

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

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED**

**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**

SUPPLEMENTARY REPLY MOTION RECORD

(For Appointment of Representative Counsel for Terminated Canadian Employees)

June 28, 2024

KOSKIE MINSKY LLP

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Counsel to Stephanie Hood and other employees
and Proposed Representative Counsel for
Terminated Canadian Employees

TO: THE SERVICE LIST

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**ONTARIO
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**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED**

**AND 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**

**SUPPLEMENTARY REPLY AFFIDAVIT OF STEPHANIE HOOD
(sworn June 28, 2024)**

I, **STEPHANIE HOOD**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a former Store Manager of The Body Shop Canada Limited ("**TBS Canada**" or the "**Company**"). I began working with TBS Canada on August 14, 2001, and was terminated on March 7, 2024, six days after the Company filed a Notice of Intention to Make a Proposal ("**NOI**") under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("**BIA**").

2. This Reply Affidavit is sworn supplementary to my Affidavit sworn on April 12, 2024, and my Supplementary Affidavit sworn on April 23, 2024. All my Affidavits were sworn in support of the motion to appoint me as Representative and Koskie Minsky LLP ("**KM**") as Representative Counsel to approximately 220 employees who were terminated in the insolvency proceeding of TBS Canada (collectively, the "**Terminated Canadian Employees**" and individually, each a "**Terminated Canadian Employee**").

3. I along with four of the Terminated Canadian Employees have formed an Employee Committee comprised of store managers and head office employees to liaise with KM for this proceeding. The members of the Employee Committee include myself, Brittany Ford, Natalina Roy, Sarah Lam, and Lauri Spagnuolo. All members of the Employee Committee have reviewed this and my previous Affidavits and have informed me that they support their contents.

The Terminated Canadian Employees cannot rely on TBS Canada and the Proposal Trustee to protect their rights and promote our interests throughout this proceeding

4. I am taken aback by the extensive opposition TBS Canada and Alvarez & Marsal Canada Inc. (the "**Proposal Trustee**") have displayed to the appointment of Representative and Representative Counsel for the Terminated Canadian Employees. Both TBS Canada and the Proposal Trustee are aware of the financially precarious situation that many of Terminated Canadian Employees are in. Nevertheless, they have continued to oppose the appointment of Representative Counsel for us.

5. I am advised by Andrew J. Hatnay of KM and believe that TBS Canada and the Proposal Trustee initially opposed the appointment of Representative Counsel due to our request that the costs of the Terminated Canadian Employees be paid by the Company. In an effort to cooperate with TBS Canada and the Proposal Trustee to resolve this dispute, and ensure that the Terminated Canadian Employees receive appropriate representation, KM wrote to counsel for TBS Canada on June 13, 2024 stating the costs of the Terminated Canadian Employees will not be sought from the Company. Attached hereto as **Exhibit "A"** is a copy of the letter from KM to counsel for TBS Canada, dated June 13, 2024.

6. I and the rest of the Employee Committee have approved that since obtaining our costs from the Company is no longer being pursued, KM can seek costs out of any distributions paid to the Employees in this proceeding in the future. Given the importance of protecting and advancing our interests in this proceeding, I support this arrangement. I have been informed by other members of the Employee Committee that they support and agree with this approach.

7. Despite the concession to no longer seek costs from the Company, and even though TBS Canada now says it will take no position on the appointment of Representative Counsel, they still filed a 25-page factum and made statements arguing that minimal benefit will be provided to the Terminated Canadian Employees by Representative Counsel. I strongly disagree. Representative Counsel should be appointed to ensure our rights and interests are protected and advocated for throughout this proceeding, which go far beyond calculating our claim amounts.

8. I am advised by Abir Shamim of KM and believe that both TBS Canada and the Proposal Trustee argue they are capable of "fielding questions" from the Terminated Canadian Employees and can keep us informed of any developments and so, Representative Counsel is not necessary. I have concerns with that approach. The availability of TBS Canada and the Proposal Trustee to answer questions in a complex proceeding where the Terminated Canadian Employees do not know their rights and accordingly, what questions would best address their interests, provides no meaningful assistance.

9. Since this proceeding was initiated by TBS Canada, the Terminated Canadian Employees, including myself, have been misled by TBS Canada with regards to the entitlements available to us. In the termination letter sent to me by Jennifer Wale, People Director, North America, dated March 7, 2024, I was informed that I "may also be eligible to make claims for any remaining

Applicable Employment Standards Legislation entitlements under the Federal Government's Wage Earner Protection Program." My termination letter, dated March 7, 2024, is attached as Exhibit "A" to my Affidavit sworn on April 12, 2024.

10. Given the fact that this was told to us in our termination letters, many Terminated Canadian Employees, including myself, who are in urgent need of financial assistance, expected to be able apply for this payment that would provide up to \$8,507.66. However, I am advised by Andrew J. Hatnay of KM and believe that payments under the Wage Earner Protection Program ("**WEPP**") are not readily available to former employees of a company in a NOI proceeding unless a court determines otherwise.

11. Further, I am advised by Andrew J. Hatnay of KM and believe that lawyers for TBS Canada contacted the Department of Justice on May 3, 2024 – approximately two months after TBS Canada initiated the NOI proceeding – to determine whether the Terminated Canadian Employees can apply for a payment under WEPP if a receiver was appointed over specific assets of TBS Canada. On May 22, 2024, the Department of Justice responded to TBS lawyers stating a receivership created for the purpose of triggering WEPP is inconsistent with the legislative intent of the BIA and the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s. 1.

12. The Terminated Canadian Employees were informed of their inability to access WEPP payments approximately three months after they received their termination letter outlining the possibility to apply for this payment.

13. Terminated Canadian Employees, including myself, have been misled by TBS Canada regarding our entitlement to a WEPP payment.

14. Nevertheless, given the experience of KM in seeking WEPP payments for terminated employees in NOI and other insolvency proceedings, and proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("CCAA"), I would like KM, as Representative Counsel, to pursue these payments on behalf of myself and other Terminated Canadian Employees as part of their role as Representative Counsel.

TBS Canada has not provided the methodology they applied to calculate the claims of the Terminated Canadian Employees

15. Furthermore, I am advised by Abir Shamim of KM and believe that TBS Canada alleges the benefits of representation for the Terminated Canadian Employees is unclear because the Company's "provisional" calculation of severance claims for 26 of the 38 Terminated Canadian Employees who retained KM is greater than the preliminary calculations completed by KM (who could only use data provided by each terminated employee).

16. I am advised by Abir Shamim of KM and believe that the preliminary calculations of KM were completed to provide an estimate of the magnitude of the claims of the Terminated Canadian Employees. This was done because the Terminated Canadian Employees' claims were not included in the NOI documentation. Moreover, the preliminary calculations of KM were based on limited employee data provided by the Employees that retained them. KM, unlike TBS Canada, does not yet have access to all terminated employee data, nor the Company's employment handbooks and termination policies.

17. Additionally, I am advised by Abir Shamim of KM and believe that despite repeated requests, TBS Canada has not provided KM with the methodology it applied to determine the claims of the Terminated Canadian Employees. On June 13, 2024, KM wrote to counsel for TBS

Canada requesting the methodology applied to determine my claim so that my claim can be revised "as warranted as well as the claims of the other employees, as applicable." Attached hereto as **Exhibit "B"** is the letter KM to counsel for TBS Canada, dated June 13, 2024.

18. On June 19, 2024, counsel for TBS Canada wrote to KM stating the "Company's "provisional" assessment was arrived at using the formula and principles applied in the recent *Nordstrom* insolvency proceedings, and "remains subject to currently unknown variables such as each employee's mitigation efforts which must be assessed on an individual basis." Attached hereto as **Exhibit "C"** is the letter from counsel to TBS Canada to KM, dated June 19, 2024. There is also no explanation from TBS Canada as to how it or the Proposal Trustee intends to determine mitigation "on an individual basis" for 220 Terminated Canadian Employees.

19. The response of TBS Canada dated June 19, 2024, did not provide any meaningful information with which the provisional claims of the Terminated Canadian Employees could be assessed for accuracy or completeness. On June 24, 2024, KM wrote to counsel for TBS Canada requesting further information on the methodology applied by the Company to provisionally calculate the Terminated Canadian Employees' claims, including any individual mitigation analyses that TBS Canada proposes to conduct. Attached hereto as **Exhibit "D"** is the letter from KM to counsel for TBS Canada, dated June 24, 2024. To date, TBS Canada has not provided KM with the methodology applied to calculate the claims of the Terminated Canadian Employees nor its plan to determine mitigation on an individual basis.

The Terminated Canadian Employees require representation in this complex proceeding

20. Moreover, I am concerned that TBS Canada is using its provisional calculation of the Terminated Employees' claims – which have not been verified for accuracy or completeness – to

detract from the value provided by Representative Counsel to the Terminated Canadian Employees in this proceeding.

21. I am advised by Andrew J. Hatnay of KM and believe that in the decision, *Canwest Publishing Inc.*, 2010 ONSC 1328, the Ontario Superior Court recognized terminated employees should be represented in an insolvency proceeding despite their recovery expectations being non-existent. Additionally, I understand that the calculation of employee claims should not be a factor recognized by the court when considering whether Representative Counsel should be appointed.

22. At this time, it is unknown whether the Terminated Canadian Employees will ever receive a distribution in this proceeding. I am advised by Abir Shamim of KM and believe that TBS Canada filed a motion to convert the NOI proceeding to a CCAA proceeding because they cannot file a Proposal within the time prescribed by the BIA. In part, this is due to the actions of multijurisdictional entities, specifically the parent company of TBS Canada, The Body Shop International Ltd. ("**TBS U.K.**"), which is under administration in the United Kingdom and initially aimed to restructure by reaching the necessary agreements with existing stakeholders. It is reported that a restructuring is no longer feasible, and a sale of TBS U.K. and its assets is now underway.

23. As evidenced by the facts above, although it is unclear whether the Terminated Canadian Employees will ever receive a distribution from the estate, the Terminated Canadian Employees require representation to ensure their rights and interests are protected in this complex proceeding.

The Employee Committee does not support an opt-out process under the Representation Order

24. I am advised by Abir Shamim of KM and believe that on June 19, 2024, counsel for TBS Canada wrote to KM and advised that the Representation Order should allow the Terminated Canadian Employees to opt-in, instead of opt-out, into representation.

25. I am advised by Abir Shamim of KM and believe an opt-out process in a Representation Order is a standard term included in insolvency proceedings.

26. An opt-in procedure does not protect the interests of approximately 180 Terminated Canadian Employees (out of approximately 220 total to date) who will have to take a positive step to ensure they are included under the mandate of Representative Counsel even though they may not receive any notice to "opt in", and many will simply not respond to a requirement to "opt-in" because they do not understand the process and are busy looking for other work and have no understanding of how to advance their claims in an insolvency proceeding. Whereas an opt-out process is efficient and better accommodates Terminated Canadian Employees who will be automatically included, unless they opt out.

27. As stated in my Affidavit sworn April 12, 2024, many Terminated Canadian Employees are single mothers or are individuals with physical and mental disabilities who were hired through TBS Canada's "Open Hiring" accessibility practice. These individuals may not receive timely notice of an opt-in process and may therefore, give up their rights to representation in this complex proceeding if an opt-in procedure is applied.

28. I am advised by Abir Shamim of KM and believe that an opt-out process is standard and has worked well in other cases and will ensure the employees will be included so that our rights and interests are protected and advocated for throughout this proceeding.

29. I swear this Affidavit in good faith and in support of a motion to appoint me as Representative, and KM as Representative Counsel to the Terminated Canadian Employees in this proceeding and for no improper purpose.

SWORN REMOTELY by Stephanie Hood of the City of Toronto, in the Province of Ontario, before me in the City of Mississauga, in the Province of Ontario, on June 28, 2024, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Abir Shamim
LSO# 88251V

A Commissioner for Taking Affidavits, etc.



STEPHANIE HOOD

This is **Exhibit "A"**

referred to in the Supplementary Reply Affidavit of Stephanie Hood

sworn before me this 28th day of June, 2024



Abir Shamim
LSO# 88251V

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.



June 13, 2024

Andrew J. Hatnay
Direct Dial: 416-595-2083
Direct Fax: 416-204-2872
ahatnay@kmlaw.ca

Via E-mail

With Prejudice

Natasha MacParland
Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Dear Ms. MacParland:

Re: *In the Matter of the Notice of Intention to Make a Proposal of The Body Shop Canada Limited*, Court File No. BK-31-3050418

We are writing further to the terminated employees' motion for an employee representation order returnable before the Court on July 4, 2024.

We understand that the major objection to the employee representation order, in particular from certain landlords with whom we have spoken, is the request that the costs of the employees in respect of the representation be paid by the company.

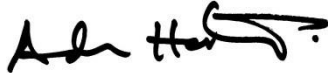
We have discussed the costs request with our clients and have instructions to offer to settle the representation order motion on the basis that the employees' costs will not be sought from the company. They would make other arrangements for their legal costs.

The terminated TBS employees who retained us maintain that all of the terminated employees should have representation in the TBS Canada insolvency proceeding as it continues to unfold and its outcome is uncertain. The representation order would still allow any employee to opt out of the representation if they wish, as that is a standard provision for employee representation orders. They are willing to make this concession in an effort to cease the protracted opposition to the employees' motion by the company and the proposal trustee, with continuing increasing costs, and be able to proceed with the representation order on an unopposed basis.

We propose setting up a call with you this week to discuss. Please let us know if you are available.

Yours truly,

KOSKIE MINSKY LLP



Andrew J. Hatnay

AJH/vdl

cc. Client Committee
Jane Dietrich, *Cassels Brock & Blackwell LLP* (counsel to the Proposal Trustee)
Josh Nevsky, *Alvarez & Marsal Canada Inc.*
Natalie Renner & Chenyang Li, *Davies Ward Phillips & Vineberg LLP*
James Harnum & Abir Shamim, *Koskie Minsky LLP*

This is **Exhibit "B"**

referred to in the Supplementary Reply Affidavit of Stephanie Hood

sworn before me this 28th day of June, 2024.

A handwritten signature in black ink, appearing to read 'Abir Shamim', written over a horizontal line.

Abir Shamim
LSO# 88251V

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.



June 13, 2024

Andrew J. Hatnay
Direct Dial: 416-595-2083
Direct Fax: 416-204-2872
ahatnay@kmlaw.ca

Via E-mail

Chenyang Li
Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Dear Mr. Li:

Re: *In the Matter of the Notice of Intention to Make a Proposal of The Body Shop Canada Limited*
Terminated Employees' Claims
Court File No. BK-31-3050418

We are writing further to your letter dated May 15, 2024.

In connection with the motion to appoint Representative Counsel for all the terminated employees of The Body Shop Canada Ltd. ("TBS Canada") returnable July 4, 2024, we do not plan at this time to cross-examine Jordan Searle on his affidavit sworn May 10, 2024.

Responses to your questions and requests pertaining to portions of Stephanie Hood's Affidavit sworn April 12, 2024, and her Supplementary Affidavit sworn April 23, 2024, are as follows:

- Question/Request 1: Attached is a preliminary Proof of Claim prepared on behalf of 38 terminated employees of TBS Canada who have retained our firm. These are substantially the same claim calculations that were already included in the Supplementary Affidavit of Stephanie Hood sworn April 23, 2024. Schedule A of the Proof of Claim lists the names of the employees and the amount of their claims. The claims have been calculated based on information provided to us by the terminated employees. As has been done in other insolvency proceedings and approved by courts and/or accepted by trustees, we applied a reasonable and comprehensive group severance methodology to calculate the terminated employees' claims. This approach to claim calculations in an insolvency proceeding with a mass termination of employees, such as this case (in comparison to individual fact-specific employee assessments of wrongful dismissal entitlements), can be completed both accurately and quickly to ensure the employees will receive their full entitlements from WEPPA in a short time frame, as well as for future distributions in respect of their claims.

As indicated, the enclosed Proof of Claim is preliminary and subject to change as additional employee-related information becomes available, including additional employment data

from the company and a review of the company's employment and termination policies, as those are applicable.

- Question/Request 2: All five members of the ad hoc Employee Committee are terminated employees of TBS Canada and they retained our firm as of the date of your letter, May 15, 2024.
- Question/Request 3: Given that there was no mention of the amount of the terminated employees' severance claims in the company's creditor list that accompanied its NOI in March 2024, our firm calculated each employee's claim on a preliminary basis using information provided to us from the employees in order to provide an estimate of the amount of pay in lieu of notice and other amounts owing to them by TBS Canada.

In the Affidavit of Stephanie Hood sworn April 12, 2024, her entitlement under common law notice of termination was calculated based on 2.2 weeks' pay in lieu of notice per year of employment service. As noted in the Supplementary Affidavit of Stephanie Hood sworn April 23, 2024, we revised each of the terminated employees' notice entitlement under common law to 3 weeks' pay per year of employment service to more closely align with applicable wrongful dismissal law. As such, the total preliminary claim of Stephanie Hood has been revised to \$62,698.33.

We note that the Supplement to the Third Report of the Proposal Trustee, dated June 5, 2024, at para. 2.15 states "the Proposal Trustee and the Company calculate the Representative Plaintiff's claim to be approximately double to the amount suggested in the Hood Affidavit." Please provide us with the methodology that was applied to determine the amount of Ms. Hood's claim so we can revise her claim as warranted as well as the claims of the other employees, as applicable.

As explained in the Supplementary Affidavit of Stephanie Hood sworn April 23, 2024, paras. 8-14, the employees' claims were determined by reviewing: their employment agreements (as applicable), calculating the amounts owed under statutory minimum standards (i.e., termination pay, severance pay, and mass termination provisions), amounts owing by TBS for health benefit contributions, group RRSP contributions, vacation pay and bonuses owing during the employees' notice period, and then comparing those amounts to the employees' entitlements under common law notice of termination using a uniform three weeks' pay in lieu of notice per year of employment service and then advancing, the greater of their claim under statutory minimum standards or the common law notice.

- Question/Request 4: As stated in Ms. Hood's Affidavit sworn April 12, 2023, she and the other terminated employees of TBS Canada who retained our firm cannot afford to pay legal fees to retain counsel in this proceeding. Our firm has accepted the retainers of the terminated Canadian employees given their circumstances of being terminated by TBS Canada without severance pay nor the ability to apply for WEPPA, having limited financial means, facing hardships and being vulnerable individuals. They have significant unpaid

amounts owing to them by TBS and have told us they need legal advice in the complicated insolvency proceeding of TBS Canada, which is on-going with an uncertain outcome

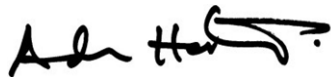
As a matter of access of justice and to ensure the terminated employees have appropriate legal representation despite their limited financial means, our firm has not sought nor received any retainer amount from them. As you know, we have requested that the company pay their legal costs in our motion materials.

- Question/Request 5: Our firm has been retained by terminated employees in many other insolvency proceedings. The insolvency firms in those proceedings typically post all motion materials, orders, and reasons for decisions on their websites which are publicly available. A recent case, which we understand you are aware of, is the proposal proceedings of Metroland Media Group Ltd.
- Questions/Requests 6 & 7: To assist us in calculating each employee's claim, our firm retained James Merryweather, CPA of Schonfeld Inc., an insolvency firm. Mr. Merryweather who has been involved in many insolvency proceedings and has administered employee claims from both the trustee/receiver perspectives as well as calculating employee claims that have been accepted in insolvency claims processes. Mr. Merryweather applied the methodology referred to in Question/Request 3 above to prepare the spreadsheet which was attached to the Supplementary Affidavit of Stephanie Hood sworn April 23, 2024, as well as the enclosed Preliminary Proof of Claim. Mr. Merryweather's regular hourly rate is \$425. His work is on-going and further adjustments to the employee claims may be warranted once we are provided with the methodology used by the Proposal Trustee and company to calculate Stephanie Hood's claim amount, as requested above.

We look forward to receiving the methodology used to calculate Ms. Hood's claim.

Yours truly,

KOSKIE MINSKY LLP



Andrew J. Hatnay
AJH/vdl

cc. Client Committee
Jane Dietrich, *Cassels Brock & Blackwell LLP* (counsel to the Proposal Trustee)
Josh Nevsky, *Alvarez & Marsal Canada Inc.*
Natalie Renner & Chanakya Sethi, *Davies Ward Phillips & Vineberg LLP*
James Harnum, Abir Shamim, *Koskie Minsky LLP*

FORM 31

PRELIMINARY

Proof of Claim

(Section 50.1, subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1),
and paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:
c/o Koskie Minsky LLP, Attn: Andrew Hatnav, 20 Queen St. West, Suite 900, Toronto, ON M5H 3R3

In the matter of the bankruptcy (or the proposal, or the receivership) of The Body Shop Canada Ltd. (name of debtor) of Toronto, ON (city and province) and the claim of 38 Terminated Employees, creditor.

I, Andrew Hatnav (name of creditor or representative of the creditor), of Toronto, ON (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am Counsel to (state position or title) of 38 Terminated Employees (name of creditor or representative of the creditor)).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy (or the date of the receivership, or in the case of a proposal, the date of the notice of intention or of the proposal, if no notice of intention was filed), namely the 1st day of March, 2024, and still is, indebted to the creditor in the sum of \$ 940,069.84, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

☒ A. UNSECURED CLAIM OF \$ 940,069.84.

(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description)

☐ Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

☒ Regarding the amount of \$ 940,069.84, I do not claim a right to a priority.

(Set out on an attached sheet details to support priority claim.)

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

FORM 31 -- *Continued*

☐ C. SECURED CLAIM OF \$_____

That in respect of this debt, I hold assets of the debtor valued at \$_____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$_____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$_____

(Attach a copy of sales agreement and delivery receipts.)

☐ E. CLAIM BY WAGE EARNER OF \$_____

☐ That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____,

☐ That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____,

☐ F. CLAIM AGAINST DIRECTOR \$_____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ G. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$_____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (*or* the above-named creditor is) (*or* am not *or* is not) related to the debtor within the meaning of section 4 of the Act, and have (*or* has) (*or* have not *or* has not) dealt with the debtor in a non-arm's-length manner.

FORM 31 -- *Concluded*

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (*or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months*) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (*Provide details of payments, credits and transfers at undervalue.*)

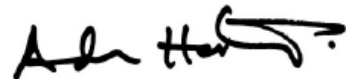
(*Applicable only in the case of the bankruptcy of an individual.*)

☒ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at Toronto, this 12th day of June 2024.



Witness



Creditor

Phone Number: 416-557-3633
 Fax Number: 416-204-2872
 Email Address: ahatnay@kmlaw.ca

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

The Body Shop Canada Limited

Employee Entitlements Claim

Optimal of Employment Standards or Common-Law

Prov	First Name	Last Name	3.0 Weeks per Year of Service							Eligible for WEPP \$ 8,507.66
			Basis	Termination Pay	Vac Pay on Termination	Severance	RSP	Health Benefits	Total	
AB	Natalie	Roy	Common-Law	0.00	726.92	55,528.85	2,221.15	1,869.23	60,346.15	8,507.66
Total Alberta				0.00	726.92	55,528.85	2,221.15	1,869.23	60,346.15	8,507.66
MB	Kenia	Amaya	Common-Law	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MB	Shayla	Holland	Common-Law	0.00	540.21	16,656.48	666.26	1,246.15	19,109.10	8,507.66
MB	Abby	Johnson	ESA	4,875.00	195.00	0.00	0.00	0.00	5,070.00	5,070.00
Total Manitoba				4,875.00	735.21	16,656.48	666.26	1,246.15	24,179.10	13,577.66
NB	Elizabeth	Landry	Common-Law	0.00	374.40	33,800.00	1,352.00	2,215.38	37,741.78	8,507.66
Total New Brunswick				0.00	374.40	33,800.00	1,352.00	2,215.38	37,741.78	8,507.66
NS	Rebekah	Fielding	Common-Law	0.00	268.50	15,312.84	612.51	1,246.15	17,440.00	8,507.66
Total Nova Scotia				0.00	268.50	15,312.84	612.51	1,246.15	17,440.00	8,507.66
ON	Sarah	Adjepong-Duodu	Common-Law	0.00	1,615.89	68,801.53	2,752.06	1,869.23	75,038.71	8,507.66
ON	Gabrielle	Berube	ESA	6,769.23	0.00	0.00	270.77	553.85	7,593.85	7,593.85
ON	Zorica	Bosev	ESA	25,846.15	1,033.85	0.00	0.00	553.85	27,433.85	8,507.66
ON	Hannah	Clarke	Common-Law	0.00	1,058.46	43,000.00	1,720.00	1,800.00	47,578.46	8,507.66
ON	Sandra (Besty)	Gelliseau	Common-Law	0.00	253.70	27,550.74	0.00	2,353.85	30,158.29	8,507.66
ON	Harika	Good	Common-Law	0.00	674.46	24,238.46	969.54	761.54	26,644.00	8,507.66
ON	Catherine	Griffone	ESA	3,452.00	138.08	0.00	0.00	0.00	3,590.08	3,590.08
ON	Joanne	Henderson	Common-Law	0.00	1,299.60	93,408.75	3,736.35	2,353.85	100,798.55	8,507.66
ON	Stephanie	Hood	Common-Law	0.00	439.47	62,258.86	0.00	0.00	62,698.33	8,507.66
ON	Inna	Kakoian	Common-Law	0.00	925.98	24,596.35	0.00	1,176.92	26,699.25	8,507.66
ON	Mikhael	Klassen-Kay	ESA	2,714.20	108.57	0.00	0.00	0.00	2,822.77	2,822.77
ON	Prudence	Lalgie	Common-Law	0.00	464.58	58,798.99	2,351.96	4,153.85	65,769.38	8,507.66
ON	Sarah	Lam	Common-Law	0.00	1,132.38	34,059.91	0.00	1,315.38	36,507.67	8,507.66
ON	Katrina	Saripa	Common-Law	0.00	714.54	27,167.23	0.00	1,246.15	29,127.92	8,507.66
ON	Ryan	Sequeira	Common-Law	0.00	1,661.54	25,312.50	1,012.50	623.08	28,609.62	8,507.66
ON	Anjali	Soman	ESA	4,080.00	163.20	0.00	0.00	0.00	4,243.20	4,243.20
ON	Lauri	Spagnuolo	Common-Law	0.00	1,111.38	32,125.96	1,285.04	1,246.15	35,768.53	8,507.66
ON	Heather	Stephens	Common-Law	0.00	387.69	12,519.23	0.00	1,038.46	13,945.38	8,507.66
ON	Kelli	Warder	Common-Law	0.00	265.85	17,723.08	0.00	2,215.38	20,204.31	8,507.66
ON	Jennifer	Wihbey	Common-Law	0.00	836.92	14,384.62	575.38	761.54	16,558.46	8,507.66
Total Ontario				42,861.58	14,286.14	565,946.21	14,673.60	24,023.07	661,790.60	154,372.46
SK	Mark	Baker	ESA	3,120.00	187.20	0.00	0.00	276.92	3,584.12	3,584.12
SK	Ravyn	Braun	ESA	1,624.00	97.44	0.00	0.00	0.00	1,721.44	1,721.44
SK	Alexander	Buglass	ESA	1,200.00	72.00	0.00	0.00	0.00	1,272.00	1,272.00
SK	Ashley	Campbell	Common-Law	0.00	82.62	3,729.38	0.00	0.00	3,812.00	3,812.00
SK	Danielle	Caplette	Common-Law	0.00	267.25	15,403.76	0.00	1,384.62	17,055.63	8,507.66
SK	Cathi	Crook	Common-Law	0.00	343.91	24,360.35	0.00	1,730.77	26,435.03	8,507.66
SK	Brittany	Ford	Common-Law	0.00	441.60	26,220.00	1,048.80	1,938.46	29,648.86	8,507.66
SK	Alyshia	Forsyth	ESA	1,914.00	114.84	0.00	0.00	0.00	2,028.84	2,028.84
SK	Rebecca	Lloyd	Common-Law	0.00	264.47	21,672.03	0.00	2,007.69	23,944.19	8,507.66
SK	Jacqueline	McIntyre	Common-Law	0.00	126.00	5,381.25	0.00	692.31	6,199.56	6,199.56
SK	Beth	Palacios	Common-Law	0.00	158.40	2,640.00	0.00	0.00	2,798.40	2,798.40
SK	Dagmar	Sanjenko	Common-Law	0.00	242.64	18,029.50	0.00	1,800.00	20,072.14	8,507.66
Total Saskatchewan				7,858.00	2,398.37	117,436.27	1,048.80	9,830.77	138,572.21	63,954.66
GRAND TOTAL				55,594.58	18,789.54	804,680.65	20,574.32	40,430.76	940,069.84	257,427.76

This is **Exhibit "C"**
referred to in the Supplementary Reply Affidavit of Stephanie Hood
sworn before me this 28th day of June, 2024.



Abir Shamim
LSO# 88251V

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

June 19, 2024

BY EMAIL

Andrew Hatnay
Koskie Minsky LLP
20 Queen Street West
Suite 900, Box 52
Toronto, ON M5H 3R3

Dear Andrew:

BK-31-3050418 – The Body Shop Limited Canada (“TBS Canada” or the “Company”) – NOI Proceedings

We write in respect of: (i) your letter dated June 13, 2024 concerning my letter of May 15, 2024; as well as, (ii) your letter of June 13, 2024 concerning your proposed resolution of the pending representative counsel motion (the “**Motion**”) for terminated TBS Canada employees (the “**Former Employees**”).

Thank you for your confirmation that you do not plan to cross-examine Jordan Searle in respect of his affidavit, although I note that the dates for cross-examination of May 27 to 31, 2024 set out in the timetable for the Motion have expired. Having regard to the responses you provided to the questions set out in my letter of May 15, 2024, I confirm that we also do not plan to cross-examine Stephanie Hood.

In respect of your letter proposing a resolution of the Motion, TBS Canada would be pleased to consider a mutually agreeable solution to the Motion. As you are well aware and as we have already advised the Court, TBS Canada does not take, and has never taken, the position that the Former Employees cannot be represented by counsel in this proceeding. TBS Canada’s concern has been ensuring that a proper evaluation take place to ascertain whether Former Employees, who have not engaged your services as legal counsel, would benefit more from any potential distribution in this proceeding without being involuntarily grouped into a quasi-class action led by your firm. In that regard, we ask that you provide us with clarification on the issues raised below.

Payment of Legal Fees and Disbursements

You have stated in your letter that you “have instructions to offer to settle the [Motion] on the basis that the employees’ costs will not be sought from the company. They would make other arrangements for their legal costs”. We ask that you confirm your firm, your clients, and any experts or third party

DAVIES

consultants retained by your firm or your clients will not seek to have any fees, costs, professional costs, or disbursements incurred or to be incurred in the future paid for by TBS Canada, or any purchaser of TBS Canada or its assets.

In the Company's view, it would be unreasonable for your firm to seek compensation from the Company, or any purchaser of TBS Canada or its assets, for duplicative work in quantifying and preparing claims for the Former Employees.

Immunity from Liability

In the Motion, you have asked the Court to order that your firm "shall have no liability in relation to [its] appointment as Representative Counsel or the fulfilment of its duties in carrying out the provisions of [the] Order [sought]". It is the Company's view that this provision is unnecessary and inequitable. No other stakeholder in this proceeding is represented by counsel that is judicially immunized from liability. It would be unfair to permit one firm to be immunized from liability as this may encourage the relevant stakeholder group to engage in unreasonable conduct in this proceeding.

TBS Canada's position is that any immunity sought by your firm must be limited to claims that Former Employees represented by your firm may commence against your firm. TBS Canada is not prepared to agree to provide your firm with immunity from costs that it may claim in the future, if any. Moreover, any immunity should be raised with Former Employees as part of an opt-in procedure, as discussed below.

Opt-Out Procedure

In your Motion, you have asked the Court to order that all Former Employees be made a client of your firm unless the Former Employee opts out of representation by your firm within seven business days of the issuance of the Order you seek. TBS Canada does not agree that this is the appropriate procedure in these circumstances.

This proceeding is not a class action. In the Company's view, it is inappropriate for your firm to attempt to convert an insolvency proceeding into a *de facto* class action. TBS Canada agrees that all Former Employees are entitled to retain counsel if they so choose. But they should not be forced into being represented by counsel in circumstances where your firm has not disclosed sufficient information to the Court to allow it to assess whether a Former Employee would receive more from a distribution in this proceeding (if any) without being represented by your firm.

In this regard, I attach as **Appendix "A"** TBS Canada's provisional assessment of the employment claims of the 38 terminated TBS Canada employees that you advised in your June 13, 2024 letter your firm represents ("**Current Clients**"). The Company's provisional assessment was arrived at using the formula and principles applied in the recent *Nordstrom* insolvency proceedings, and remains subject to currently unknown variables such as each employee's mitigation efforts which much be assessed on an

DAVIES

individual basis. As is clear from the Appendix, however, the Company's provisional assessment exceeds your firm's calculation of claims for 26 of your Current Clients.¹

In many cases, TBS Canada's provisional assessment of your Current Clients' claims exceeded your firm's calculations significantly. For example – and in response to the question in your letter response to my May 15, 2024 letter concerning Ms. Hood's claim – TBS Canada calculated Ms. Hood's total claim on a provisional basis to be approximately \$98,668.00. By contrast, your firm calculated her claim to be \$46,095.97 on April 12, 2024. On June 13, 2024, your firm revised its calculation of her claim to \$62,698.33, but it remains materially lower than the Company's provisional assessment arrived at months prior.

TBS acknowledges that it is your Current Clients' decision as to whether they wish to retain your firm to represent them in this insolvency proceeding, even though TBS Canada has provisionally assessed that most of them will likely have claims for quantum that exceed your firm's calculation without your firm's involvement. But TBS Canada does not agree that Former Employees who have not retained your firm should have their claims reduced to pay for fees and disbursements that may be charged by your firm that they never agreed to pay. The Company believes that it is of utmost importance that your firm be transparent with the Court about what fees and costs it intends to collect from Former Employees if your firm is appointed representative counsel.

Consequently, TBS takes the position that any Order resulting from the Motion should provide for an opt-in rather than an opt-out procedure for Former Employees who are not your Current Clients. In this way, those Former Employees can make an informed decision and assess whether they believe they will receive practical benefits from a retainer of your firm. The Company also believes that your firm should disclose its proposed representative counsel fee arrangements to the Court so that the Court may assess properly whether the benefits of issuing the Order sought outweighs the costs.

We look forward to your response to the issues described above in short order as the Motion is scheduled to be heard on July 4, 2024.

¹ The Company was unable to exactly match the names of three of your Current Clients. Those names that could not be exactly matched have been identified in Appendix "A". To the extent that the names of the individuals identified are misrecorded in the data belonging to your firm or the data belonging to the Company, the relevant provisional assessments will change.

DAVIES

Yours very truly,

A handwritten signature in dark ink, appearing to read 'Chenyang Li', with a stylized, flowing script.

Chenyang Li

cc Natasha MacParland and Natalie Renner (*Davies Ward Phillips & Vineberg LLP*)
 Jane Dietrich and Alec Hoy (*Cassels Brock & Blackwell LLP*)
 Josh Nevsky and Mitchell Binder (*Alvarez & Marsal Canada Inc.*)
 Jordan Searle (*The Body Shop Canada Limited*)
 James Harnum and Abir Shamim (*Koskie Minsky LLP*)

APPENDIX A

Prov		Claim Totals		
	Full Name	KM Calculation	TBS Provisional Assessment	Difference (KM Less TBS)
ALBERTA				
AB	Natalie Roy	\$60,346.15	\$124,139.00	-\$63,792.85
MANITOBA				
MB	Kenia Amaya (Miranda?)	\$0.00	\$20,337.00	-\$20,337.00
MB	Shayla Holland	\$19,109.10	\$30,095.00	-\$10,985.90
MB	Abby Johnson	\$5,070.00	\$497.00	\$4,573.00
NEW BRUNSWICK				
NB	Elizabeth Landry	\$37,741.78	\$61,144.00	-\$23,402.22
NOVA SCOTIA				
NS	Rebekah Fielding	\$17,440.00	\$28,095.00	-\$10,655.00
ONTARIO				
ON	Sarah Adjepong-Duodu	\$75,038.71	\$135,891.00	-\$60,852.29
ON	Gabrielle Berube	\$7,593.85	\$2,076.00	\$5,517.85
ON	Zorica Bosev	\$27,433.85	\$7,408.00	\$20,025.85
ON	Hannah Clarke	\$47,578.46	\$60,281.00	-\$12,702.54
ON	Sandra (Besty) Gelliseau	\$30,158.29	\$40,946.00	-\$10,787.71
ON	Harika Good (Katamoni?)	\$26,644.00	\$4,785.00	\$21,859.00
ON	Catherine Griffone	\$3,590.08	\$785.00	\$2,805.08
ON	Joanne Henderson	\$100,798.55	\$188,848.00	-\$88,049.45
ON	Stephanie Hood	\$62,698.33	\$98,668.00	-\$35,969.67
ON	Inna Kakoian	\$26,699.25	\$46,660.00	-\$19,960.75
ON	Mikhael Klassen-Kay	\$2,822.77	\$543.00	\$2,279.77
ON	Prudence Lalgie	\$65,769.38	\$91,335.00	-\$25,565.62
ON	Sarah Lam	\$36,507.67	\$71,172.00	-\$34,664.33
ON	Katrina Saripa	\$29,127.92	\$50,948.00	-\$21,820.08
ON	Ryan Sequeira	\$28,609.62	\$8,879.00	\$19,730.62
ON	Anjali Soman	\$4,243.20	\$573.00	\$3,670.20
ON	Lauri Spagnuolo	\$35,768.53	\$57,671.00	-\$21,902.47
ON	Heather Stephens (Albert?)	\$13,945.38	\$338.00	\$13,607.38
ON	Kelli Warder	\$20,204.31	\$39,726.00	-\$19,521.69
ON	Jennifer Wihbey	\$16,558.46	\$30,020.00	-\$13,461.54
SASKATCHEWAN				
SK	Mark Baker	\$3,584.12	\$4,125.00	-\$540.88
SK	Rawyn Braun	\$1,721.44	\$2,133.00	-\$411.56
SK	Alexander Buglass	\$1,272.00	\$1,058.00	\$214.00
SK	Ashley Campbell	\$3,812.00	\$2,859.00	\$953.00
SK	Danielle Caplette	\$17,055.63	\$24,426.00	-\$7,370.37
SK	Cathi Crook	\$26,435.03	\$52,119.00	-\$25,683.97
SK	Brittany Ford	\$29,648.86	\$45,693.00	-\$16,044.14
SK	Alyshia Forsyth	\$2,028.84	\$2,238.00	-\$209.16
SK	Rebecca Lloyd	\$23,944.19	\$32,889.00	-\$8,944.81
SK	Jacqueline McIntyre	\$6,199.56	\$4,221.00	\$1,978.56
SK	Beth Palacios	\$2,798.40	\$3,503.00	-\$704.60
SK	Dagmar Sanjenko	\$20,072.14	25277	-\$5,204.86
		\$940,069.85	\$1,402,401.00	-\$462,331.15

This is **Exhibit "D"**

referred to in the Supplementary Affidavit of Stephanie Hood

sworn before me this 28th day of June, 2024.



Abir Shamim
LSO# 88251V

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.



June 24, 2024

Andrew J. Hatnay
Direct Dial: 416-595-2083
Direct Fax: 416-204-2872
ahatnay@kmlaw.ca

Via E-mail

Chenyang Li
Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Dear Mr. Li:

Re: *In the Matter of the Notice of Intention to Make a Proposal of The Body Shop Canada Limited*
Court File No. BK-31-3050418
Terminated Employees' Claims

We are writing further to your letter dated June 19, 2024.

Your letter contains many statements that are contrary to the purpose and operation of an Employee Representation Order as set out in the caselaw and Rules.

An Employee Representation Order is not a "de facto class action"

Your characterization of the motion to appoint representative counsel for all the terminated TBS employees as an inappropriate attempt to "convert an insolvency proceeding into a *de facto* class action" is incorrect.

An Employee Representation Order is a procedural order to facilitate that all the terminated employees, not just those who retained our firm, have representation in the proceeding for a number of issues, including in respect of their claims, the formulation of a proposal by the company, possible future distributions, and in this case obtaining WEPPA payments. It is based in part on Rule 10 whose purpose is to enable representation of certain classes of persons who cannot be readily ascertained, found or served. The issues impacting the employees in this proceeding and thus the role of representative counsel is not confined to "quantifying and preparing claims".

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Employee Severance Claim Methodology

With respect to TBS's "provisional" claims figures for the 38 terminated employees who retained us, which you say "remains subject to currently unknown variables such as each employee's mitigation efforts which must be assessed on an individual basis", we point out that the better approach would be, as has been done in many other insolvency cases, is to reach an agreement on a fair severance methodology to apply to the entire terminated employee population and then, applying that methodology to calculate all the employees' claim amounts. That approach would save time and costs, minimize objections from employees, and make more funds ultimately available for all creditors.

We also would like to know how TBS/Proposal Trustee plans to conduct "individual" mitigation analyses for each of the terminated employees as you indicate in your letter. Performing individual mitigation analyses for 220 terminated employees will be subject to individual debates and disputes, will take considerable time, many employees will not be reached or will be unable to respond. The fallback of a "reverse claims process" is unfair, will also result in many employees not being able to respond nor object, and will result in many employees being involuntarily assigned lower claims, and thus be paid lower WEPPA amounts and lower possible future distributions.

We remind you that the calculations we had previously provided were intended to provide an estimate of the magnitude of the terminated employees' claims in this proceeding given that the terminated TBS employees and their claims were not included in the NOI documentation. Our calculations were based on the limited employee data that was provided to us from our clients without other employee data in the company's possession, nor do we have the company's employment handbooks or termination policies. Comparing the company's "provisional assessment" of employee claims to our preliminary calculations is not helpful and in fact misleading. The focus should be on confirming the appropriate methodology.

As requested in our letter dated June 13, 2024 with respect to the claim of Stephanie Hood, please provide your client's methodology that it used to determine the employees' claims listed in Appendix A of your letter dated June 19, 2024, otherwise we cannot assess the accuracy or completeness of your calculation of our clients' claims.

Protection from Liability

Representative and Representative Counsel are court-appointed persons and thus subject to court supervision. It is a standard term to include the typical Commercial List protection from liability term in representation orders, (as well as other orders issued by court in the course of insolvency proceedings). The protection from liability sought in this case is similar to the protections requested by the Proposal Trustee, their counsel, company counsel (your firm), and the TBS directors and officers.¹

¹ The following is a small sample of cases where this term has been included:

We disagree with your statement that the protection from liability provision in a representation order "may encourage the relevant stakeholder group to engage in unreasonable conduct in this proceeding." An insolvency proceeding is a court-supervised process. If a party believes another party is engaged in unreasonable conduct, it can be brought before the supervising judge.

An "opt-in" approach is antithetical to a representation order

In accordance with the purpose of a representation order explained above, a standard term of the order is to permit an individual to opt out of the representation mandate if they wish; typically, if they already have their own personal lawyer and do not require representation under a representation order. The alternative "opt-in" approach you propose would operate as a collection of voluntary individual retainers that would certainly not capture all the terminated employees and would be contrary to the purpose and operation of a representation order.

Lastly, we and the terminated employees remain perplexed at the level of effort being exerted by the company and the Proposal Trustee to oppose the issuance of an Employee Representation Order so that all the terminated employees have representation throughout this proceeding with respect to a possible restructuring of TBS, the accurate determination of their severance claims, obtaining WEPPA and a possible distribution, as well as other issues that impact them.

An Employee Representation Order does not impair the company's restructuring process or add unnecessary costs to the proceedings. On the contrary, it adds efficiencies and streamlines the restructuring process, as the courts have recognized in many cases.

It is the company and Proposal Trustee's continued opposition to the Employee Representation Order that continues to add unnecessary costs and delays, which will ultimately be borne by all the creditors.

The terminated employees who have retained us have made clear that they need and want representation in this proceeding. In our letter dated June 13, 2024, we have already indicated that

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- **Canwest Publishing (Court File No. CV-10-8533-00CL):** On March 5, 2010, Justice Pepall ordered that representative counsel appointed for current and former employees of the debtor company shall have no liability as a result of their appointment.
 - **Foodora Inc. (Court File No. 31-2641224):** On July 8, 2020, Justice McEwen ordered that representative counsel appointed for both, CUPW Couriers and Non-CUPW Couriers shall have no liability as a result of their appointment.
 - **Metroland Media Group Ltd. (Court File No. BK-23-02986886-0031):** On October 13, 2023, Justice Osborne ordered that representative counsel appointed for the non-unionized former employees of the debtor company shall have no liability as a result of their appointment.

due to the company's strenuous opposition to paying the terminated employees' costs in respect of an Employee Representation Order, we would not seek that relief in an effort to move forward on a consensual basis.

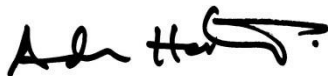
In our June 13, 2024 letter, we proposed a call that week to discuss next steps. We did not receive a response to our call request.

We remain available this week to discuss next steps should the company be willing to do so.

We would also appreciate an update on the status of this proceeding in accordance with the Endorsement of Justice Osborne of April 24, 2024.

Yours truly,

KOSKIE MINSKY LLP



Andrew J. Hatnay
AJH/vdl

cc. Client Committee
Jane Dietrich, *Cassels Brock & Blackwell LLP* (counsel to the Proposal Trustee)
Josh Nevsky, *Alvarez & Marsal Canada Inc.*
Natalie Renner & Chanakya Sethi, *Davies Ward Phillips & Vineberg LLP*
James Harnum & Abir Shamim, *Koskie Minsky LLP*

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

Proceeding commenced at Toronto

SUPPLEMENTARY REPLY AFFIDAVIT OF
STEPHANIE HOOD

KOSKIE MINSKY LLP

20 Queen Street West, Suite 900, Box 52
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ashamim@kmlaw.ca

Counsel to Stephanie Hood and other employees and
Proposed Representative Counsel for Terminated
Canadian Employees

**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

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

Proceeding commenced at Toronto

SUPPLEMENTARY
REPLY MOTION RECORD

KOSKIE MINSKY LLP

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Counsel to Stephanie Hood and other employees and
Proposed Representative Counsel for Terminated
Canadian Employees