 2024, The Body Shop Canada Limited (the "**Company**") filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (the "**NOI**") and Alvarez & Marsal Canada Inc. was appointed as the proposal trustee (the "**Proposal Trustee**").

On July [5], 2024, the Company continued the NOI proceeding under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceeding**") and Alvarez & Marsal Canada Inc. was appointed as the monitor (the "**Monitor**").

On July [5], 2024, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made an order, which, among other things approved this sale process (the "**Sale Process**").

The purpose of the Sale Process is to identify one or more purchasers of the Company, the Business and/or Assets (each as defined below). Set forth below are the procedures (the "**Procedures**") that shall govern the Sale Process and any transactions consummated as a result thereof.

1. Defined Terms

The following capitalized terms have the following meanings when used in this Sale Process:

"**Assets**" means the assets, undertakings and property of the Company;

"**Bid**" has the meaning given to it in Section 6;

"**Bid Deadline**" has the meaning given to it in Section 6;

"**Bid Requirements**" has the meaning given to it in Section 7;

"**Business Day**" means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario, on which commercial banks in Toronto, Ontario are open for business;

"**Business**" means the skincare, haircare, bath and body products retail business carried on by the Company;

"**CCAA**" has the meaning given to it in the introduction;

"**CCAA Proceeding**" has the meaning given to it in the introduction;

"**Company**" has the meaning given to it in the introduction;

"**Confidentiality Agreement**" means the confidentiality agreement entered into between the Company and an Interested Party;

"**Court**" has the meaning given to it in the introduction;

"**Data Room**" means an electronic data room containing confidential information in respect of the Company, the Business and the Assets;

"Deposit" has the meaning given to it in Section 7(i);

"dollars" or **"\$"** means Canadian dollars;

"Interested Party" means potential bidders and includes (a) parties that have approached the Company, the Proposal Trustee, the Monitor, the UK Parent or the UK Administrators indicating an interest in the opportunity, and (b) strategic parties whom the Company or the Monitor believe may be interested in purchasing the Company or all or part of the Business and Assets (each, an **"Interested Party"** and together **"Interested Parties"**);

"Outside Date" means the date that is set out in the Process Letter by which a transaction contemplated by a Bid must close;

"Procedures" has the meaning given to it in the introduction;

"Process Letter" has the meaning given to it in Section 2;

"Proposal Trustee" has the meaning given to it in the introduction;

"Purchase Price" has the meaning given to it in Section 7(b);

"Qualified Bid" has the meaning given to it in Section 7;

"Qualified Bidder" has the meaning given to it in Section 7;

"Sale Approval Motion" has the meaning given to it in Section 9;

"Sale Process" has the meaning given to it in the introduction;

"Successful Bid" has the meaning given to it in Section 8;

"Successful Bidder" has the meaning given to it in Section 8;

"UK Administrators" means collectively, Geoff Rowley and Alastair Massey of FRP Advisory, as joint administrators of the UK Parent;

"UK Parent" means The Body Shop International Limited;

"UK Purchaser(s)" means the purchaser or purchasers of "The Body Shop" brand and related intellectual property from the UK Parent; and

"UK Sale Process" means the sale process underway in respect of the UK Parent and its assets.

2. Timeline

The Monitor shall, no later than five Business Days after a purchaser has been identified in the UK Sale Process, for some or all of the assets of the UK Parent or its business, (a) send a process letter to the service list for the CCAA proceeding and each Interested Party (the **"Process Letter"**), which advise of the commencement of certain key milestones under these Procedures, and (b)

post the Process Letter on the Monitor's website. The following table sets out the key milestones for the Sale Process:

Milestone	Deadline
Commencement of Sale Process	Ongoing
Solicitation of interest and distribution of Confidentiality Agreement	Ongoing
Distribution of the Process Letter to Interested Parties	Five Business Days after the UK Purchaser(s) has been identified in the UK Sale Process for some or all of the assets of the UK Parent, or such other date as the Company and the Monitor determine
Bid Deadline (5:00pm EST)	The date that is set out in the Process Letter , or such other later date or time as may be agreed by the Company, in consultation with the Monitor (the " Bid Deadline ")
Selection of Successful Bid	No later than five Business Days after the Bid Deadline, or such other date as the Company and the Monitor determine
Sale Approval Motion	As soon as practicable after the selection of the Successful Bid
Outside Date	The date that is set out in the Process Letter

3. The Procedures

These Procedures set out the manner in which a party becomes a Qualified Bidder and a Bid becomes a Qualified Bid, the receipt, evaluation and negotiation of Qualified Bids received, and the ultimate selection of Successful Bid and the Court's approval thereof. The Company shall supervise the Procedures and will generally consult with the Monitor in respect of all matters arising out of these Procedures. In the event that there is disagreement as to the interpretation or application of these Procedures, the Court will have the jurisdiction to hear and resolve such dispute.

4. "As Is, Where Is"

The sale of the Company, the Business or any part of the Assets will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature or description by the Company, the Monitor or any of their agents or advisors, except to the extent set forth in the relevant sale or investment agreement with a Successful Bidder. By participating in this process, each Interested Party is deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Business, the Assets or the Company prior to making its Bid, that it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or regarding the Business, the Assets or the Company in making its Bid, and that it did not rely on any written or oral statements, representations, promises,

warranties, conditions or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Business, the Assets or the Company or the completeness of any information provided in connection therewith, except as expressly stated in the terms of any definitive transaction documents.

5. Solicitation of Interest and Due Diligence

The Proposal Trustee or the Monitor, as applicable, with the assistance of the Company will send to all Interested Parties (a) a written description of the opportunity, outlining the Procedures and inviting Interested Parties to express their interest pursuant to the Sale Process, and (b) a Confidentiality Agreement, in each case, in form and substance satisfactory to the Company.

The Data Room will be made available to any Interested Party who has executed and delivered a Confidentiality Agreement to the Company prior to the Bid Deadline. An Interested Party's right to access the Data Room or receive any non-public information about the Company shall terminate immediately upon the Bid Deadline.

6. Bid Deadline

An Interested Party that wishes to make a bid to acquire the Business, the Company or all, substantially all or any part of the Assets, must deliver an executed copy of a bid (the "**Bid**") to the Monitor by email to the following address:

Alvarez & Marsal Canada Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1 Canada

Attention: Josh Nevsky/Mitchell Binder
Email: jnevsky@alvarezandmarsal.com
binder@alvarezandmarsal.com

so as to be received by it not later than 5:00 p.m. (Eastern Time) on the Bid Deadline.

7. The UK Purchaser(s)

The transaction contemplated by a Qualified Bid shall be conditional on the UK Purchaser(s) entering into a license arrangement, franchise agreement or similar arrangement with Qualified Bidder.

The Company and the Monitor may share Qualified Bids with the UK Purchaser(s), including for the purpose of facilitating discussions and advancing license or other arrangements with the UK Purchaser(s) in respect of the use of "The Body Shop" brand by Qualified Bidders.

8. Bid Requirements

A Bid will be deemed to be a "**Qualified Bid**" if it is determined by the Company, in consultation with the Monitor, to satisfy the following conditions (the "**Bid Requirements**") and each Interested Party that submits a Qualified Bid will be deemed to be a "**Qualified Bidder**":

- (a) Irrevocable Bid: It includes a letter stating that the Bid is irrevocable until Court approval of the Successful Bid;
- (b) Purchase Agreement. It includes a sealed duly authorized and executed definitive purchase agreement together with all completed schedules thereto containing the detailed terms and conditions of the proposed transaction, including identification of the assets proposed to be acquired, the obligations to be assumed, the purchase price (the "**Purchase Price**"), the detailed structure and financing of the proposed transaction;
- (c) License or other Arrangement. It describes any license arrangement, franchise agreement, or similar arrangement, with the UK Purchaser in respect of the right of such Qualified Bidder to use "The Body Shop" brand;
- (d) Proof of Financial Ability to Perform. It includes written evidence upon which the Company, in consultation with the Monitor, may reasonably conclude that the Interested Party has the necessary financial ability to close the contemplated transaction on or before the Outside Date and provide adequate assurance of future performance of all obligations to be assumed in such contemplated transaction. Such information should include, among other things, the following:
 - (i) evidence of the Interested Party's internal resources and proof of any debt or equity funding commitments that are needed to close the contemplated transaction;
 - (ii) contact names and phone numbers for verification of financing sources; and
 - (iii) any such other form of financial disclosure or credit-quality support information or enhancement requested by and reasonably acceptable to the Company demonstrating that such Interested Party has the ability to close the contemplated transaction;
- (e) Unconditional Bid. It is not conditioned on (i) the outcome of unperformed due diligence and/or (ii) obtaining financing;
- (f) Parties. It fully discloses the identity of each person (including any person that controls such person) that will be directly or indirectly sponsoring or participating in the Bid, including whether any prior or current member of the Company's board, management, any employee or consultant to the Company or any creditor) or shareholder of the Company is involved in any way with the Bid or assisted with the Bid, and the complete terms of any such participation as well as evidence of corporate authority to sponsor or participate in the Bid;
- (g) Acknowledgement. It includes an acknowledgement and representation that the Interested Party: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents regarding the Business and/or the Assets to be acquired, liabilities to be assumed or the Company in making its Bid; and (ii) did not rely upon any written or oral statements, representations, promises, warranties conditions or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Business, Assets to be acquired, liabilities to be assumed, the Company or the completeness of any information

provided in connection therewith, except as expressly provided in any definitive transaction documents;

- (h) Authorization. It includes evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Interested Party's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Bid, and identifies any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated time frame and any anticipated impediments for obtaining such approvals;
- (i) Deposit. It is accompanied by a cash deposit (the "**Deposit**") in an amount equal to 10% of the Purchase Price that shall be paid to the Monitor in trust, which Deposit shall be held and dealt with in accordance with these Procedures;
- (j) Employees. If applicable, it contains full details of the proposed number of employees of the Company who will become employees of the Qualified Bidder and the proposed terms and conditions of employment to be offered to those employees;
- (k) Other. It contains such other information as may reasonably be requested by the Company or the Monitor; and
- (l) Bid Deadline. It is received by the Monitor, at the address specified in Section 6 (including by email) on or before the Bid Deadline.

The Company, in consultation with the Monitor, may waive any one or more minor and non-material violations of the requirements specified for Qualified Bids and deem such non-compliant Bids to be Qualified Bids.

9. Evaluation of Qualified Bids and Subsequent Actions

The Company, in consultation with the Monitor, shall evaluate Qualified Bids on various grounds including, but not limited to, the Purchase Price or imputed or projected value, the treatment of creditors and related implied recovery for creditors (in each case, as applicable), the assumed liabilities, the certainty of closing the transactions contemplated by the Qualified Bid on or before the Outside Date and any delay or other risks (including closing risks) in connection with the Qualified Bids.

Following such evaluation, the Company may accept, subject to Court approval, one of the Qualified Bids (each a "**Successful Bid**" and the offeror(s) making such Successful Sale Bid being a "**Successful Bidder**") and take such steps as may be necessary to finalize definitive transaction documents for the Successful Bid with the Successful Bidder.

No later than five Business Days after the Bid Deadline, or such other date as the Company and the Monitor determine, the Company shall advise the Qualified Bidders if a Successful Bid has been accepted, or conditionally accepted, as the case may be.

10. Sale Approval Motion and Acceptance of Qualified Bids

The Company shall use reasonable efforts to make a motion to the Court (the “**Sale Approval Motion**”) to approve the Successful Bid as soon as practicable following the determination by it of the Successful Bidder. The Company will be deemed to have accepted the Successful Bid only when it has been approved by the Court. All Qualified Bids (other than the Successful Bid) shall be deemed rejected by the Company on and as of the date of approval of the Successful Bid by the Court.

11. Deposits

All Deposits shall be held by the Monitor in a single interest bearing account designated solely for such purpose. A Deposit paid by a Successful Bidder shall be dealt with in accordance with the definitive documents for the transactions contemplated by the Successful Bid. Deposits, and any interest earned thereon, paid by Qualified Bidders not selected as a Successful Bidder shall be returned to such Qualified Bidders within three Business Days of Court approval of the Successful Bid.

12. Modifications and Termination

The Company or the Monitor shall have the right to adopt such other rules for the Procedures (including rules that may depart from those set forth herein) that will better promote the sale of the Company, the Business or all or any part of the Assets under these Procedures. The Company or the Monitor shall apply to the Court if they wish to materially modify or terminate the process set out in these Procedures. For certainty, any amendments to the Bid Deadline or other dates set out in these Procedures shall not constitute a material modification.

This is Exhibit "M" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Ö^Ç!~~, in the Country of England, before me on ~~R}^ÁG~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Garay

Commissioner for Taking Affidavits (or as may be)

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A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

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CONSENT

TO: THE BODY SHOP CANADA LIMITED

WHEREAS the undersigned has been informed that The Body Shop Canada Limited ("TBS Canada") will be making an application to the Ontario Superior Court of Justice (Commercial List) (the "Court") on or about July 5, 2024 for protection from its creditors pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA");

The undersigned hereby consents to act as "the monitor" of TBS Canada pursuant to the CCAA if so appointed by the Court.

Dated this 24th day of June, 2024.

ALVAREZ & MARSAL CANADA INC.

by



Name: Josh Nevsky

Title: Senior Vice President

This is Exhibit "N" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Öc^c^l~~, in the Country of England, before me on ~~R}^ÁG~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Jaray

Commissioner for Taking Affidavits (or as may be)

**A5 HH<9K `; 5 F5 Mž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES >I B9 `% ž&\$&+"



New Business Report for The Body Shop International Ltd

Issued on: 28 February 2024

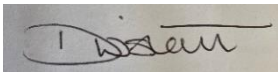


Proprietary and Confidential

Aon UK Ltd is authorised and regulated by the Financial Conduct Authority

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Introduction and Executive Summary

Your Objectives	Outcome
Cost – Terms to be provided for new D&O policy for TBS, following purchase by Aurelius	<u>Primary & First Excess Layer</u> Cost of master placement GBP 34 175+ GBP 22 000 = GBP 56 175. Locally required policies will be in addition*: these are estimated at ~GBP18k excl brokerage & premium taxes for all jurisdictions. So total for D&O will be ~75,000 (excl brokerage and tax).
	<u>Second Excess Layer</u> Additional excess layer at a premium of GBP 20,725.39 + taxes.
Cover including terms and conditions – Terms to be provided on Aon Aurelius Private Equity Wording	Terms provided by Liberty (primary), Beazley (first excess) and AGCS (second excess) on Aon Aurelius Private Equity Wording
Insurer selection and relationships – Terms to be provided for new D&O policy for TBS, following purchase by Aurelius	Terms provided by Liberty (primary), Beazley (first excess) and AGCS (second excess) on Aon Aurelius Private Equity Wording

For and on behalf of Aon UK Limited			
Name	Danielle Wishart	Jasmine Ebbs	Stacey Maher
Position	Client Director	Client Manager	Client Service Advisor

Underinsurance / Insured Values

The Quotations contained within this Report are provided to you for your consideration – on the understanding that you have declared accurate and up to date risk values.

It is vitally important that you provide accurate insured values, to ensure that the cover you choose is adequate to address any loss that you suffer. If the sums insured are inadequate, then you will be underinsured, and an Average clause may apply, which may result in you having to accept responsibility for a proportion of any loss.

Insured Title

All Policies referred to within this Report are intended to provide cover for the named Insureds below:

The Body Shop International Ltd and subsidiaries And: Natura (Brazil) International B.V. (Netherlands)



Premium and Fee Summary

Class of Insurance	Premium Quotation	Recommended Premium	Comments / Premium Payment Warranty Dates
Primary D&O	£35,414.51	£35,414.51	Primary layer with Liberty
First Excess D&O	£22,797.93	£22,797.93	First Excess layer with Beazley
Local Policies	£18,000	£18,000	(1) Australia (2) China (3) Hong Kong (4) Japan (5) Macau (6) Malaysia (7) New Zealand (8) Singapore (9) USA
Second Excess D&O	£20,725.39	£20,725.39	Second Excess layer with AGCS
Total Premium (excluding IPT)	£96,937.83	£96,937.83	Please refer to Note 1 and 2

Notes

1. Aon are not tax advisers and we obtain information on insurance premium taxes from sources including a third party supplier. We supply this for information purposes only and you should not rely on it. If you require independent advice on your tax liabilities, you should consult with your own tax advisers.
2. The UK Insurance Premium Tax rate, applicable to the UK elements of the risks debited in the UK, is 12%. The UK VAT rate, if applicable to any of the Premiums shown above is 20%. Please also note that Premiums debited overseas or as part of the premiums debited from the UK may be subject to local taxes / commissions and rates may vary dependent upon territory.



3. The percentage of 'Commission' and / or 'Insurer Service Brokerage' (ISB) associated with the recommended insurer for each policy is shown within the 'Remuneration' section of your renewal / new business report. If you would like more information about the remuneration we receive for any of your insurance programme, please speak to your client manager who will be happy to assist.

Premium Financing

We are able to arrange premium financing on your behalf and where we assist in procuring this, we may obtain quotations or suggest the services of a single finance organisation. We periodically review the lender we use to ensure that they continue to offer a competitive facility for our clients. As we are not making a recommendation to you in relation to premium finance, please ensure that the details provided accurately reflect your requirements.

When a finance company agrees to loan you the amount of the premium it will pay the premium on your behalf and you will repay the loan in instalments. Non-repayment of a loan may result in cancellation of any policies that it may finance, including those that may protect group companies, directors and officers, and third parties.

Your objectives for premium financing

In respect of premium financing, we agreed the following strategy for renewal:

- No premium financing is required. Should a future quotation be of interest, please contact ourselves to discuss.



Directors' & Officers' Liability (Including Excess Layers)

Proposal

Please find below a summary of the terms negotiated. Full disclosure of these terms is available upon request.

Proposed premium	Primary: £35,414.51 + Taxes First Excess layer: £22,797.93 + Taxes Local policies in addition at estimated £18,000 + taxes Second Excess layer: £20,725.39 + Taxes
Insurer	Primary: Liberty First Excess layer: Beazley Second Excess layer: AGCS
Policy no. / Form ref.	TBC / Aon Aurelius Private Equity Wording (with Liberty amendments)
Policy Description	Directors & Officers Liability (D&O) Provides cover for directors and officers and similar persons as specified in the policy for their personal liability for claims arising from wrongful acts occurring in the management of the Business. This policy covers only claims first made against an Insured, or other Insured Events first arising, during the Policy Period.
Policy Period	Primary & First Excess Layer: 29 th December 2023 to 28 th December 2024 (both dates inclusive) Second Excess Layer: Pro rata policy period of 339 days effective 25 th January 2024 to 28 th December (both dates inclusive)
Geographical Limits	Worldwide

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Policy Limits	<p><u>Primary: £10,000,000</u></p> <p>Local policies issued for: 1) Australia (2) China (3) Hong Kong (4) Japan (5) Macau (6) Malaysia (7) New Zealand (8) Singapore (9) USA</p> <p>Special Additional Protection for Directors or Officers: (Payable in addition to the Limit of Liability)</p> <p>a) Per Director or Officer Special Additional Protection Limit: 10% of the Limit of Liability up to a maximum of GBP1,000,000</p> <p>b) Directors or Officers Special Additional Protection Aggregate Limit: 30% of the Limit of Liability up to a maximum of GBP 3,000,000</p> <p>Retroactive date: inception / from acquisition date</p> <p><u>First Excess layer: £10,000,000 in excess of £10,000,000</u></p> <p>Retroactive date: inception / from acquisition date</p> <p><u>Second Excess layer: £10,000,000 in excess of £20,000,000</u></p> <p>Retroactive date: inception / from acquisition date</p>
Excess / Deductible	<p>Side A – Nil</p> <p>Side B – GBP50,000 each and every claim in respect of rest of world</p> <p>USD100,000 each and every claim in respect of US</p>
Principal Extensions	<p>Sub-limits of liability:</p> <p>(i) Emergency Costs: 20% of the Limit of Liability</p> <p>(ii) Company Critical Regulatory Events: GBP 250,000</p> <p>(iii) Derivative Investigation Hearing Costs: GBP 500,000</p> <p>(iv) Extradition Expenses: GBP 250,000</p>

	<p>(v) Public Relations Expenses: GBP 250,000</p> <p>(vi) Insolvency Hearing Cover: GBP 250,000</p> <p>(vii) Circumstance/Mitigation Expenses: GBP 250,000</p> <p>(viii) Court Attendance and Staff Disruption: GBP300 per day per person and GBP50,000 in the aggregate</p> <p>(ix) Relative Costs: GBP 50,000 but GBP 250,000 in the aggregate</p> <p>(x) Company Crisis Loss: GBP 50,000</p> <p>(xi) Company BI/PD Defence Costs: GBP 250,000</p> <p>(xii) Company Pollution Defence Costs: GBP 250,000</p> <p>(xiii) Company Breach of Contract Defence Costs: GBP 250,000</p> <p>(xiv) Company Health & Safety Representation Expenses: GBP 250,000</p> <p>(xv) Sub-limit of liability each Single Claim for Insuring Clause 1.3 Entity Coverage: GBP250,000 with US exclusion, deductible of GBP25,000 each and every claim</p>
Principal Exclusions	<p>Primary:</p> <ul style="list-style-type: none"> ▪ Sanctions endorsement (LMA3100) ▪ Conduct ▪ Bodily Injury & Property Damage ▪ Prior Claims & Circumstances ▪ US Claims brought by or on behalf of a Company ▪ Retroactive Date Inception ▪ 3.19 deleted (difference in conditions coverage) <p>Exclusions applicable to Insurance Clause 1.3 (Entity Cover):</p> <ul style="list-style-type: none"> ▪ Pollution ▪ Intellectual Property Rights

	<ul style="list-style-type: none"> ▪ Anti-competitive Practices ▪ Employment Practices Liability ▪ Benefits ▪ Contract ▪ Professional Services ▪ Severability of Exclusions <p>First Excess Layer:</p> <ul style="list-style-type: none"> ▪ No Company Legal Liability – 1.3/1.4 not covered (plus all applicable extensions) ▪ Sanctions endorsement ▪ Future Offering Exclusion ▪ Absolute Bodily Injury & Property Damage exclusion, carved back for Side A ▪ 3.19 deleted (difference in conditions coverage) <p>Second Excess Layer:</p> <ul style="list-style-type: none"> ▪ Pure Follow Form
Significant Warranties and Conditions Precedent	None
Subjectivities – Terms are subject to change if these are not met	No claims declaration to be completed prior to inception (received)

Our Recommendation

Our recommendation	We recommend placing cover with Liberty, Beazley and AGCS as this meets your requirements in terms of cost, cover, terms and conditions.
Objectives not fulfilled by our recommendation	None
Other information	State of recommended Lead Insurer – UK

Other Information

Information Pack / Terms of Business

It is your responsibility to review the renewal terms we have disclosed within this report. You are also responsible for reviewing all contract documentation, endorsements, insured values, sums insured and policy limits upon which our recommendations are based. You are also obligated to notify Aon immediately where you have identified queries in relation to the cover - Prior to Inception.

As stated above, whilst full information is contained with the Information Pack/TOBA document, please note;

Payment: Payment is due immediately after receipt of invoice. The invoice contains the methods of payment available.

Cancellation: You can cancel a policy at any time by contacting us, though please note that not all policies are cancellable.

Documentation: If you require your insurance programme documentation to be issued in paper format, please advise us and we will gladly assist.

Marketing: For each class of business, we work with you to decide the required approach to market. A list of insurers considered under each specified class of business is available at <http://www.aon.com/unitedkingdom/insurer-information/national.jsp>

Your Duty to Disclose Material Information / Duty of Fair Presentation / Insurance Act

The Insurance Act introduces a “fair representation of the risk” and specific remedies for breach of contractual terms or fraudulent claims in respect of any policy governed by UK law. This requires that you disclose all material information that is known or ought to be known by you.

The Act allows for a proportionate remedy i.e. where non-disclosure is neither deliberate nor reckless and the insurer would have charged more premium, the insurers can proportionately reduce a claims payment. However, for those policies placed via an Aon Facility, the wording instead limits insurers to the right to charge an additional premium, which is to your advantage.

Subjectivities

Where applicable these are detailed on the relevant pages.

Warranties and Conditions Precedent

Your policy documentation may include terms such as Conditions and Warranties which you, and also all your relevant staff should familiarise yourselves with. An explanation of these types of clauses is provided in the Information Pack.



Managing General Agents, Delegated Authorities & Market Facilities

Aon develops product solutions for our clients. These will include the research, design, development and maintenance of exclusive and innovative bespoke products / policy wordings and facilities created around the needs of our clients and risks appropriately or necessarily placed in the specialist and subscription insurance market. In addition to any commission earned by Aon, Aon's MGA is remunerated for the work undertaken on behalf of the insurer and where this includes profit or contingent commission, we have stated this below. Where we have obtained quotations under a market facility agreement, even if the quotation does not form part of our recommendation to you, these are listed below:

For further information, refer to Part A of the Information Pack - The Basis of Our Recommendation.

AUM, Maven and Maven Public Sector are all trading names of Aon Underwriting Managers, which operates as a managing general agent (MGA) and is a division of Aon UK Limited.

Policy	Managing General Agent (MGA) / Market Facility
D&O	Quotation provided by Aon Aurelius Private Equity Wording (with Liberty amendments)



Remuneration

We are committed to providing a clear and transparent disclosure of our remuneration. The following pages provide a description of the remuneration that we will earn from you and insurers in connection with the placement of your programme of insurances.

The percentage of 'Commission' and / or 'Insurer Service Brokerage' (ISB) associated with the recommended insurer for each policy is also shown within the section below. Please note that these remunerations are only payable on the premiums allocated, by insurers, to be administered within the UK.

Please ask if you would like any further information in relation to the below remuneration disclosure.

In addition to the remuneration disclosures noted below, there may be other remunerations that may apply to your insurance programme. In accordance with our Terms of Business, Aon remuneration is fully earned at inception. For full descriptions of how Aon is remunerated please refer to Part D of the Aon Information Pack or please request a full remuneration disclosure.

Remuneration for work we undertake in relation to your individual programme / placement

Fees and Commission

Aon is remunerated by fees from you (stated above if relevant to your programme), commission (also called brokerage) from insurers or a combination of both for the work we do for you in designing, negotiating, placing and servicing insurance policies / programmes and providing risk management services. The Scope of Services Agreement describes what is included within this work. Unless agreed otherwise we reserve the right to charge for additional services. Commissions are expressed as a percentage of the premium. The percentage commission, if relevant, associated with the recommended insurer for each policy is shown in the table below.

Insurer Service Brokerage (ISB)

Where a Fee is agreed with you, Insurer Service Brokerage (ISB) is also paid by Insurers to reflect the administrative work that we undertake, such as premium management (e.g. Invoicing and Credit Control), policy checking and distribution, as well as the work we do as a distribution channel. This approach is consistent with all insurers we work with. ISB is expressed as a percentage of the premium allocated, by Insurers, to be administered and paid in the UK. The percentage of ISB, if relevant, associated with the recommended insurer for each policy is shown in the table below.

Class of Insurance	Recommended Renewal Premium Quotation £	Recommended Insurer	Percentage of ISB applicable to Recommended Premium
Primary Directors & Officers Liability	£35,414.51	Liberty	3.5%
First Excess Directors & Officers Liability	£22,797.93	Beazley	3.5%
Second Excess Directors & Officers Liability	£20,725.39	AGCS	3.5%

Note: If you would like more information about the remuneration we receive for any of your insurance programme, please speak to your client manager who will be happy to assist.

Legal and Regulatory

Registered Office:

Aon UK Limited
The Aon Centre
The Leadenhall Building
122 Leadenhall Street
London
EC3V 4AN

t +44 (0) 207 623 5500

f +44 (0) 207 621 1511

Registered in London No. 210725

VAT Registration No. 480 8401 48

Aon UK Limited is a member of the British Insurance Brokers' Association (BIBA)

Aon UK Limited is authorised and regulated by the Financial Conduct Authority

Published by Aon UK Limited

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[Aon plc](#) (NYSE: AON) exists to shape decisions for the better — to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries and sovereignties with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

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This is Exhibit "O" referred to in the Affidavit of Jordan Searle sworn by Jordan Searle at the City of ~~Öc^c^l~~, in the Country of England, before me on ~~R } ^ Á G~~, 2024 in accordance with O.Á Reg. 431/20, Administering Oath or Declaration Remotely.

Matthew Jaray

Commissioner for Taking Affidavits (or as may be)

**A 5 H H < 9 K ` ; 5 F 5 M Ž
A COMMISSIONER, ETC.,
PROVINCE OF ONTARIO,
WHILE A STUDENT-AT-LAW.**

EXPIRES > I B 9 ` % Ž & \$ & + "

The Body Shop International Limited and Subsidiary Companies
Building 7, Watersmead Dr
Wick
Littlehampton
BN17 6LS

1st February 2024

Client Information Letter

We, Aon UK Limited, are insurance brokers acting on your behalf only in accordance with our terms of business agreement. We have agreed to provide this letter to confirm that the contract(s) of insurance described on the attached pages (the 'Insurances') are in force at the date of this letter.

All of the Insurances are subject to their specific policy terms, conditions and exceptions, not all of which may be summarised on the attachment. Please refer to the actual policies if full terms and conditions are required.

We accept no obligation to inform any other person or entity should any of the Insurances be cancelled, assigned or changed in such manner as to affect the accuracy of this document. Unless we specifically agree otherwise in writing, and to the fullest extent permitted by law, we do not accept any liability to anyone other than you, our client (and any such liability to you will be subject to the limitations contained in our terms of business agreement, and/or any other agreement, with you) for the content of this letter and its attachments.

Yours sincerely,



Stacey Maher
Client Service Advisor
For and on behalf of Aon UK Limited

The Insurances

Directors' & Officers' Liability – Primary and First Excess Layer

Insured	The Body Shop International Limited and Subsidiary Companies		
Insurer	Primary	First Excess Layer	Second Excess Layer
	Liberty	Beazley	AGCS
Policy Number	FSMAT2300802	FSMAT2300803	FSMAT2300805
Policy Wording	Aon Aurelius Private Equity Wording		
Local Policies	(1) Australia (2) China (3) Hong Kong (4) Japan (5) Macau (6) Malaysia (7) New Zealand (8) Singapore (9) USA		
Policy Period	Primary & First Excess Layer		
	29th December 2023 to 28th December 2024 (both dates inclusive)		
	Second Excess Layer		
	Pro-rata policy period of 339 days effective 25 th January 2024 to 28 th December 2024 (both dates inclusive)		
Cover	<p>Directors & Officers Liability (D&O)</p> <p>Provides cover for directors and officers and similar persons as specified in the policy for their personal liability for claims arising from wrongful acts occurring in the management of the Business. This policy covers only claims first made against an Insured, or other Insured Events first arising, during the Policy Period.</p>		
Limit of Indemnity	Primary		
	Primary: £10,000,000		
	Special Additional Protection for Directors or Officers:		
	(Payable in addition to the Limit of Liability)		
	a) Per Director or Officer Special Additional Protection Limit: 10% of the Limit of Liability up to a maximum of GBP1,000,000		
	b) Directors or Officers Special Additional Protection Aggregate Limit: 30% of the Limit of Liability up to a maximum of GBP 3,000,000		
	Retroactive date: inception / from acquisition date		
	First Excess Layer		
	£10,000,000 in excess of £10,000,000		
	Second Excess Layer		
	£10,000,000 in excess of £20,000,000		
Deductible	Side A – Nil		
	Side B – GBP50,000 each and every claim in respect of rest of world USD100,000 each and every claim in respect of US		

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL
OF THE BODY SHOP CANADA LIMITED, IN THE CITY OF TORONTO, IN
THE PROVINCE OF ONTARIO

Court File No.: BK-24-03050418-0031
Estate / Court File No: BK -31-3050418

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

Proceeding commenced at Toronto

**AFFIDAVIT OF JORDAN SEARLE
SWORN JUNE 24, 2024**

DAVIES WARD PHILLIPS & VINEBERG LLP

155 Wellington Street West
Toronto ON M5V 3J7

Natasha MacParland (LSO# 42383G)

Tel: 416.863.5567

Email: nmacparland@dwpv.com

Natalie Renner (LSO# 55954A)

Tel: 416.367.7489

Email: nrenner@dwpv.com

Lawyers for The Body Shop Canada Limited

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) FRIDAY, THE 5th DAY
JUSTICE OSBORNE) OF JULY, 2024

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

IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF THE BODY SHOP CANADA
LIMITED, IN THE CITY OF TORONTO, IN THE PROVINCE
OF ONTARIO (the “Applicant”)

**INITIAL ORDER
(Continuation under the CCAA)**

THIS APPLICATION, made by the Applicant, to continue the proceedings commenced by the Applicant by the filing of a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, RSC85, c. B-3, as amended (the “**BIA**”) bearing court file number BK-24-03050418-0031 and estate/court file no. BK-31-3050418 (the “**NOI Proceeding**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Jordan Searle sworn June 24, 2024 and the Exhibits thereto (the “**Searle Affidavit**”), and on being advised that Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as the proposal trustee in the NOI Proceeding (the “**Proposal Trustee**”) and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicant, counsel for the proposed monitor, A&M (the “**Monitor**”) and on reading the Fifth Report of the Proposal Trustee and the Report of the proposed Monitor filed, and on reading those parties listed in the participant information form and on reading the consent of A&M to act as the Monitor,

DEFINITIONS AND SERVICE

1. **THIS COURT ORDERS** that all capitalized terms used but not defined herein shall have the meaning given to them in the Searle Affidavit.

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record dated June 24, 2024 is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

CONTINUANCE UNDER THE CCAA

3. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies and the Applicant shall enjoy the benefits of the protection and authorizations provided to the Applicant by this Order.

4. **THIS COURT ORDERS AND DECLARES** that effective July 5, 2024, the NOI Proceeding is hereby taken up and continued under the CCAA and that, as of such date, the provisions of Part III of the BIA shall have no further application to the Applicant, provided that that (a) nothing herein impacts the validity of any Orders made in the NOI Proceeding or any actions or steps taken by any person pursuant thereto and any and all steps, agreements and procedures validly taken, done or entered into by the Company or Proposal Trustee during the NOI Proceeding shall remain valid and binding, except to the extent the Charges (as defined below) are continued or amended pursuant to this Order, and (b) nothing herein shall affect, vary, derogate from, limit or amend, and A&M and its counsel shall continue to have the benefit of, any and all of the rights, approvals and protections in favour of the Proposal Trustee and its counsel at law or pursuant to the BIA or any Order of this Court made in the NOI Proceeding or otherwise.

5. **THIS COURT ORDERS AND DIRECTS** the Proposal Trustee to take all necessary steps in furtherance of its discharge as Proposal Trustee in the NOI Proceeding, including the taxation of its fees and disbursements and those of its counsel.

PLAN OF ARRANGEMENT

6. **THIS COURT ORDERS** that the Applicant 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**").

POSSESSION OF PROPERTY AND OPERATIONS

7. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its 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 Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

8. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, including the Retail Bonus Plan; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant prior to or after the commencement of these proceedings, at their standard rates and charges.

9. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, 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 Applicant following the date of this Order.

10. **THIS COURT ORDERS** that the Applicant 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 employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, 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 required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada, any Province thereof, any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business 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 Applicant.

11. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant 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.

12. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is 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 the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

13. **THIS COURT ORDERS** that the Applicant 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 its business or operations, and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$1,000,000 in the aggregate;
- (b) refuse to honour any gift cards, existing return policies, refunds or discounts or other similar customer programs or obligations;
- (c) terminate the employment of any of its employees or independent contractors or temporarily lay off any of its employees or independent contractors as it deems appropriate; and
- (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**").

14. **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) calendar 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 Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it 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 Applicant's claim to the fixtures in dispute.

15. **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 Applicant and the Monitor 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 Applicant 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.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

16. **THIS COURT ORDERS** that until and including October 8, 2024, 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 Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in

respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

17. **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 Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

18. **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, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

19. **THIS COURT ORDERS** that any Person who has, or is believed or suspected to have, in their possession or power any of the property of the Applicant, or any book, document or paper of any kind relating in whole or in part to the Applicant, shall promptly, upon the request of the Applicant and the Monitor, be required to produce the book, document or paper for the information of the Applicant, or to deliver to the Applicant any property of the Applicant in their possession.

20. **THIS COURT ORDERS** that no Person, including Royal Bank of Canada or HSBC UK Bank plc, shall disburse, remit, transfer or otherwise pay any funds from the bank accounts held at Royal Bank of Canada or HSBC UK Bank plc in the name of the

Applicant, except with the prior written consent of the Applicant or the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

21. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, information technology services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its 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 Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

22. **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 Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

NO PRE-FILING VERSUS POST-FILING SET-OFF

23. **THIS COURT ORDERS** that no Person shall be entitled to set off any amounts that (a) are or may become due to the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due from the Applicant in

respect of obligations arising on or after the date of this Order, or (b) are or may become due from the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due to the Applicant in respect of obligations arising on or after the date of this Order, each without the consent of the Applicant and the Monitor or further Order of this Court.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

24. **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 Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant 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, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

25. **THIS COURT ORDERS** that the Applicant shall indemnify its director and officers against obligations and liabilities that they may incur as directors or officers of the Applicant 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.

26. **THIS COURT ORDERS** that the director and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**D&O Charge**") on the Property, which charge shall not exceed an aggregate amount of \$2,100,000, as security for the indemnity provided in paragraph 22 of this Order. The D&O Charge shall have the priority set out in paragraphs 39 and 41 herein.

27. **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 D&O Charge, and (b) the Applicant's director and officers shall

only be entitled to the benefit of the D&O 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 22 of this Order.

APPOINTMENT OF MONITOR

28. **THIS COURT ORDERS** that Alvarez & Marsal Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant 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.

29. **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 Applicant's receipts and disbursements;
- (b) 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, and such other matters as may be relevant to the proceedings herein;
- (c) advise the Applicant in its preparation of the Applicant's cash flow statements;
- (d) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, in the administration of the Sale Process;

- (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 Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (i) perform such other duties as are required by this Order or by this Court from time to time.

30. **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.

31. **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*, or the *Ontario 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.

32. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant 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 Applicant 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 Applicant may agree.

33. **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, 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.

34. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements (including pre-filing 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 Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a weekly basis.

35. **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.

36. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, if any, and the Applicant's counsel 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 \$700,000, as security for their professional fees and disbursements incurred at the 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 shall have the priority set out in paragraphs 39 and 41 hereof.

APPROVAL OF KEY EMPLOYEE RETENTION PLAN AMENDMENT

37. **THIS COURT ORDERS** that the KERP Amendment, as described in the Searle Affidavit is hereby approved and the Applicant is authorized to make the payments contemplated thereunder.

KERP CHARGE

38. **THIS COURT ORDERS** that the KERP Participants shall be entitled to the benefit of and are hereby granted a charge on the Property (the "**KERP Charge**"), which charge shall not exceed the aggregate amount of \$315,000, to secure any payments to the KERP Participants under the KERP and KERP Amendment. The KERP Charge shall have the priority set out in paragraphs 39 and 41 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

39. **THIS COURT ORDERS** that the priorities of the Administration Charge, the D&O Charge and the KERP Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$700,000);

Second – D&O Charge (to the maximum amount of \$2,100,000); and

Third – KERP Charge (to the maximum amount of \$315,000).

40. **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.

41. **THIS COURT ORDERS** that the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, notwithstanding the order of perfection or attachment, provided that the Charges shall rank subordinate to the Encumbrances evidenced by registrations listed on Schedule "A" to this Order.

42. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor, and the beneficiaries of the Charges, or further Order of this Court.

43. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") 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) issued pursuant to BIA, or any bankruptcy 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 Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) 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

- (c) the payments made by the Applicant 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.

44. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

45. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in The Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1,000, and (C) prepare a list showing the names and addresses of those 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.

46. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* 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 13 of the Guide, service of documents in accordance with the Guide 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 ‘<<https://www.alvarezandmarsal.com/thebodyshop>>’.

47. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide or CCAA is not practicable, the Applicant 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 true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or electronic message to the Applicant's creditors or other interested parties at their respective addresses or email addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

REPRESENTATION MOTION

48. **THIS COURT ORDERS** that any order or endorsement of this Court made in respect of the Motion scheduled to be heard on July 4, 2024 in the NOI Proceeding seeking an order, among other things, appointing Koskie Minsky LLP as representative counsel to the Former Employees (the "**Representation Motion**"), shall be deemed to have been made in this CCAA Proceeding have full force and effect in this CCAA Proceeding as if the Representation Motion was brought in the CCAA Proceeding.

GENERAL

49. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

50. **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 Applicant, the Business or the Property.

51. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and any Order subsequently made in this proceeding, and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order and any Order subsequently made in this proceeding. All courts,

tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order and any Order subsequently made in this proceeding, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order and any Order subsequently made in this proceeding.

52. **THIS COURT ORDERS** that each of the Applicant 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.

53. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court to vary or amend this order on not less than seven (7) 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.

54. **THIS COURT ORDERS** that, notwithstanding paragraph 53 of this Order, the Applicant 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 or in the interpretation of this Order.

55. **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.

SCHEDULE A
PPSA REGISTRATIONS

Secured Party	Jurisdiction	Registration Number
Enterprise Fleet Management Canada, Inc.	British Columbia	625741P
	Alberta	20051800301
	Nova Scotia	37880374
	Ontario	20231218 1404 1462 0081 20200225 1401 1462 3626 20230515 1405 1462 5479 20230529 1406 1462 1279 20230529 1406 1462 1280

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

IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF THE BODY SHOP CANADA LIMITED, IN
THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO (the
“**Applicant**”)

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

ORDER

DAVIES WARD PHILLIPS & VINEBERG LLP

155 Wellington Street West
Toronto ON M5V 3J7

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Lawyers for The Body Shop Canada Limited

Court File No.: CV-24 CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) ~~DAY~~FRIDAY, THE 5th DAY
JUSTICE OSBORNE) OF JULY, 2024

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

~~AND~~ IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ~~[APPLICANT'S NAME]~~ THE BODY
SHOP CANADA LIMITED, IN THE CITY OF TORONTO, IN
THE PROVINCE OF ONTARIO (the "**Applicant**")

INITIAL ORDER
(Continuation under the CCAA)

THIS APPLICATION, made by the Applicant, ~~pursuant to~~ to continue the
proceedings commenced by the Applicant by the filing of a notice of intention to make a
proposal under the Bankruptcy and Insolvency Act, RSC85, c. B-3, as amended (the
"BIA") bearing court file number BK-24-03050418-0031 and estate/court file no. BK-31-
3050418 (the "NOI Proceeding") under the *Companies' Creditors Arrangement Act*,
R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by
videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of ~~[NAME]~~ Jordan Searle sworn ~~[DATE]~~ June 24,
2024 and the Exhibits thereto (the "Searle Affidavit"), and on being advised that
Alvarez & Marsal Canada Inc. ("A&M") was appointed as the proposal trustee in the
NOI Proceeding (the "Proposal Trustee") and on being advised that the secured
creditors who are likely to be affected by the charges created herein were given notice,
and on hearing the submissions of counsel for ~~[NAMES], no one appearing for [NAME]~~¹
~~although duly served as appears from the affidavit of service of [NAME] sworn [DATE]~~
the Applicant, counsel for the proposed monitor, A&M (the "Monitor") and on reading
the Fifth Report of the Proposal Trustee and the Report of the proposed Monitor filed,
and on reading those parties listed in the participant information form and on reading
the consent of ~~[MONITOR'S NAME]~~ A&M to act as the Monitor,

¹ ~~Include names of secured creditors or other persons who must be served before certain relief in
this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1),
11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

DEFINITIONS AND SERVICE

1. THIS COURT ORDERS that all capitalized terms used but not defined herein shall have the meaning given to them in the Searle Affidavit.

2. ~~1.~~ THIS COURT ORDERS that the time for service of the Notice of ~~Application~~ Motion and the ~~Application~~ Motion Record dated June 24, 2024 is hereby abridged and validated~~2~~ so that this ~~Application~~ Motion is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

CONTINUANCE UNDER THE CCAA

3. ~~2.~~ THIS COURT ORDERS AND DECLARES that the Applicant is a company to which the CCAA applies and the Applicant shall enjoy the benefits of the protection and authorizations provided to the Applicant by this Order.

4. THIS COURT ORDERS AND DECLARES that effective July 5, 2024, the NOI Proceeding is hereby taken up and continued under the CCAA and that, as of such date, the provisions of Part III of the BIA shall have no further application to the Applicant, provided that that (a) nothing herein impacts the validity of any Orders made in the NOI Proceeding or any actions or steps taken by any person pursuant thereto and any and all steps, agreements and procedures validly taken, done or entered into by the Company or Proposal Trustee during the NOI Proceeding shall remain valid and binding, except to the extent the Charges (as defined below) are continued or amended pursuant to this Order, and (b) nothing herein shall affect, vary, derogate from, limit or amend, and A&M and its counsel shall continue to have the benefit of, any and all of the rights, approvals and protections in favour of the Proposal Trustee and its counsel at law or pursuant to the BIA or any Order of this Court made in the NOI Proceeding or otherwise.

5. THIS COURT ORDERS AND DIRECTS the Proposal Trustee to take all necessary steps in furtherance of its discharge as Proposal Trustee in the NOI

~~2 — If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

Proceeding, including the taxation of its fees and disbursements and those of its counsel.

PLAN OF ARRANGEMENT

6. ~~3.~~ **THIS COURT ORDERS** that the Applicant 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**").

POSSESSION OF PROPERTY AND OPERATIONS

7. ~~4.~~ **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its 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 Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

~~5. [THIS COURT ORDERS that the Applicant shall be entitled to continue to utilize the central cash management system³ currently in place as described in the Affidavit of [NAME] sworn [DATE] or 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 Applicant 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~~

~~3 This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross border and inter company transfers of cash.~~

- 4 -

~~hereinafter defined) other than the Applicant, 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 the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.]~~

8. ~~6.~~ **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee ~~and pension~~ benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, including the Retail Bonus Plan; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant ~~in respect~~ prior to or after the commencement of these proceedings, at their standard rates and charges.

9. ~~7.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, 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 Applicant following the date of this Order.

10. ~~8.~~ **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

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- (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 employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) ~~Quebec Pension Plan, and (iv)~~ income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, 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 required to be remitted until on or after the date of this Order, and
- (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 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 Applicant.

11. ~~9.~~ **THIS COURT ORDERS** that until a real property lease is disclaimed ~~for resiliated~~⁴ in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant 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.

~~4 — The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

12. ~~10.~~ **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is 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 the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

13. ~~11.~~ **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA ~~and such covenants as may be contained in the Definitive Documents (as hereinafter defined)~~, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, ~~and~~ to dispose of redundant or non-material assets not exceeding \$ ~~100,000~~ in any one transaction or \$ ~~1,000,000~~ in the aggregate⁵;
- (b) refuse to honour any gift cards, existing return policies, refunds or discounts or other similar customer programs or obligations;
- (c) ~~(b)~~ terminate the employment of ~~such~~ any of its employees or independent contractors or temporarily lay off ~~such~~ any of its employees or independent contractors as it deems appropriate; and
- (d) ~~(e)~~ pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**").

14. ~~12.~~ **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased

⁵ ~~Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

premises at least seven (7) calendar 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 Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims ~~{or resiliates}~~ the lease governing such leased premises in accordance with Section 32 of the CCAA, it 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 ~~{or resiliation}~~ of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

15. ~~13.~~ **THIS COURT ORDERS** that if a notice of disclaimer ~~{or resiliation}~~ is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer ~~{or resiliation}~~, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer ~~{or resiliation}~~, 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 Applicant 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.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

16. ~~14.~~ **THIS COURT ORDERS** that until and including ~~{DATE — MAX. 30 DAYS}~~ October 8, 2024, 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 Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings

currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

17. ~~15.~~ **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 Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

18. ~~16.~~ **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, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

19. **THIS COURT ORDERS** that any Person who has, or is believed or suspected to have, in their possession or power any of the property of the Applicant, or any book, document or paper of any kind relating in whole or in part to the Applicant, shall promptly, upon the request of the Applicant and the Monitor, be required to produce the book, document or paper for the information of the Applicant, or to deliver to the Applicant any property of the Applicant in their possession.

20. **THIS COURT ORDERS** that no Person, including Royal Bank of Canada or HSBC UK Bank plc, shall disburse, remit, transfer or otherwise pay any funds from the bank accounts held at Royal Bank of Canada or HSBC UK Bank plc in the name of the

Applicant, except with the prior written consent of the Applicant or the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

21. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, information technology services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its 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 Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

22. ~~18.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of ~~lease~~ 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 Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.~~6~~

NO PRE-FILING VERSUS POST-FILING SET-OFF

~~6 — This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

23. **THIS COURT ORDERS** that no Person shall be entitled to set off any amounts that (a) are or may become due to the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due from the Applicant in respect of obligations arising on or after the date of this Order, or (b) are or may become due from the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due to the Applicant in respect of obligations arising on or after the date of this Order, each without the consent of the Applicant and the Monitor or further Order of this Court.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

24. ~~19.~~ **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 Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant 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, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

25. ~~20.~~ **THIS COURT ORDERS** that the Applicant shall indemnify its ~~directors~~ director and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings,⁷ 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.

26. ~~21.~~ **THIS COURT ORDERS** that the ~~directors~~ director and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "~~Directors'~~ D&O

⁷ ~~The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

Charge")⁸ on the Property, which charge shall not exceed an aggregate amount of \$~~2,100,000~~, as security for the indemnity provided in paragraph ~~[20]~~ 22 of this Order. The ~~Directors'~~ D&O Charge shall have the priority set out in paragraphs ~~[38]~~ 39 and ~~[40]~~ 41 herein.

27. ~~22.~~ **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'~~ D&O Charge, and (b) the Applicant's ~~directors~~ director and officers shall only be entitled to the benefit of the ~~Directors'~~ D&O 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 ~~[20]~~ 22 of this Order.

APPOINTMENT OF MONITOR

28. ~~23.~~ **THIS COURT ORDERS** that ~~[MONITOR'S NAME]~~ Alvarez & Marsal Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant 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.

29. ~~24.~~ **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 Applicant's receipts and disbursements;
- (b) 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, and such other matters as may be relevant to the proceedings herein;

~~8 Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

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- ~~(c) assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender and its counsel on a [TIME INTERVAL] basis of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;~~
- (c) ~~(d)~~ advise the Applicant in its preparation of the Applicant's cash flow statements ~~and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender;~~
- (d) ~~(e)~~ advise the Applicant in its development of the Plan and any amendments to the Plan;
- (e) ~~(f)~~ assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, in the administration of the Sale Process;
- (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 Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (i) perform such other duties as are required by this Order or by this Court from time to time.

30. ~~25.~~ **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.

31. ~~26.~~ **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*, or the *Ontario 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.

32. ~~27.~~ **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicant ~~and the DIP Lender~~ with information provided by the Applicant 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 Applicant 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 Applicant may agree.

33. ~~28.~~ **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, 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.

34. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements (including pre-filing 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 Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a ~~[TIME INTERVAL] basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the amount[s] of \$● [, respectively,] to be held by them as security for payment of their respective fees and disbursements outstanding from time to time~~weekly basis.

35. ~~30.~~ **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.

36. ~~31.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, if any, and the Applicant's counsel 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 \$●700,000, as security for their professional fees and disbursements incurred at the 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 ~~[38] and [40] hereof~~shall have the priority set out in paragraphs 39 and 41 hereof.

APPROVAL OF KEY EMPLOYEE RETENTION PLAN AMENDMENT

~~DIP FINANCING~~

~~32. THIS COURT ORDERS that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from [DIP LENDER'S NAME] (the "DIP Lender") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$● unless permitted by further Order of this Court.~~

~~33. THIS COURT ORDERS THAT such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicant and the DIP Lender dated as of [DATE] (the "Commitment Letter"), filed.~~

37. THIS COURT ORDERS that the KERP Amendment, as described in the Searle Affidavit is hereby approved and the Applicant is authorized to make the payments contemplated thereunder.

KERP CHARGE

~~34. THIS COURT ORDERS that the Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "Definitive Documents"), as are contemplated by the Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.~~

38. 35. THIS COURT ORDERS that the DIP Lender THIS COURT ORDERS that the KERP Participants shall be entitled to the benefit of and ~~is~~ are hereby granted a charge (the "DIP Lender's Charge") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's on the Property (the "KERP Charge"), which charge shall not exceed the aggregate amount of

\$315,000, to secure any payments to the KERP Participants under the KERP and KERP Amendment. The KERP Charge shall have the priority set out in paragraphs ~~[38]~~ 39 and ~~[40]~~ 41 hereof.

~~36. THIS COURT ORDERS that, notwithstanding any other provision of this Order:~~

- ~~(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;~~
- ~~(b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon ● days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and~~
- ~~(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.~~

~~37. THIS COURT ORDERS AND DECLARES that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant~~ under the Bankruptcy and Insolvency Act

~~of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.~~

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

39. ~~38.~~ **THIS COURT ORDERS** that the priorities of the ~~Directors' Charge, the Administration Charge, the D&O Charge~~ and the ~~DIP Lender's~~ KERP Charge ~~(collectively, the "Charges")~~, as among them, shall be as follows~~9~~:

First – Administration Charge (to the maximum amount of \$~~700,000~~);

Second – ~~DIP Lender's Charge; and Third – Directors' D&O~~ Charge (to the maximum amount of \$~~2,100,000~~); ~~and~~

Third – KERP Charge (to the maximum amount of \$315,000).

40. ~~39.~~ **THIS COURT ORDERS** that the filing, registration or perfection of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge (collectively, 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.

41. ~~40.~~ **THIS COURT ORDERS** that ~~each of the Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein)~~ the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person, notwithstanding the order of perfection or attachment, provided that the Charges shall rank subordinate to the Encumbrances evidenced by registrations listed on Schedule "A" to this Order.

42. ~~41.~~ **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any

~~9 — The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

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Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge~~Charges, unless the Applicant also obtains the prior written consent of the Monitor, ~~the DIP Lender~~ and the beneficiaries of the ~~Directors' Charge and the Administration Charge~~Charges, or further Order of this Court.

43. ~~42.~~ **THIS COURT ORDERS** that the ~~Directors' Charge, the Administration Charge, the Commitment Letter, the Definitive Documents and the DIP Lender's Charge~~Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") ~~and/or the DIP Lender 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) issued pursuant to BIA, or any bankruptcy 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 Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) ~~neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall~~shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) 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 ~~Applicant entering into the Commitment Letter, the~~ creation of the Charges, ~~or the execution, delivery or performance of the Definitive Documents~~; and
- (c) the payments made by the Applicant pursuant to this Order, ~~the Commitment Letter or the Definitive Documents~~, and the granting of the

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47. ~~46.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the ~~Protocol~~ Guide or CCAA is not practicable, the Applicant 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 true copies thereof by prepaid ordinary mail, courier, personal delivery ~~or~~ facsimile transmission or electronic message to the Applicant's creditors or other interested parties at their respective addresses or email addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

REPRESENTATION MOTION

48. **THIS COURT ORDERS** that any order or endorsement of this Court made in respect of the Motion scheduled to be heard on July 4, 2024 in the NOI Proceeding seeking an order, among other things, appointing Koskie Minsky LLP as representative counsel to the Former Employees (the "**Representation Motion**"), shall be deemed to have been made in this CCAA Proceeding have full force and effect in this CCAA Proceeding as if the Representation Motion was brought in the CCAA Proceeding.

GENERAL

49. ~~47.~~ **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

50. ~~48.~~ **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 Applicant, the Business or the Property.

51. ~~49.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and any Order subsequently made in this proceeding, and to assist the Applicant, the Monitor and their respective agents in carrying out the

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terms of this Order and any Order subsequently made in this proceeding. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order and any Order subsequently made in this proceeding, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order and any Order subsequently made in this proceeding.

52. ~~50.~~ **THIS COURT ORDERS** that each of the Applicant 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.

53. ~~51.~~ **THIS COURT ORDERS** that any interested party ~~(including the Applicant and the Monitor) may apply to~~ that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court to vary or amend this ~~Order-order~~ on not less than seven (7) 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.

54. **THIS COURT ORDERS** that, notwithstanding paragraph 53 of this Order, the Applicant 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 or in the interpretation of this Order.

55. ~~52.~~ **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.

SCHEDULE A

PPSA REGISTRATIONS

<u>Secured Party</u>	<u>Jurisdiction</u>	<u>Registration Number</u>
<u>Enterprise Fleet Management Canada, Inc.</u>	<u>British Columbia</u>	<u>625741P</u>
	<u>Alberta</u>	<u>20051800301</u>
	<u>Nova Scotia</u>	<u>37880374</u>
	<u>Ontario</u>	<u>20231218 1404 1462 0081</u>
		<u>20200225 1401 1462 3626</u>
		<u>20230515 1405 1462 5479</u>
		<u>20230529 1406 1462 1279</u>
		<u>20230529 1406 1462 1280</u>

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

IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF THE BODY SHOP CANADA LIMITED, IN
THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO (the
“Applicant”)

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

ORDER

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Lawyers for The Body Shop Canada Limited

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) FRIDAY, THE 5th DAY
JUSTICE OSBORNE) OF JULY, 2024

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

IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF THE BODY SHOP CANADA LIMITED,
IN THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO (the “**Applicant**”)

**ORDER
(Sale Process)**

THIS APPLICATION, made by the Applicant, pursuant to the *Companies’
Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) was heard
this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Jordan Searle sworn June 24, 2024 and the Exhibits
thereto (the “**Searle Affidavit**”), and on hearing the submissions of counsel for the
Applicant, counsel for Alvarez & Marsal Canada Inc., in its capacity as monitor of the
Applicant (the “**Monitor**”) and on reading Fifth Report of the Alvarez & Marsal Canada
Inc., in its capacity as proposal trustee and the Report of the proposed Monitor filed, and
on reading those parties listed in the participant information form,

DEFINITIONS AND SERVICE

1. **THIS COURT ORDERS** that all capitalized terms used but not defined herein shall
have the meaning given to them in the sales process procedures (the “**Procedures**”)
attached as Schedule "A" hereto.
2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the
Motion Record dated June 24, 2024 is hereby abridged and validated so that this Motion
is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF THE SALE PROCESS

3. **THIS COURT ORDERS** that the Procedures are hereby approved, subject to such non-material amendments as may be agreed to by the Applicant and the Monitor.

4. **THIS COURT ORDERS** that the Applicant and the Monitor are hereby authorized and directed to take such steps as they deem necessary or advisable to carry out and perform their respective obligations under the sales process (the "**Sale Process**"), subject to prior approval of this Court being obtained before the completion of any transaction under the Sale Process.

5. **THIS COURT ORDERS** that the Applicant and the Monitor are authorized to continue the Sale Process to solicit interest in the opportunity for a sale of the Applicant, or all or part of the Assets or Business.

6. **THIS COURT ORDERS** that the Applicant and the Monitor, and their respective affiliates, partners, directors, employees, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Sale Process, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Applicant or the Monitor, as applicable, in performing its obligations under the Sale Process (as determined by this Court).

REGULATORY COMPLIANCE

7. **THIS COURT ORDERS** that in connection with the Sale Process and pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c.5, as amended, the Applicant and the Monitor may disclose personal information of identifiable individuals to Interested Parties in the Sale Process and to their advisors, including, without limitation, human resources and payroll information in the Applicant's records pertaining to its current and former employees, but only to the extent desirable or required to negotiate and attempt to complete a sale of the Applicant, the Business or the Assets. Each Interested Party to whom any such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Applicant or the Business and Assets, and if it does not complete

a purchase thereof, shall return all such information to the Applicant or in the alternative shall destroy all such information and certify such destruction to the Applicant. The Successful Bidder shall maintain and protect the privacy of such information, and upon closing of the transaction contemplated in the Successful Bid, shall be entitled to continue to use the personal information provided to it, and related to such property or assets, in a manner which is in all material respects similar to the prior use of such information by the Applicant and shall return all other personal information to the Applicant, or ensure that all other personal information is destroyed.

8. **THIS COURT ORDERS** that the Applicant, the Monitor and their respective counsel be and are hereby authorized but not obligated, to serve or distribute this Order, any other materials, orders, communication, correspondence or other information as may be necessary or desirable in connection with the Sale Process to any person or Interested Party that the Applicant or the Monitor considers appropriate. For greater certainty, any such distribution, communication or correspondence shall be deemed in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

9. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

10. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

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

of this Court, as may be necessary or desirable to give effect to this Order and any Order subsequently made in this proceeding, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order and any Order subsequently made in this proceeding.

12. **THIS COURT ORDERS** that each of the Applicant 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.

13. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court to vary or amend this order on not less than seven (7) 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.

14. **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.

SCHEDULE “A”

SALE PROCESS

On March 1, 2024, The Body Shop Canada Limited (the "**Company**") filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (the "**NOI**") and Alvarez & Marsal Canada Inc. was appointed as the proposal trustee (the "**Proposal Trustee**").

On July [5], 2024, the Company continued the NOI proceeding under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceeding**") and Alvarez & Marsal Canada Inc. was appointed as the monitor (the "**Monitor**").

On July [5], 2024, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made an order, which, among other things approved this sale process (the "**Sale Process**").

The purpose of the Sale Process is to identify one or more purchasers of the Company, the Business and/or Assets (each as defined below). Set forth below are the procedures (the "**Procedures**") that shall govern the Sale Process and any transactions consummated as a result thereof.

1. Defined Terms

The following capitalized terms have the following meanings when used in this Sale Process:

"**Assets**" means the assets, undertakings and property of the Company;

"**Bid**" has the meaning given to it in Section 6;

"**Bid Deadline**" has the meaning given to it in Section 6;

"**Bid Requirements**" has the meaning given to it in Section 7;

"**Business Day**" means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario, on which commercial banks in Toronto, Ontario are open for business;

"**Business**" means the skincare, haircare, bath and body products retail business carried on by the Company;

"**CCAA**" has the meaning given to it in the introduction;

"**CCAA Proceeding**" has the meaning given to it in the introduction;

"**Company**" has the meaning given to it in the introduction;

"**Confidentiality Agreement**" means the confidentiality agreement entered into between the Company and an Interested Party;

"**Court**" has the meaning given to it in the introduction;

"**Data Room**" means an electronic data room containing confidential information in respect of the Company, the Business and the Assets;

"**Deposit**" has the meaning given to it in Section 8(i);

"**dollars**" or "**\$**" means Canadian dollars;

"**Interested Party**" means potential bidders and includes (a) parties that have approached the Company, the Proposal Trustee, the Monitor, the UK Parent or the UK Administrators indicating an interest in the opportunity, and (b) strategic parties whom the Company or the Monitor believe may be interested in purchasing the

Company or all or part of the Business and Assets (each, an “**Interested Party**” and together “**Interested Parties**”);

"**Outside Date**" means the date that is set out in the Process Letter by which a transaction contemplated by a Bid must close;

"**Procedures**" has the meaning given to it in the introduction;

"**Process Letter**" has the meaning given to it in Section 2;

"**Proposal Trustee**" has the meaning given to it in the introduction;

"**Purchase Price**" has the meaning given to it in Section 8(b);

"**Qualified Bid**" has the meaning given to it in Section 8;

"**Qualified Bidder**" has the meaning given to it in Section 8;

"**Sale Approval Motion**" has the meaning given to it in Section 10;

"**Sale Process**" has the meaning given to it in the introduction;

"**Successful Bid**" has the meaning given to it in Section 9;

"**Successful Bidder**" has the meaning given to it in Section 9;

"**UK Administrators**" means collectively, Geoff Rowley and Alastair Massey of FRP Advisory, as joint administrators of the UK Parent;

"**UK Parent**" means The Body Shop International Limited;

"**UK Purchaser(s)**" means the purchaser or purchasers of “The Body Shop” brand and related intellectual property from the UK Parent; and

"**UK Sale Process**" means the sale process underway in respect of the UK Parent and its assets.

2. **Timeline**

The Monitor shall, no later than five Business Days after a purchaser has been identified in the UK Sale Process, for some or all of the assets of the UK Parent or its business, (a) send a process letter to the service list for the CCAA proceeding and each Interested Party (the “**Process Letter**”), which advise of the commencement of certain key milestones under these Procedures, and (b) post the Process Letter on the Monitor’s website. The following table sets out the key milestones for the Sale Process:

Milestone	Deadline
Commencement of Sale Process	Ongoing
Solicitation of interest and distribution of Confidentiality Agreement	Ongoing
Distribution of the Process Letter to Interested Parties	Five Business Days after the UK Purchaser(s) has been identified in the UK Sale Process for some or all of the assets of the UK Parent, or such other date as the Company and the Monitor determine
Bid Deadline (5:00pm EST)	The date that is set out in the Process Letter , or such other later date or time as may be agreed by the Company, in consultation with the Monitor (the " Bid Deadline ")
Selection of Successful Bid	No later than five Business Days after the Bid Deadline, or such other date as the Company and the Monitor determine

Milestone	Deadline
Sale Approval Motion	As soon as practicable after the selection of the Successful Bid
Outside Date	The date that is set out in the Process Letter

3. **The Procedures**

These Procedures set out the manner in which a party becomes a Qualified Bidder and a Bid becomes a Qualified Bid, the receipt, evaluation and negotiation of Qualified Bids received, and the ultimate selection of Successful Bid and the Court's approval thereof. The Company shall supervise the Procedures and will generally consult with the Monitor in respect of all matters arising out of these Procedures. In the event that there is disagreement as to the interpretation or application of these Procedures, the Court will have the jurisdiction to hear and resolve such dispute.

4. **"As Is, Where Is"**

The sale of the Company, the Business or any part of the Assets will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature or description by the Company, the Monitor or any of their agents or advisors, except to the extent set forth in the relevant sale or investment agreement with a Successful Bidder. By participating in this process, each Interested Party is deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Business, the Assets or the Company prior to making its Bid, that it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or regarding the Business, the Assets or the Company in making its Bid, and that it did not rely on any written or oral statements, representations, promises, warranties, conditions or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Business, the Assets or the Company or the completeness of any information provided in connection therewith, except as expressly stated in the terms of any definitive transaction documents.

5. **Solicitation of Interest and Due Diligence**

The Proposal Trustee or the Monitor, as applicable, with the assistance of the Company will send to all Interested Parties (a) a written description of the opportunity, outlining the Procedures and inviting Interested Parties to express their interest pursuant to the Sale Process, and (b) a Confidentiality Agreement, in each case, in form and substance satisfactory to the Company.

The Data Room will be made available to any Interested Party who has executed and delivered a Confidentiality Agreement to the Company prior to the Bid Deadline. An Interested Party's right to access the Data Room or receive any non-public information about the Company shall terminate immediately upon the Bid Deadline.

6. **Bid Deadline**

An Interested Party that wishes to make a bid to acquire the Business, the Company or all, substantially all or any part of the Assets, must deliver an executed copy of a bid (the "**Bid**") to the Monitor by email to the following address:

Alvarez & Marsal Canada Inc.
 Royal Bank Plaza, South Tower
 200 Bay Street, Suite 2900
 P.O. Box 22
 Toronto, ON M5J 2J1 Canada

Attention: Josh Nevsky/Mitchell Binder
Email: jnevsky@alvarezandmarsal.com
binder@alvarezandmarsal.com

so as to be received by it not later than 5:00 p.m. (Eastern Time) on the Bid Deadline.

7. **The UK Purchaser(s)**

The transaction contemplated by a Qualified Bid shall be conditional on the UK Purchaser(s) entering into a license arrangement, franchise agreement or similar arrangement with Qualified Bidder.

The Company and the Monitor may share Qualified Bids with the UK Purchaser(s), including for the purpose of facilitating discussions and advancing license or other arrangements with the UK Purchaser(s) in respect of the use of "The Body Shop" brand by Qualified Bidders.

8. **Bid Requirements**

A Bid will be deemed to be a "**Qualified Bid**" if it is determined by the Company, in consultation with the Monitor, to satisfy the following conditions (the "**Bid Requirements**") and each Interested Party that submits a Qualified Bid will be deemed to be a "**Qualified Bidder**":

- (a) Irrevocable Bid: It includes a letter stating that the Bid is irrevocable until Court approval of the Successful Bid;
- (b) Purchase Agreement. It includes a sealed duly authorized and executed definitive purchase agreement together with all completed schedules thereto containing the detailed terms and conditions of the proposed transaction, including identification of the assets proposed to be acquired, the obligations to be assumed, the purchase price (the "**Purchase Price**"), the detailed structure and financing of the proposed transaction;
- (c) License or other Arrangement. It describes any license arrangement, franchise agreement, or similar arrangement, with the UK Purchaser in respect of the right of such Qualified Bidder to use "The Body Shop" brand;
- (d) Proof of Financial Ability to Perform. It includes written evidence upon which the Company, in consultation with the Monitor, may reasonably conclude that the Interested Party has the necessary financial ability to close the contemplated transaction on or before the Outside Date and provide adequate assurance of future performance of all obligations to be assumed in such contemplated transaction. Such information should include, among other things, the following:
 - (i) evidence of the Interested Party's internal resources and proof of any debt or equity funding commitments that are needed to close the contemplated transaction;
 - (ii) contact names and phone numbers for verification of financing sources; and
 - (iii) any such other form of financial disclosure or credit-quality support information or enhancement requested by and reasonably acceptable to the Company demonstrating that such Interested Party has the ability to close the contemplated transaction;

- (e) Unconditional Bid. It is not conditioned on (i) the outcome of unperformed due diligence and/or (ii) obtaining financing;
- (f) Parties. It fully discloses the identity of each person (including any person that controls such person) that will be directly or indirectly sponsoring or participating in the Bid, including whether any prior or current member of the Company's board, management, any employee or consultant to the Company or any creditor) or shareholder of the Company is involved in any way with the Bid or assisted with the Bid, and the complete terms of any such participation as well as evidence of corporate authority to sponsor or participate in the Bid;
- (g) Acknowledgement. It includes an acknowledgement and representation that the Interested Party: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents regarding the Business and/or the Assets to be acquired, liabilities to be assumed or the Company in making its Bid; and (ii) did not rely upon any written or oral statements, representations, promises, warranties conditions or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Business, Assets to be acquired, liabilities to be assumed, the Company or the completeness of any information provided in connection therewith, except as expressly provided in any definitive transaction documents;
- (h) Authorization. It includes evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Interested Party's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Bid, and identifies any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated time frame and any anticipated impediments for obtaining such approvals;
- (i) Deposit. It is accompanied by a cash deposit (the "**Deposit**") in an amount equal to 10% of the Purchase Price that shall be paid to the Monitor in trust, which Deposit shall be held and dealt with in accordance with these Procedures;
- (j) Employees. If applicable, it contains full details of the proposed number of employees of the Company who will become employees of the Qualified Bidder and the proposed terms and conditions of employment to be offered to those employees;
- (k) Other. It contains such other information as may reasonably be requested by the Company or the Monitor; and
- (l) Bid Deadline. It is received by the Monitor, at the address specified in Section 6 (including by email) on or before the Bid Deadline.

The Company, in consultation with the Monitor, may waive any one or more minor and non-material violations of the requirements specified for Qualified Bids and deem such non-compliant Bids to be Qualified Bids.

9. Evaluation of Qualified Bids and Subsequent Actions

The Company, in consultation with the Monitor, shall evaluate Qualified Bids on various grounds including, but not limited to, the Purchase Price or imputed or projected value, the treatment of creditors and related implied recovery for creditors (in each case, as applicable), the assumed liabilities, the certainty of closing the transactions contemplated by the Qualified Bid on or before the Outside Date and any delay or other risks (including closing risks) in connection with the Qualified Bids.

Following such evaluation, the Company may accept, subject to Court approval, one of the Qualified Bids (each a "**Successful Bid**" and the offeror(s) making such Successful

Sale Bid being a "**Successful Bidder**") and take such steps as may be necessary to finalize definitive transaction documents for the Successful Bid with the Successful Bidder.

No later than five Business Days after the Bid Deadline, or such other date as the Company and the Monitor determine, the Company shall advise the Qualified Bidders if a Successful Bid has been accepted, or conditionally accepted, as the case may be.

10. Sale Approval Motion and Acceptance of Qualified Bids

The Company shall use reasonable efforts to make a motion to the Court (the "**Sale Approval Motion**") to approve the Successful Bid as soon as practicable following the determination by it of the Successful Bidder. The Company will be deemed to have accepted the Successful Bid only when it has been approved by the Court. All Qualified Bids (other than the Successful Bid) shall be deemed rejected by the Company on and as of the date of approval of the Successful Bid by the Court.

11. Deposits

All Deposits shall be held by the Monitor in a single interest bearing account designated solely for such purpose. A Deposit paid by a Successful Bidder shall be dealt with in accordance with the definitive documents for the transactions contemplated by the Successful Bid. Deposits, and any interest earned thereon, paid by Qualified Bidders not selected as a Successful Bidder shall be returned to such Qualified Bidders within three Business Days of Court approval of the Successful Bid.

12. Modifications and Termination

The Company or the Monitor shall have the right to adopt such other rules for the Procedures (including rules that may depart from those set forth herein) that will better promote the sale of the Company, the Business or all or any part of the Assets under these Procedures. The Company or the Monitor shall apply to the Court if they wish to materially modify or terminate the process set out in these Procedures. For certainty, any amendments to the Bid Deadline or other dates set out in these Procedures shall not constitute a material modification.

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

IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF THE BODY SHOP CANADA LIMITED, IN
THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO (the
“Applicant”)

Court File No.:

ONTARIO

**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**
Proceeding commenced at Toronto

**ORDER
(Sale Process Approval)**

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Lawyers for The Body Shop Canada Limited

Court File No: BK-24-03050418-0031
Estate /Court File No. BK -31-3050418

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE) FRIDAY, THE 5th DAY
JUSTICE OSBORNE) OF JULY, 2024.

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF THE BODY SHOP CANADA
LIMITED, IN THE CITY OF TORONTO, IN THE PROVINCE
OF ONTARIO

**ORDER
(Discharge and Termination)**

THIS MOTION, made by The Body Shop Canada Limited (the “**Company**”) for an order, *inter alia*, (i) discharging Alvarez & Marsal Canada Inc. (“**A&M**”), in its capacity as Proposal Trustee of the Company (the “**Proposal Trustee**”); (ii) approving the activities conduct and Fifth Report of the Proposal Trustee (the “**Report**”), (iii) approving the fees and disbursements of the Proposal Trustee and its legal counsel, as described in the Report, including the Estimated Costs to Complete (as defined in the Report) set forth therein and the affidavit of [Joshua Nevsky] sworn June 24, 2024 (the “**A&M Affidavit**”), and the affidavit of [Alec Hoy] sworn June 24, 2024 (the “**Cassels Affidavit**”) attached thereto sworn in support thereof, and (iv) terminating these proceedings (the “**NOI Proceeding**”) commenced by the Company by the filing of a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, RSC85, c. B-3, as amended (the “**BIA**”) bearing court file number BK-24-03050418-0031 and estate/court file no. BK-31-3050418 (the “**NOI Proceeding**”), was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Jordan Searle sworn June 24, 2024 and the Exhibits thereto (the “**Searle Affidavit**”) and the Report, and on hearing the submissions of counsel for the Company and counsel for the Proposal Trustee, and those other parties listed in the participant information form.

DEFINITIONS AND SERVICE

1. **THIS COURT ORDERS** that all capitalized terms used but not defined herein shall have the meaning given to them in the Searle Affidavit, the Report or the Order of this Court made on March 4, 2024.

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record dated June 24, 2024 is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF FEES AND ACTIVITIES OF THE PROPOSAL TRUSTEE

3. **THIS COURT ORDERS** that the Report is hereby approved, and the activities and conduct of the Proposal Trustee described therein are hereby approved; provided, however, that only the Proposal Trustee, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

4. **THIS COURT ORDERS** that that the fees and disbursements of the Proposal Trustee and its counsel Cassels Brock Blackwell LLP, including without limitation, the Estimated Costs to Complete as set out in the Report, the A&M Affidavit and the Cassels Affidavit be and are hereby approved.

TERMINATION OF THE NOI PROCEEDING

5. **THIS COURT ORDERS** that these NOI Proceeding are hereby terminated, provided that nothing herein impacts the validity of any Orders made in these NOI Proceeding or any actions or steps taken by any person pursuant thereto and any and all steps, agreements and procedures validly taken, done or entered into by the Company or Proposal Trustee during the NOI Proceeding shall remain valid and binding.

DISCHARGE OF THE PROPOSAL TRUSTEE

6. **THIS COURT ORDERS** that the Proposal Trustee has duly and properly satisfied, discharged and performed all of its obligations, liabilities, responsibilities and duties in compliance and in accordance with this NOI Proceeding, all Orders of this Court made in this NOI Proceeding, the BIA or otherwise.

7. **THIS COURT ORDERS** that A&M is hereby discharged as Proposal Trustee and shall have no further duties, obligations or responsibilities as Proposal Trustee; provided that, notwithstanding its discharge as Proposal Trustee, A&M shall have the authority

from and after the date hereof to complete or address any matters in its role as Proposal Trustee that are ancillary or incidental to these NOI Proceeding, as may be required or appropriate.

8. **THIS COURT ORDERS** that, notwithstanding the Proposal Trustee's discharge, the termination of these NOI Proceeding or any other provision of this Order or any order made under the CCAA, nothing herein shall affect, vary, derogate from, limit or amend, and A&M and its counsel shall continue to have the benefit of, any and all of the rights, approvals and protections in favour of the Proposal Trustee and its counsel at law or pursuant to the BIA or any Order of this Court made in these NOI Proceeding or otherwise.

RELEASES

9. **THIS COURT ORDERS AND DECLARES** that Proposal Trustee and its counsel, counsel to the Company, and each of their respective affiliates, officers, directors, partners, current and former employees, legal counsel and agents (collectively, the "**Released Parties**" and each a "**Released Party**") shall be and are hereby released and discharged from any and all present and future claims, liabilities, indebtedness, demands, actions, suits, damages, judgments and obligations of whatever nature or kind whatsoever, that any person may have or be entitled to assert against the Released Parties (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of this Order in any way relating to, arising out of the NOI Proceeding or with respect to their conduct in the NOI Proceeding (collectively, the "**Released Claims**"), and any such Released Claims are hereby released, stayed, extinguished and forever barred, and the Released Parties shall have no liability in respect thereof, provided that the Released Claims shall not include any claim or liability arising out of gross negligence or wilful misconduct on the part of the applicable Released Party.

10. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against any of the Released Parties in any way arising from or related to these NOI Proceeding, except with prior leave of this Court on at least seven days' prior written notice to the applicable Released Party, and provided that any such Order granting leave includes a term granting the applicable Released Party security for its costs and the costs of its counsel in connection with any proposed action or proceeding, such security to be on terms this Court deems just and appropriate.

EXTENSION OF TIME TO FILE A PROPOSAL

11. **THIS COURT ORDERS** that subject to paragraph 15 hereof, pursuant to 50.4(9) of the BIA, the time for the Company to file a proposal is hereby extended to August 26, 2024.

GENERAL

12. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

13. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and any Order subsequently made in this proceeding, and to assist the Company and the Proposal Trustee and their respective agents in carrying out the terms of this Order and any Order subsequently made in this proceeding. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Company and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order and any Order subsequently made in this proceeding, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Company and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

14. **THIS COURT ORDERS** that this Order and all of its provisions, other than paragraph 11, are effective as of 12:02 a.m. Eastern Standard/Daylight Time on the date of the Initial Order.

15. **THIS COURT ORDERS** that if the Initial Order is not granted, paragraph 11 of this Order is effective as of 12:00 a.m. Eastern Standard/Daylight Time on July 12, 2024.

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF THE BODY SHOP CANADA LIMITED,
IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

Court File No. BK-24-03050418-0031
Estate / Court File No. BK-31-3050418

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

Proceeding commenced at Toronto

**ORDER
(DISCHARGE AND TERMINATION)**

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Lawyers for The Body Shop Canada Limited

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF THE BODY SHOP CANADA LIMITED, IN THE
CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

Court File No. BK-24-03050418-0031
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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

PROCEEDING COMMENCED AT
TORONTO

**MOTION RECORD OF
THE BODY SHOP CANADA LIMITED
(RETURNABLE JULY 5, 2024)**

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