Court File No.: _____

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 THE CHILDREN'S PLACE, INC., THE CHILDREN'S PLACE SERVICES COMPANY, LLC, THE CHILDREN'S PLACE INTERNATIONAL, LLC, THE CHILDREN'S PLACE CANADA HOLDINGS, INC., THECHILDRENSPLACE.COM, INC., TCP IH II, LLC, TCP REAL ESTATE HOLDINGS, LLC, TCP INTERNATIONAL PRODUCT HOLDINGS, LLC, TCP BRANDS, LLC, AMASKIT, LLC, THE CHILDREN'S PLACE (BARBADOS) INC., TCP INVESTMENT CANADA I CORP., TCP INVESTMENT CANADA II CORP. AND THE CHILDREN'S PLACE (CANADA), LP

APPLICATION OF THE CHILDREN'S PLACE, INC. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

Applicant

FACTUM OF THE APPLICANT
(Returnable November 9, 2026)

November 9, 2026

BENNETT JONES LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

Sean Zweig (LSO# 57307I)
Email: zweigs@bennettjones.com

Joshua Foster (LSO# 79447K)
Email: fosterj@bennettjones.com

Golshid Zahiremami
Email: zahiremamig@bennettjones.com

Brynne Dalmao (LSO# 96112N)
Email: dalmaob@bennettjones.com

Lawyers for the Applicant

TO: **THE SERVICE LIST**

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PART I: OVERVIEW

1. The Children's Place, Inc. ("**TCP, Inc.**"), in its capacity as the proposed foreign representative (in such capacity, the "**Proposed Foreign Representative**") of itself and certain of its affiliates (collectively, the "**Chapter 11 Debtors**" and together with their non-debtor affiliates, the "**Company**"), seeks an order (the "**Interim Stay Order**") pursuant to Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), and section 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**"). The Interim Stay Order will provide an urgently required, interim stay of proceedings in favour of the Chapter 11 Debtors and their respective businesses, property and directors and officers in Canada (the "**Interim Stay**"), pending the return of the Proposed Foreign Representative's application for an Initial Recognition Order and Supplemental Order (each as defined below).

2. Founded in 1969 and headquartered in Secaucus, New Jersey, the Company is one of the only pure-play children's specialty retailers in North America, operating under its flagship "The Children's Place" and "Gymboree" brands. The Company's business in Canada is conducted through The Children's Place (Canada), LP ("**TCP Canada**"), and its limited and general partners, TCP Investment Canada I Corp. ("**TCP Canada I**") and TCP Investment Canada II Corp. ("**TCP Canada II**" and collectively, the "**Canadian Debtors**"). The Canadian Debtors operate 56 brick-and-mortar retail stores across nine provinces and employ approximately 749 employees in Canada.

3. Facing significant liquidity challenges, the Chapter 11 Debtors, including the Canadian Debtors, filed voluntary petitions (collectively, the "**Petitions**" and the cases commenced thereby, the "**Chapter 11 Cases**") in the United States Bankruptcy Court for the District of New Jersey (the "**Bankruptcy Court**") pursuant to chapter 11 of title 11 of the United States Code (the

"**Bankruptcy Code**") on November 8, 2026 (the "**Petition Date**"). The filing of the Petitions afforded the Chapter 11 Debtors an automatic stay of proceedings pursuant to the Bankruptcy Code.

4. Contemporaneously with filing the Petitions, the Chapter 11 Debtors filed certain first day motions (collectively, the "**First Day Motions**"), seeking various orders (collectively, the "**First Day Orders**") from the Bankruptcy Court necessary to preserve and maximize the value of their assets and estates. The First Day Orders include, among others, an order (the "**Foreign Representative Order**") authorizing TCP, Inc. to act as the foreign representative (if appointed in such capacity, the "**Foreign Representative**") of the Chapter 11 Debtors, and an interim order (the "**Interim DIP Order**") approving the proposed DIP Facilities (as defined below). The Bankruptcy Court is expected to hear the First Day Motions on November 10, 2026 (the "**First Day Hearing**"), and the Foreign Representative Order is anticipated to be entered shortly thereafter.

5. Following the Bankruptcy Court's entry of the Foreign Representative Order, the Proposed Foreign Representative intends to seek the following orders pursuant to Part IV of the CCAA:

(a) an order (the "**Initial Recognition Order**"), among other things, recognizing the Proposed Foreign Representative as the "foreign representative" of the Chapter 11 Debtors, and the Chapter 11 Cases as a "foreign main proceeding", in each case, as such terms are defined in section 45 of the CCAA; and

(b) an order (the "**Supplemental Order**"), among other things, recognizing certain of the First Day Orders, including the Foreign Representative Order and the Interim DIP Order, granting a stay of proceedings in respect of the Chapter 11 Debtors and their respective businesses, property and directors and officers in Canada,

appointing AlixPartners Restructuring, Inc. as the information officer in respect of these proceedings (these "**Recognition Proceedings**"), and granting certain super-priority charges.

6. The Proposed Foreign Representative seeks the Interim Stay Order to give effect to the automatic stay of proceedings afforded to the Chapter 11 Debtors in the Chapter 11 Cases, and thereby maintain the *status quo*, ensure equal treatment among the Company's stakeholders, and preserve and protect the value of the Company's business and property in Canada until the Foreign Representative Order can be entered and the Initial Recognition Order and Supplemental Order can be granted.

7. The proposed Interim Stay Order is appropriate in the circumstances and consistent with this Court's practice in recognition proceedings under Part IV of the CCAA and the principles of cooperation and comity.

PART II: FACTS

8. The facts underlying this application are more fully set out in the Affidavit of Rudolph Morando sworn November 9, 2026 (the "**Morando Affidavit**").[1] All capitalized terms used but not defined herein have the respective meanings ascribed to them in the Morando Affidavit. Unless otherwise indicated, all monetary amounts are expressed in United States dollars.

[1] Affidavit of Rudolph Morando sworn November 9, 2026 [Morando Affidavit], Application Record of the Applicant dated November 9, 2026 at Tab 2 [Application Record].

A. The Chapter 11 Debtors and the Canadian Debtors

9. The Chapter 11 Debtors comprise 14 related entities, which operate on an integrated basis.[2] TCP, Inc. is the ultimate parent of each of the Chapter 11 Debtors, including the Canadian Debtors, and various non-debtor subsidiaries.[3]

10. TCP, Inc. is a Delaware corporation with its principal executive office at 500 Plaza Drive, Secaucus, New Jersey.[4] TCP, Inc.'s common stock trades on the Nasdaq Global Select Market under the symbol "PLCE".[5] As of August 14, 2026, 61.1% of TCP, Inc.'s common stock was beneficially owned by Mithaq Capital SPC ("**Mithaq**").[6]

11. The Canadian Debtors comprise TCP Canada, its general partner, TCP Canada II, and its limited partner, TCP Canada I.[7] TCP Canada is an Ontario limited partnership with its principal place of business at 6040 Cantay Road, Mississauga, Ontario.[8] TCP Canada II and TCP Canada I are Nova Scotia unlimited companies with registered offices at 600-1741 Lower Water Street, Halifax, Nova Scotia. Each is extra-provincially registered in Ontario.[9]

B. The Company's Business

1. Overview

12. The Company was founded in 1969 and became publicly traded on the Nasdaq Global Select Market in 1997.[10] The Company is one of the only pure-play children's specialty retailers

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[2] *Ibid* at paras 1, 24, Application Record at Tab 2.
[3] *Ibid* at para 60(a), Application Record at Tab 2.
[4] *Ibid* at para 18, Application Record at Tab 2.
[5] *Ibid* at para 18, Application Record at Tab 2.
[6] *Ibid* at para 19, Application Record at Tab 2.
[7] *Ibid* at para 25, Application Record at Tab 2.
[8] *Ibid* at para 25, Application Record at Tab 2.
[9] *Ibid* at para 25, Application Record at Tab 2.
[10] *Ibid* at para 18, Application Record at Tab 2.

in North America.[11] "The Children's Place" is the Company's core value-oriented brand, while "Gymboree", certain intellectual property and related assets of which the Company acquired following the restructuring of Gymboree Group, provides a differentiated, more premium offering.[12]

13. The Company designs, contracts to manufacture and sells apparel, accessories and footwear, predominantly at value prices, across an omni-channel network of brick-and-mortar stores, e-commerce platforms and wholesale channels.[13] As of the Petition Date, the Company's global retail and wholesale network included two digital storefronts, 512 stores in North America, wholesale marketplaces, and 323 international points of distribution in 13 countries through various international franchise and wholesale partners.[14]

14. The Chapter 11 Debtors' physical and digital stores serve the wardrobe needs of girls and boys, toddler girls and boys, and babies, while their wholesale business includes a relationship with Amazon, an important customer acquisition vehicle.[15] The Chapter 11 Debtors also generate additional revenue from international franchisees through product sales and sales royalties.[16]

15. The Company reports its results in two geographic segments: "The Children's Place U.S." and "The Children's Place International".[17] The former includes the Company's U.S. stores (including Puerto Rico), the Company's U.S.-based wholesale business, and the e-commerce

[11] *Ibid* at para 11, Application Record at Tab 2.
[12] *Ibid* at para 21, Application Record at Tab 2.
[13] *Ibid* at para 11, Application Record at Tab 2.
[14] *Ibid* at para 12, Application Record at Tab 2.
[15] *Ibid* at para 22, Application Record at Tab 2.
[16] *Ibid* at paras 21-22, Application Record at Tab 2.
[17] *Ibid* at para 29, Application Record at Tab 2.

businesses located at www.childrensplace.com and www.gymboree.com.[18] The latter includes the Canadian stores and the Company's international franchise revenue.[19]

16. Production, design and corporate overhead functions, including executive management, finance, real estate, human resources, legal and information technology, are globally managed by "The Children's Place U.S." segment, and the related expenses are allocated to "The Children's Place International" segment based primarily on net sales.[20] The Canadian business is operationally and financially integrated with, and dependent upon, the Company's U.S. operations.[21]

2. Retail Locations

17. The Company's retail channel is its primary driver of revenue and consists of over 500 Company-operated stores across the United States (including Puerto Rico) and Canada under "The Children's Place" and "Gymboree" brands.[22] These stores are a critical touchpoint with the Company's customers and an important driver of brand awareness and digital customer acquisition.[23] As of the Petition Date, TCP Canada operated 56 stores across nine provinces, comprising 26 stores in Ontario, 8 stores in each of Alberta and Québec, 5 stores in British Columbia, 3 stores in each of Manitoba and Saskatchewan, and 1 store in each of New Brunswick, Newfoundland and Labrador and Nova Scotia.[24]

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[18] *Ibid* at paras 22, 29, Application Record at Tab 2.
[19] *Ibid* at para 29, Application Record at Tab 2.
[20] *Ibid* at paras 29, 60(e), Application Record at Tab 2.
[21] *Ibid* at paras 24, 60-61, Application Record at Tab 2.
[22] *Ibid* at para 22, Application Record at Tab 2.
[23] *Ibid* at para 22, Application Record at Tab 2.
[24] *Ibid* at para 31, Application Record at Tab 2.

18. All of the Company's Canadian stores are operated from premises leased from third-party landlords (the "**Canadian Leases**"), substantially all of which name TCP Canada as tenant.[25] As is typical of retail leases in Canada, many of the Canadian Leases provide that an insolvency, or the taking of steps or proceedings to restructure or compromise debt, is an event of default. Such a default may, absent a stay of proceedings, permit the applicable landlord to accelerate rent, re-enter and re-let the premises, terminate the lease and/or distrain against, or remove and sell, the tenant's inventory and other property.[26]

19. Substantially all of the Canadian Leases are currently in arrears as a result of TCP Canada's failure to pay rent due on or about November 1, 2026.[27]

3. Employees

20. As of the Petition Date, the Company employed approximately 7,210 individuals, including approximately 6,911 employed by the Chapter 11 Debtors.[28]

21. As of October 27, 2026, TCP Canada employed approximately 749 employees in Canada (collectively, the "**Canadian Employees**"), of whom approximately 140 are full-time, 609 are part-time, and substantially all of whom are store-level employees.[29] The Canadian Employees are located in Ontario (351), Alberta (119), Québec (91), British Columbia (74), Manitoba (46), Saskatchewan (33), New Brunswick (11), Newfoundland and Labrador (8) and Nova Scotia (16).[30]

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[25] *Ibid* at para 31, Application Record at Tab 2.
[26] *Ibid* at para 32, Application Record at Tab 2.
[27] *Ibid* at para 32, Application Record at Tab 2.
[28] *Ibid* at para 33, Application Record at Tab 2.
[29] *Ibid* at paras 33-35, Application Record at Tab 2.
[30] *Ibid* at para 35, Application Record at Tab 2.

None of the Canadian Employees are unionized or party to a collective bargaining agreement, and the Canadian Debtors do not maintain a registered pension plan.[31]

22. Payroll for the Canadian Employees, all of which is current, is processed through OneSource Virtual, a third-party payroll service provider that also processes the payroll for the Company's U.S. and Puerto Rico employees.[32] The Canadian Employees are paid bi-weekly, approximately one week in arrears, with pay dates on Fridays.[33] TCP Canada sponsors group benefits for eligible full-time Canadian Employees, and offers eligible Canadian Employees a group registered retirement savings plan and deferred profit-sharing plan in respect of which its contributions are current.[34]

C. The Company's Capital Structure and Indebtedness

23. As of November 6, 2026, the Chapter 11 Debtors' funded indebtedness consisted of the following:

(a) approximately $130.5 million outstanding under an amended and restated credit agreement originally dated May 9, 2019 (as amended, most recently by a ninth amendment dated as of September 24, 2026), among, *inter alios*, TCP, Inc., The Children's Place Services Company, LLC, TCP Canada, TCP Brands, LLC and The Children's Place International, LLC, as borrowers, TCP Canada II and TCP Canada I, as guarantors, and Wells Fargo Bank, National Association ("**Wells Fargo**"), as administrative and collateral agent, which provides for a $350.0 million asset-based revolving credit facility (the "**ABL Credit Facility**"). The obligations

[31] *Ibid* at paras 35, 39, Application Record at Tab 2.
[32] *Ibid* at para 36, Application Record at Tab 2.
[33] *Ibid* at para 36, Application Record at Tab 2.
[34] *Ibid* at paras 38-39, Application Record at Tab 2.

under the ABL Credit Facility are secured by a first-priority security interest in substantially all of the Chapter 11 Debtors' assets, other than certain specified Term Priority Collateral (as defined in the intercreditor agreement dated as of December 16, 2025 (the "**Intercreditor Agreement**"), among, *inter alios*, Wells Fargo, as administrative and collateral agent, and SLR, as administrative and collateral agent), in which Wells Fargo holds a second-priority interest;

(b) approximately $100.0 million under a term loan agreement dated December 16, 2025 (as amended by a first amendment dated as of September 24, 2026), among, *inter alios*, TCP, Inc., The Children's Place Services Company, LLC, TCP Canada, TCP Brands, LLC and The Children's Place International, LLC, as borrowers, TCP Canada II and TCP Canada I, as guarantors, and Crystal Financial LLC d/b/a SLR Credit Solutions ("**SLR**"), as administrative and collateral agent (the "**SLR Term Loan**"), the proceeds of which were used to partially repay borrowings under the ABL Credit Facility. The obligations under the SLR Term Loan are secured by a first-priority security interest in certain specified intellectual property, real estate, furniture, fixtures, equipment and equity interests, and a second-priority security interest in the ABL Priority Collateral (as defined in the Intercreditor Agreement); and

(c) approximately $151.1 million under a series of four unsecured promissory notes with Mithaq (collectively, the "**Mithaq Term Loans**"), under which the Canadian Debtors are guarantors, the proceeds of which were used to reduce the then-existing asset-based revolving credit facility with Wells Fargo (which was later refinanced into the existing ABL Credit Facility), pay a portion of vendor accounts payable

and fund working-capital requirements. The Mithaq Term Loans are subordinated in payment priority to the Chapter 11 Debtors' obligations under the ABL Credit Facility and the SLR Term Loan pursuant to a second amended and restated subordination agreement dated as of December 16, 2025, among Wells Fargo, SLR, Mithaq, and the Chapter 11 Debtors, as amended through the first amendment thereto dated as of September 24, 2026.[35]

24. In addition to its funded indebtedness, the Company also reported approximately $141.2 million of accounts payable as of the Petition Date, of which approximately $1.3 million is estimated to be owed by the Canadian Debtors to third parties.[36] The Company also incurs material ordinary-course obligations to merchandise vendors, landlords, freight and logistics providers, payment processors, technology providers, taxing authorities and other parties.[37]

D. The Events Precipitating the Chapter 11 Cases

1. Headwinds and Liquidity Challenges Facing the Company

25. The Company has faced significant headwinds in recent years, including declining consumer demand in the value-oriented children's apparel segment, persistent cost inflation, elevated tariffs on imported goods, and intensified competitive and promotional pressure from both traditional retailers and e-commerce entrants.[38] The headwinds facing the Company have had a material adverse effect on its financial performance.[39]

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[35] *Ibid* at paras 41-48, Application Record at Tab 2.
[36] *Ibid* at para 56, Application Record at Tab 2.
[37] *Ibid* at para 56, Application Record at Tab 2.
[38] *Ibid* at para 63, Application Record at Tab 2.
[39] *Ibid* at para 63, Application Record at Tab 2.

26. Net sales declined from approximately $1.386 billion in fiscal 2024 to approximately $1.209 billion in fiscal 2025, and comparable retail sales declined by approximately 8.4% in fiscal 2025.[40] This deterioration continued in 2026: for the 26 weeks ended August 1, 2026, net sales declined by approximately 15.4% to approximately $457.0 million (down from approximately $540.1 million in the corresponding prior-year period).[41]

27. The Company's store occupancy, distribution, technology and corporate infrastructure includes costs that cannot be reduced proportionately or immediately as revenue declines, and this deterioration in performance placed significant strain on the Chapter 11 Debtors' liquidity.[42] Accounts payable became increasingly past due as the Chapter 11 Debtors sought to preserve cash.[43] At the same time, the business continued to require substantial seasonal working capital to acquire inventory before the back-to-school and holiday selling periods.[44]

2. Refinancing and Operational Initiatives

28. Beginning in fiscal 2025, the Company's management and the board of directors of TCP, Inc. pursued multiple initiatives intended to improve liquidity and provide the business additional runway.[45] These initiatives included, among others, various refinancing and liquidity initiatives, and operational measures.[46]

29. While the Chapter 11 Debtors' numerous refinancing and operational initiatives provided meaningful liquidity and were a necessary and prudent response to the Chapter 11 Debtors'

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[40] *Ibid* at para 64, Application Record at Tab 2.
[41] *Ibid* at para 64, Application Record at Tab 2.
[42] *Ibid* at para 65, Application Record at Tab 2.
[43] *Ibid* at para 65, Application Record at Tab 2.
[44] *Ibid* at para 65, Application Record at Tab 2.
[45] *Ibid* at para 68, Application Record at Tab 2.
[46] *Ibid* at paras 67-69, Application Record at Tab 2.

financial circumstances, they did not offset the magnitude of the Company's revenue decline and operating losses or sufficiently reduce the Company's substantial funded indebtedness, interest expense and fixed costs.[47] In September 2026, the Chapter 11 Debtors therefore retained Berkeley Research Group, LLC ("**BRG**") as financial advisor, Cascadia Capital, LLC ("**Cascadia**") as investment banker and White & Case LLP as U.S. restructuring counsel to assist in evaluating their restructuring options.[48] The Chapter 11 Debtors also retained A&G Realty Partners, LLC to analyze their lease portfolio and support lease negotiations.[49]

3. Restructuring Options and Prepetition Sale Efforts

30. With the assistance of its advisors, the Company evaluated a range of strategic alternatives, including: (i) a standalone sale of the "Gymboree" brand and related intellectual property; and (ii) the retention of certain intellectual property in a new "IPCo" structure for licensing to wholesalers and retail store operators.[50] Further, Cascadia launched a marketing process in September 2026 (the "**Pre-Petition Sale Process**"), contacting a broad range of strategic and financial parties, including approximately 33 strategic prospects and approximately 17 financial prospects.[51]

31. Numerous prospects contacted in the Pre-Petition Sale Process executed confidentiality agreements and were given access to an electronic data room.[52] To date, the Chapter 11 Debtors have received nine proposals relating to their assets, including six proposals for going concern and IP-related transactions, and three "equity" liquidation proposals involving substantially all of the Chapter 11 Debtors' assets.[53] Following their receipt, the Chapter 11 Debtors, together with

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[47] *Ibid* at paras 68-69, Application Record at Tab 2.
[48] *Ibid* at para 70, Application Record at Tab 2.
[49] *Ibid* at para 71, Application Record at Tab 2.
[50] *Ibid* at para 70, Application Record at Tab 2.
[51] *Ibid* at para 73, Application Record at Tab 2.
[52] *Ibid* at para 73, Application Record at Tab 2.
[53] *Ibid* at para 74, Application Record at Tab 2.

Cascadia, conducted a comprehensive review of such proposals and have engaged, and continue to engage, in extensive negotiations with the interested parties to refine and enhance their initial bids.[54]

32. After engaging in additional negotiations concerning the three fee-based liquidation proposals received, the Chapter 11 Debtors entered into a consulting agreement (the "**Consulting Agreement**") with Tiger Capital Group, LLC, SB360 Capital Partners, LLC and GA Retail Solutions, LLC to assist with the liquidation of inventory and certain other assets, as well as the closure of unprofitable retail locations, while a marketing process for a value-maximizing transaction continues.[55] Such sales commenced on November 6, 2026, and are anticipated to continue through February 28, 2027.[56]

33. After extensive consideration, the Chapter 11 Debtors determined that commencing the Chapter 11 Cases to continue orderly store closing sales while pursuing in parallel, a value-maximizing sale transaction represents the best available path to maximize value for the Chapter 11 Debtors' estates and stakeholders.[57] To fund their operations and a value-maximizing sale process within the Chapter 11 Cases, the Chapter 11 Debtors, with Cascadia's assistance, conducted a marketing process for debtor-in-possession ("**DIP**") financing.

34. The sole viable option for postpetition funding resulting from that process was provided by the Chapter 11 Debtors' existing secured lenders.[58] Namely, proposed senior secured superpriority DIP financing consisting of an asset-based revolving credit facility (the "**DIP ABL Facility**"), with Wells Fargo as administrative and collateral agent, and a term loan facility

[54] *Ibid* at para 74, Application Record at Tab 2.
[55] *Ibid* at para 77, Application Record at Tab 2.
[56] *Ibid* at paras 77-78, Application Record at Tab 2.
[57] *Ibid* at para 72, Application Record at Tab 2.
[58] *Ibid* at para 80, Application Record at Tab 2.

(together with the DIP ABL Facility, the "**DIP Facilities**"), with SLR as administrative and collateral agent.[59] The proposed DIP Facilities remain subject to ongoing negotiation and the Bankruptcy Court's approval.[60]

35. Subject to the Bankruptcy Court's approval, entry of the Interim DIP Order and the terms of the financing documents, the proposed DIP Facilities are expected to contemplate continued revolving credit availability and the refinancing of the ABL Credit Facility and SLR Term Loan obligations, including through a roll-up of such prepetition indebtedness, and are proposed to be secured by liens on substantially all of the Chapter 11 Debtors' assets (other than those of The Children's Place (Barbados) Inc.), including those of the Canadian Debtors, and supported by superpriority administrative expense claims, subject to applicable lien priorities, the Administration Charge and the Directors' Charge and a carve-out.[61]

4. The Chapter 11 Cases

36. On the Petition Date, the Chapter 11 Debtors, including the Canadian Debtors, filed the Petitions in the Bankruptcy Court pursuant to chapter 11 of the Bankruptcy Code.[62] The filing of the Petitions afforded the Chapter 11 Debtors the benefit of an automatic stay of proceedings pursuant to the Bankruptcy Code.[63]

37. Contemporaneously with filing the Petitions, the Chapter 11 Debtors filed the First Day Motions seeking the First Day Orders, among other things: (i) authorizing the Chapter 11 Debtors to continue their operations, pay employees, maintain certain customer programs, continue their

[59] *Ibid* at para 80, Application Record at Tab 2.
[60] *Ibid* at para 80, Application Record at Tab 2.
[61] *Ibid* at paras 80-81, Application Record at Tab 2.
[62] *Ibid* at para 5, Application Record at Tab 2, Exhibit "A".
[63] *Ibid* at para 5, Application Record at Tab 2.

cash management practices, honour certain pre-petition obligations, and access additional liquidity under the DIP Facilities pursuant to the Interim DIP Order; (ii) authorizing the Chapter 11 Debtors to continue orderly store closing sales; (iii) approving bidding procedures for a post-petition sale process; and (iv) authorizing TCP, Inc. to act as the Foreign Representative of the Chapter 11 Debtors in respect of the Chapter 11 Cases pursuant to the Foreign Representative Order.[64] The First Day Hearing is scheduled for November 10, 2026, and entered copies of the First Day Orders, if granted, including the Foreign Representative Order and the Interim DIP Order, are expected to be available shortly thereafter.[65]

E. The Urgent Need for the Interim Stay

38. Pending the hearing of the First Day Motions and the granting of the Foreign Representative Order, the Proposed Foreign Representative seeks the Interim Stay Order to give effect to the automatic stay of proceedings afforded to the Chapter 11 Debtors in Canada, and thereby maintain the *status quo*, ensure equal treatment among the Company's stakeholders, and preserve and protect the value of the Company's business and property in Canada.[66]

39. Absent the proposed Interim Stay, the Chapter 11 Debtors' creditors, including TCP Canada's landlords and suppliers, may seek to terminate the Canadian Leases, seize or distrain against inventory in the Canadian stores, or exercise other value-destructive rights or remedies against the Chapter 11 Debtors' business and property in Canada.[67] Preserving that business and property, and avoiding enforcement action that could destabilize the Chapter 11 Debtors' efforts to maximize value, including through a sale process and orderly store closing sales, is in the best

[64] *Ibid* at paras 6, 111-131, Application Record at Tab 2.
[65] *Ibid* at para 6, Application Record at Tab 2.
[66] *Ibid* at paras 16, 88, 90, Application Record at Tab 2.
[67] *Ibid* at para 90, Application Record at Tab 2.

interests of the Company, the Canadian Employees, and the Company's creditors and other stakeholders.[68]

PART III: ISSUES

40. The issues to be determined on this application are whether:

(a) Ontario is a proper jurisdiction for these Recognition Proceedings; and

(b) this Court should grant the Interim Stay, including in favour of TCP Canada.

PART IV: LAW AND ANALYSIS

A. Ontario is a Proper Jurisdiction for these Recognition Proceedings

41. As this Court has consistently recognized, "Part IV of the CCAA does not contain any provisions with respect to the jurisdiction of a particular court to hear a recognition application."[69] Ontario is therefore a proper jurisdiction for a recognition proceeding under Part IV of the CCAA where the Canadian debtors subject to such proceedings have, as the Canadian Debtors do in this case, a substantial connection to Ontario.[70]

42. Here, the Canadian Debtors plainly have a substantial connection to Ontario given that, among other things:

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[68] *Ibid* at paras 90, 98, Application Record at Tab 2.

[69] *Paladin Labs Canadian Holdings Inc.*, 2022 ONSC 4748 at paras 16-17 [*Paladin*]; *In the Matter of CURO Canada Corp. and LendDirect Corp.*, 2024 ONSC 1785 at para 32 [*Curo*]; *In the Matter of Kidkraft Inc. et al.* (May 10, 2024), Toronto, CV-24-00720035-00CL (Endorsement) (ONSC) at para 8 [*Kidkraft*]; *In the Matter of WeWork Canada GP ULC et al.* (November 7, 2023), Toronto, CV-23-00709258-00CL (Endorsement) (ONSC) at para 11 [*WeWork*]; *In the Matter of Eddie Bauer LLC et al.* (February 9, 2026), Toronto, CL-26-00000050-0000 (Endorsement) (ONSC) at para 7 [*Eddie Bauer*].

[70] *Eddie Bauer*, *ibid*; *WeWork*, *ibid* at paras 12-13; *Kidkraft*, *ibid*; *Paladin*, *ibid*.

(a) TCP Canada, which is the tenant under substantially all the Canadian Leases, is an Ontario limited partnership with its principal place of business at 6040 Cantay Road, Mississauga, Ontario, L5R 4J2;

(b) 351 of the 749 Canadian Employees are located in Ontario, representing approximately 47% of the Canadian Debtors' workforce; and

(c) Ontario is the province in which the Canadian Debtors have the highest number of stores, being 26 of 56 or approximately 46% of the Company's stores in Canada.[71]

43. Having regard to the foregoing, the Applicant submits that Ontario is a proper jurisdiction for these Recognition Proceedings.

B. The Interim Stay Should be Granted

1. The Proposed Interim Stay is Appropriate

44. As previously noted, the Chapter 11 Debtors, including the Canadian Debtors, commenced the Chapter 11 Cases in the Bankruptcy Court by filing the Petitions, which resulted in an automatic stay of proceedings in respect of the Chapter 11 Debtors. Contemporaneously with filing the Petitions, the Chapter 11 Debtors filed the First Day Motions seeking the Bankruptcy Court's entry of the First Day Orders, including the Foreign Representative Order. Until the Bankruptcy Court enters the Foreign Representative Order, the Proposed Foreign Representative will not be able to file the certified materials required by subsection 46(2) of the CCAA and obtain the Initial Recognition Order and the Supplemental Order, and the stay of proceedings therein, in its formal

[71] Morando Affidavit, *supra* note 1 at paras 25-26, 31, 35, Application Record at Tab 2.

capacity as Foreign Representative. As such, the Chapter 11 Debtors' respective business, property and directors and officers in Canada are currently without the benefit of a stay of proceedings.

45. The proposed Interim Stay Order squarely addresses the temporary gap between the filing of the Petitions and entry of the First Day Orders and the prejudice that could result to the Chapter 11 Debtors and their creditors in the absence of a stay of proceedings in respect of their business and property in Canada. Consistent with the purposes of Part IV of the CCAA, including "the protection and the maximization of the value of debtor company's property",[72] this Court frequently addresses this gap by granting "interim orders to temporarily stay proceedings in Canada when a Chapter 11 proceeding has been commenced in the United States."[73]

46. As this Court has consistently held, the granting of an interim stay in the context of a pending application under Part IV of the CCAA, such as the proposed Interim Stay, is within its jurisdiction under section 106 of the CJA, section 11.02 of the CCAA, and its inherent jurisdiction.[74] The exercise of such jurisdiction is both "consistent with this Court's practice in recent Part IV recognition proceedings" and in accordance with "the principles of cooperation and comity".[75]

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[72] *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended s 44 [CCAA].

[73] *Kidkraft*, *supra* at para 11; *Curo*, *supra* at paras 36-37; *Re YRC Freight Canada Company*, 2023 ONSC 4492 at para 9 [*YRC*]; *Hornblower Cruises and Events Canada Ltd.*, 2024 ONSC 1094 at para 19 [*Hornblower*]; *In the Matter of Mitel Networks Corporation* (March 10, 2025), Toronto, CV-25-00738691-00CL (Endorsement) (ONSC) at paras 14-15 [*Mitel*]. See also, *In the Matter of Sungard Availability Services (Canada) Ltd./Sungard, Services de Continuite des Affaires (Canada) Ltee* (April 11, 2022), Toronto, CV-22-00679628-00CL (Endorsement) (ONSC).

[74] *Curo*, *supra* at para 38; *WeWork*, *supra* at para 16; *Eddie Bauer*, *supra* at para 10.

[75] *Hornblower*, *supra* at paras 20-21; *Curo*, *ibid* at para 40; *WeWork*, *ibid* at para 17; *Eddie Bauer*, *ibid*; *YRC*, *supra* at paras 10-11; *Paladin*, *supra* at para 20; *Mitel*, *supra* at para 14; *Kidkraft*, *supra* at para 11;

47. In this case, the Applicant submits that it is appropriate in the circumstances for this Court to exercise its jurisdiction under section 106 of the CJA and section 11.02 of the CCAA to grant the proposed Interim Stay. Specifically, the proposed Interim Stay:

(a) is consistent with the automatic stay of proceedings granted in favour of the Chapter 11 Debtors pursuant to the Bankruptcy Code, the purposes of Part IV of the CCAA, the principles of cooperation and comity and this Court's practice in the context of recognition proceedings under Part IV of the CCAA;

(b) is necessary to protect the Chapter 11 Debtors' respective business, property and directors and officers in Canada from value-destructive enforcement efforts, including by TCP Canada's landlords and suppliers, and to preserve and stabilize the Chapter 11 Debtors' business in Canada, until the Proposed Foreign Representative can seek the proposed Initial Recognition Order and Supplemental Order;

(c) ensures consistency in treatment as between the Chapter 11 Debtors' stakeholders located in the United States and in Canada; and

(d) facilitates the coordination of the Chapter 11 Cases with these Recognition Proceedings.[76]

2. It is Appropriate to Extend the Stay of Proceedings to TCP Canada

48. It is well established that, while not a "debtor company" under the CCAA, this Court has inherent jurisdiction to extend the protection of a stay of proceedings to a partnership, such as TCP

[76] Morando Affidavit, *supra* at paras 16, 90, 98, Application Record at Tab 2; CCAA, *supra* s 44. See also, *Hornblower*, *ibid*; *Curo*, *ibid*; *WeWork*, *ibid*; *Eddie Bauer*, *ibid*; *YRC*, *ibid*; *Paladin*, *ibid*; *Mitel*, *ibid*; *Kidkraft*, *ibid*.

Canada, where "it is just and reasonable in the circumstances to do so".[77] Such an extension is appropriate where, among other things:

(a) the operations of the partnership are "integral and closely related to" or "intertwined with" those of a debtor company;

(b) extending the stay of proceedings to such partnership will "ensure that the purposes of the CCAA can be achieved"; and/or

(c) not "extending the stay would significantly impair the effectiveness of a stay in respect of the debtor company."[78]

49. Here, the Applicant submits that it is just and reasonable for this Court to exercise its inherent jurisdiction to extend the Interim Stay to TCP Canada in the circumstances given that:

(a) TCP Canada is the principal entity through which the Company's operations in Canada are conducted, and its operations are, in turn, integrated with, and dependent upon, the Company's U.S.-managed functions;

(b) TCP Canada is the tenant under substantially all of the Chapter 11 Debtors' leases in Canada, which are integral to the operation of the Company's business in Canada;

(c) TCP Canada's general and limited partners are each Chapter 11 Debtors and Canadian Debtors;

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[77] *WeWork*, *ibid* at paras 21-23; *Kidkraft*, *ibid* at para 14.
[78] *WeWork*, *ibid* at paras 21-23; *Nordstrom Canada Retail, Inc.*, 2023 ONSC 1422 at para 30; *Re 4519922 Canada Inc.*, 2015 ONSC 124 at para 37.

(d) as TCP Canada is also a Chapter 11 Debtor, the proposed Interim Stay is consistent with the automatic stay of proceedings granted for its benefit pursuant to the Bankruptcy Code, the purposes of Part IV of the CCAA, the principles of cooperation and comity, and this Court's practice in the context of recognition proceedings under Part IV of the CCAA, and will ensure consistency in treatment as between the Chapter 11 Debtors' stakeholders located in the United States and in Canada; and

(e) the exercise of rights or remedies against TCP Canada or affecting its business or property, including by TCP Canada's landlords and suppliers, would be highly disruptive and prejudicial to the Company's business in Canada and its broader restructuring efforts.[79]

PART V: RELIEF REQUESTED

50. The Applicant submits that the relief sought on the within application is appropriate in the circumstances, consistent with the principles of comity and cooperation and the prior practice and orders of this Court,[80] and respectfully requests that the proposed Interim Stay Order be granted.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 9th DAY OF NOVEMBER 2026

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[79] Morando Affidavit, *supra* at paras 26, 91, Application Record at Tab 2; CCAA, *supra* s 44. See also, *Hornblower*, *supra* at paras 20-21; *Curo*, *supra* at para 40; *WeWork*, *ibid* at para 17; *Eddie Bauer*, *ibid*; *YRC*, *supra* at paras 10-11; *Paladin*, *ibid*; *Mitel*, *supra* at para 14; *Kidkraft*, *ibid*.

[80] *In the Matter of Hornblower Cruises and Events Canada Ltd. et al.* (February 21, 2024), Toronto, CV-24-00715202-00CL (Interim Stay Order) (ONSC); *In the Matter of Eddie Bauer LLC et al.* (February 9, 2026), Toronto, CL-26-00000050-0000 (Interim Stay Order) (ONSC); *In the Matter of KidKraft, Inc. et al.* (May 10, 2024), Toronto, CV-24-00720035-00CL (Interim Stay Order) (ONSC); *In the Matter of WeWork Canada GP ULC et al.* (November 7, 2023), Toronto, CV-23-00709258-00CL (Interim Stay Order) (ONSC); *In the Matter of YRC Freight Canada Company et al.* (August 8, 2023), Toronto, CV-23-00704038-00CL (Interim Stay Order) (ONSC).

Bennett Jones LLP

Bennett Jones LLP

SCHEDULE A – LIST OF AUTHORITIES

Cases Cited

1. *Hornblower Cruises and Events Canada Ltd.*, 2024 ONSC 1094
2. *In the Matter of CURO Canada Corp. and LendDirect Corp.*, 2024 ONSC 1785
3. *Paladin Labs Canadian Holdings Inc.*, 2022 ONSC 4748
4. *Re 4519922 Canada Inc.*, 2015 ONSC 124
5. *Re YRC Freight Canada Company,* 2023 ONSC 4492
6. *Nordstrom Canada Retail, Inc.*, 2023 ONSC 1422

Endorsements and Orders

1. *In the Matter of Eddie Bauer LLC et al.* (February 9, 2026), Toronto, CL-26-00000050-0000 (Endorsement) (ONSC)
2. *In the Matter of Eddie Bauer LLC et al.* (February 9, 2026), Toronto, CL-26-00000050-0000 (Interim Stay Order) (ONSC)
3. *In the Matter of Hornblower Cruises and Events Canada Ltd. et al.* (February 21, 2024), Toronto, CV-24-00715202-00CL (Interim Stay Order) (ONSC)
4. *In the Matter of Kidkraft Inc. et al.* (May 10, 2024), Toronto, CV-24-00720035-00CL (Endorsement) (ONSC)
5. *In the Matter of KidKraft, Inc. et al.* (May 10, 2024), Toronto, CV-24-00720035-00CL (Interim Stay Order) (ONSC)
6. *In the Matter of Mitel Networks Corporation* (March 10, 2025), Toronto, CV-25-00738691-00CL (Endorsement) (ONSC)
7. *In the Matter of Sungard Availability Services (Canada) Ltd./Sungard, Services de Continuite des Affaires (Canada) Ltee* (April 11, 2022), Toronto, CV-22-00679628-00CL (Endorsement) (ONSC)
8. *In the Matter of WeWork Canada GP ULC et al.* (November 7, 2023), Toronto, CV-23-00709258-00CL (Endorsement) (ONSC)
9. *In the Matter of WeWork Canada GP ULC et al.* (November 7, 2023), Toronto, CV-23-00709258-00CL (Interim Stay Order) (ONSC)
10. *In the Matter of YRC Freight Canada Company et al.* (August 8, 2023), Toronto, CV-23-00704038-00CL (Interim Stay Order) (ONSC)

I certify that I am satisfied as to the authenticity of every authority.

November 9, 2026

Joshua Foster

JOSHUA FOSTER

SCHEDULE B – STATUTES AND REGULATIONS RELIED ON

***Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36**

Section 11.02

Stays, etc. – initial application

11.02 (1) A court may, on an initial application in respect of a debtor company, make an order on any terms that it may impose, effective for the period that the court considers necessary, which period may not be more than 10 days,

> **(a)** staying, until otherwise ordered by the court, all proceedings taken or that might be taken in respect of the company under the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act;
>
> **(b)** restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and
>
> **(c)** prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

Stays, etc. — other than initial application

(2) A court may, on an application in respect of a debtor company other than an initial application, make an order, on any terms that it may impose,

> **(a)** staying, until otherwise ordered by the court, for any period that the court considers necessary, all proceedings taken or that might be taken in respect of the company under an Act referred to in paragraph (1)(a);
>
> **(b)** restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and
>
> **(c)** prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

Burden of proof on application

(3) The court shall not make the order unless

> **(a)** the applicant satisfies the court that circumstances exist that make the order appropriate; and
>
> **(b)** in the case of an order under subsection (2), the applicant also satisfies the court that the applicant has acted, and is acting, in good faith and with due diligence.

Restriction

(4) Orders doing anything referred to in subsection (1) or (2) may only be made under this section.

2005, c. 47, s. 128, 2007, c. 36, s. 62(F)2019, c. 29, s. 137

Section 44

Purpose

44 The purpose of this Part is to provide mechanisms for dealing with cases of cross-border insolvencies and to promote

> **(a)** cooperation between the courts and other competent authorities in Canada with those of foreign jurisdictions in cases of cross-border insolvencies;
>
> **(b)** greater legal certainty for trade and investment;
>
> **(c)** the fair and efficient administration of cross-border insolvencies that protects the interests of creditors and other interested persons, and those of debtor companies;
>
> **(d)** the protection and the maximization of the value of debtor company's property; and
>
> **(e)** the rescue of financially troubled businesses to protect investment and preserve employment.

2005, c. 47, s. 131

***Courts of Justice Act*, R.S.O. 1990, c. C.43**

Section 106

Stay of Proceedings

106 A court, on its own initiative or on motion by any person, whether or not a party, may stay any proceeding in the court on such terms as are considered just. R.S.O. 1990, c. C.43, s. 106.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985, c. C-36, AS AMENDED Court File No: _____

AND IN THE MATTER OF THE CHILDREN'S PLACE, INC., THE CHILDREN'S PLACE SERVICES COMPANY, LLC, THE CHILDREN'S PLACE INTERNATIONAL, LLC, THE CHILDREN'S PLACE CANADA HOLDINGS, INC., THECHILDRENSPLACE.COM, INC., TCP IH II, LLC, TCP REAL ESTATE HOLDINGS, LLC, TCP INTERNATIONAL PRODUCT HOLDINGS, LLC, TCP BRANDS, LLC, AMASKIT, LLC, THE CHILDREN'S PLACE (BARBADOS) INC., TCP INVESTMENT CANADA I CORP., TCP INVESTMENT CANADA II CORP. AND THE CHILDREN'S PLACE (CANADA), LP

APPLICATION OF THE CHILDREN'S PLACE, INC. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

FACTUM

BENNETT JONES LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

Sean Zweig (LSO# 57307I)
Email: zweigs@bennettjones.com

Joshua Foster (LSO# 79447K)
Email: fosterj@bennettjones.com

Golshid Zahiremami
Email: zahiremamig@bennettjones.com

Brynne Dalmao (LSO# 96112N)
Email: dalmaob@bennettjones.com

Lawyers for the Applicant