

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

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

**NINTH REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.**

MARCH 6, 2024

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
2.0	CONDUCT AND VOTING RESULTS FROM THE CREDITORS' MEETING	3
3.0	SANCTION MOTION AND EXTENSION OF THE STAY PERIOD.....	4

1.0 INTRODUCTION

- 1.1 On March 2, 2023, Nordstrom Canada Retail, Inc., Nordstrom Canada Holdings, LLC and Nordstrom Canada Holdings II, LLC (together the “**Applicants**”) were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) pursuant to an initial order (the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). The stay of proceedings and other protections and authorizations in the Initial Order were also extended to Nordstrom Canada Leasing LP (together with the Applicants, the “**Nordstrom Canada Entities**”).
- 1.2 Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as monitor of the Nordstrom Canada Entities (in such capacity, the “**Monitor**”) in these CCAA proceedings (the “**CCAA Proceedings**”).
- 1.3 On March 10, 2023, the Court granted an Amended and Restated Initial Order which modified the Initial Order in certain respects.
- 1.4 Since that time, the Nordstrom Canada Entities, with the oversight of the Monitor, have pursued an orderly wind down of their business operations with a view to maximizing distributions to their creditors and completing the CCAA Proceedings in a timely manner.
- 1.5 On December 20, 2023, the Court granted an Order (the “**Meeting Order**”): (a) accepting the filing of the Consolidated Plan of Compromise and Arrangement in respect of the Nordstrom Canada Entities dated December 13, 2023 (the “**Plan**”); (b) authorizing the Nordstrom Canada Entities to establish one class of Affected Creditors (as defined in the Meeting Order) for the purpose of considering and voting on the Plan; (c) authorizing the

Nordstrom Canada Entities to call, hold and conduct a virtual meeting of the Affected Creditors (the “**Creditors’ Meeting**”) to consider and vote on a resolution to approve the Plan, and approving the procedures to be followed with respect to the calling and conduct of the Creditors’ Meeting; (d) setting March 19, 2024 at 9:00 a.m. (Toronto time) as the date and time for the hearing of the Nordstrom Canada Entities’ motion (the “**Sanction Motion**”) seeking an Order (the “**Sanction and Vesting Order**”) sanctioning the Plan, should the Plan be approved by the required majority of Affected Creditors at the Creditors’ Meeting; and (e) extending the Stay Period (as defined in the Initial Order) until and including April 5, 2024.

1.6 The Court has granted a number of other orders in these CCAA Proceedings. Those orders, the prior reports of the Monitor and other Court-filed documents and notices are available on the Monitor’s case website at www.alvarezandmarsal.com/NordstromCanada (the “**Monitor’s Website**”).

1.7 This report (the “**Ninth Report**”) is filed to:

- (a) provide the Court and stakeholders of the Nordstrom Canada Entities with information regarding the voting results from the Creditors’ Meeting which took place on March 1, 2024; and
- (b) provide the Monitor’s views on the proposed extension of the Stay Period to June 28, 2024 to be sought by the Nordstrom Canada Entities in connection with the Sanction Motion.

1.8 All monetary amounts contained herein are expressed in Canadian dollars.

2.0 CONDUCT AND VOTING RESULTS FROM THE CREDITORS' MEETING

2.1 Capitalized terms used and not defined in this section of the Ninth Report have the meanings given to them in the Meeting Order.

2.2 The Creditors' Meeting was held virtually, as scheduled, on March 1, 2024 at 10:00 a.m. (Toronto time). In accordance with the Meeting Order, Alan Hutchens, a Senior Vice-President of A&M, acted as Chair. Representatives of Goodmans LLP, counsel to the Monitor, and A&M acted as Secretary and Scrutineer of the Creditors' Meeting, respectively.

2.3 A total of 515 Affected Claims were voted at the Creditors' Meeting, comprised of: (a) 367 Convenience Class Claims, which were deemed to be voted in favour of the Plan pursuant to the Meeting Order; (b) 120 Claims voted through the submission of a Proxy in advance of the Creditors' Meeting; and (c) 28 Claims voted in person at the Creditors' Meeting. Of the 515 total Affected Claims voted at the Creditors' Meeting, 513 related to Voting Claims and two (2) related to Disputed Claims.

2.4 As provided for in the Meeting Order, Affected Creditors voted on the Resolution presented at the Creditors' Meeting for approval of the Plan. The results of the voting at the Creditors' Meeting are summarized in the table below.

Category	Convenience Class Claims ⁽¹⁾		Other Affected Claims ⁽²⁾		Total			
	#	\$ Value	#	\$ Value	#	%	\$ Value	%
Voting Claims "For" the Plan	367	2,310,076	148	31,470,508	515	100.0%	33,780,584	100.0%
Voting Claims "Against" the Plan	-	-	-	-	-	0.0%	-	0.0%
Total	367	2,310,076	148	31,470,508	515		33,780,584	

(1) Includes 39 Claimants who opted into the Convenience Class by submitting a Convenience Class Election Form in accordance with the Plan and the Meeting Order. Convenience Class Claims are deemed to vote in favour of the Plan pursuant to the Meeting Order.

(2) Includes two Disputed Claims that voted in favour of the Plan.

- 2.5 The vote in favour of the Plan was unanimous (there were no votes against the Plan), with 515 Affected Creditors representing approximately \$33.8 million of Claims voting (or being deemed to have voted pursuant to the Meeting Order) in favour of the Plan. Accordingly, the Required Majority was achieved.


3.0 SANCTION MOTION AND EXTENSION OF THE STAY PERIOD

- 3.1 As the Required Majority approved the Plan at the Creditors' Meeting, the Nordstrom Canada Entities will bring the Sanction Motion at a hearing scheduled for March 19, 2024 at 9:00 a.m. (Toronto time).
- 3.2 The Monitor provided an overview of the Plan and its views on the fairness and reasonableness of the Plan in the Eighth Report of the Monitor dated February 21, 2024. The Monitor supports approval of the Plan for the reasons set out in the Eighth Report.
- 3.3 As part of the Sanction Motion, the Monitor understands that the Nordstrom Canada Entities intend to seek an extension of the Stay Period (and by extension, the Co-Tenancy Stay) to and including June 28, 2024.
- 3.4 The Monitor supports the extension of the Stay Period to June 28, 2024 to provide stability while the Nordstrom Canada Entities, with the assistance of the Monitor, take steps to implement the Plan and further the orderly wind down of the Nordstrom Canada Entities.
- 3.5 The Monitor is of the view that the Nordstrom Canada Entities have acted, and continue to act, in good faith and with due diligence to advance the CCAA Proceedings, and that no party will suffer material prejudice as a result of the extension of the Stay Period.

3.6 As of March 2, 2024, the consolidated cash balance of the Nordstrom Canada Entities is approximately \$80.5 million. While distributions will be made to Affected Creditors on the Initial Distribution Date (subject to implementation of the Plan), the Plan provides that Nordstrom Canada shall hold the Administrative Reserve for the purpose of paying Administrative Reserve Costs from time to time following the Plan Implementation Date. Accordingly, the Nordstrom Canada Entities will have sufficient cash resources to continue their wind down through June 28, 2024.

All of which is respectfully submitted to the Court this 6th day of March, 2024.

**Alvarez & Marsal Canada Inc., in its capacity as Monitor of
Nordstrom Canada Retail, Inc.,
Nordstrom Canada Holdings, LLC,
Nordstrom Canada Holdings II, LLC, and
Nordstrom Canada Leasing LP,
not in its personal or corporate capacity**

Per: 

Alan Hutchens
Senior Vice-President

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

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

NINTH REPORT OF THE MONITOR

GOODMANS LLP

Barristers & Solicitors
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Brendan O'Neill LSO#: 43331J
boneill@goodmans.ca

Bradley Wiffen LSO#: 64279L
bwiffen@goodmans.ca

Andrew Harmes LSO#: 73221A
aharmes@goodmans.ca

Tel: 416.979.2211
Fax: 416.979.1234

Lawyers for the Monitor