

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re

The Aldo Group Inc., *et al.*,<sup>1</sup>

Debtors in Foreign Proceedings.

Chapter 15

Case No. 20-11060 (KBO)

Jointly Administered

**Re: D.I. 99**

**ORDER GRANTING MOTION OF THE FOREIGN REPRESENTATIVE  
FOR ENTRY OF AN ORDER GIVING EFFECT TO ORDER ENTERED IN  
THE FOREIGN PROCEEDINGS TO (A) DISMISS FOREIGN PROCEEDING  
AS TO ALDO 1125 THIRD AVENUE CORPORATION AND ALDO 250  
WEST 125 INC., (B) REDUCE INTERIM CREDIT FACILITY, (C)  
AUTHORIZE KEY EMPLOYEE RETENTION PLAN AND RELATED  
CHARGE ON ASSETS AND (D) GRANT RELATED RELIEF**

Upon the *Motion of the Foreign Representative for Entry of an Order Giving Effect to Order Entered in the Foreign Proceedings to (A) Dismiss Foreign Proceedings as to Aldo 1125 Third Avenue Corporation and Aldo 250 West 125 Inc., (B) Reduce Interim Credit Facility, (C) Authorize Key Employee Retention Plan and Related Charge on Assets and (D) Grant Related Relief* (the “Motion”)<sup>2</sup> of The Aldo Group Inc. (the “Foreign Representative”), in its capacity as the Canadian Court-appointed and authorized foreign representative for the above-captioned debtors (collectively, the “Debtors”) for entry of an order (this “Order”), (i) recognizing, and giving effect to within the territorial jurisdiction of the United States, the Canadian Court’s May 21, 2021 Order, and (ii) pursuant to sections 105(a), 109(a), 305(a) and (b), 363(b), 364, 1520(a),

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<sup>1</sup> The Debtors in these Chapter 15 Cases and the last four digits of their U.S. Federal Employer Identification Numbers or other unique identifier are as follows: The Aldo Group Inc. (2186); Southwest Capital Holdings Inc. (8248); Aldo US Inc. (6704); Aldo Marketing LLC (1748); Aldo Shoes West Forty Second, LLC (2610); Aldo 1125 Third Ave. Corp. (2110); Aldo 5th Ave. Inc. (2112); Aldo 250 West 125 Inc. (2324); and 1230 Avenue of the Americas LLC (6704). The Debtors’ principal offices are located at 905 Hodge Street Montreal QC, Canada, H4N 2B3.

<sup>2</sup> Capitalized terms not defined herein are defined in the Motion.

and 1521(a)(7) of the United States Bankruptcy Code, 11 U.S.C. §§ 101, *et. seq.* (the “Bankruptcy Code”), as applicable: (a) ordering that Aldo Third Avenue and Aldo 250 (collectively, the “US Nominees”) shall be dismissed from the Chapter 15 Cases, (b) approving an amendment to the DIP Financing Term Sheet; (c) approving a key employee retention plan and the creation of a court-ordered charge as security for the payment of the amounts set out in such plan; and (d) granting related relief, the whole in a manner consistent with the order of the Canadian Court’s May 21, 2021 Order; and upon consideration of the Ferland Declaration; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P); and venue being proper before this Court pursuant to 28 U.S.C. § 1410; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and due and proper notice of the Motion and hearing to consider the relief requested herein (the “Hearing”) appearing adequate and appropriate under the circumstances; and this Court having found that no other or further notice need be provided; and the legal and factual bases set forth in the Motion establishing just and sufficient cause to grant the relief requested therein; and the relief granted herein being in the best interests of the Debtors, their creditors and all parties in interest and serving the purposes of chapter 15; and the Court having held the Hearing, if necessary, with the appearances of interested parties noted in the record of the Hearing; and no objection to the Motion having been filed or made at the Hearing on the Motion; and upon all of the proceedings before the Court and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED as set forth herein.

2. The Court hereby recognizes, and gives effect to within the territorial jurisdiction of the United States, the Canadian Court's May 21, 2021 Order.

3. The Chapter 15 Cases of Aldo 1125 Third Avenue Corporation and Aldo 250 West 125 Inc. are hereby dismissed, and Aldo 1125 Third Avenue Corporation and Aldo 250 West 125 Inc. are released from the purview of the orders entered in the Chapter 15 Cases. The Clerk of Court is authorized and directed to take all necessary action to effectuate the dismissal and closure of the Chapter 15 Cases of Aldo 1125 Third Avenue Corporation and Aldo 250 West 125 Inc. The Court's May 8, 2020, *Order Directing Joint Administration of Chapter 15 Cases and Granting Related Relief* (D.I. 27) is hereby amended to remove Aldo 1125 Third Avenue Corporation and Aldo 250 West 125 Inc. from the footnote to the consolidated case caption for these Chapter 15 Cases.

4. To the extent authorized and created under the May 21, 2021 Order, the Debtors are hereby authorized to implement the KERP and the charge on the Debtors' assets to support the KERP is hereby approved.

5. To the extent authorized by the May 21, 2021 Order, the DIP Lender Charge shall be reduced from CDN\$120,000,000 to CDN\$50,000,000.

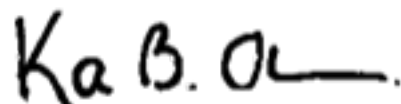
6. Nothing in the Motion or its exhibits, or in this Order, is intended or should be construed as (i) an admission as to the validity, amount, or priority of any claim against the Debtors; (ii) a waiver of the Foreign Representative's or the Debtors' rights to dispute any claim; (iii) a promise or requirement to pay any claim; (iv) a waiver of any claim or cause of action of the Debtors that exists against any entity; (v) a ratification or assumption of any agreement, contract or lease; (vi) a waiver or limitation of the Foreign Representative's or the Debtors' rights under the CCAA or the Bankruptcy Code, any other applicable law, or any agreement; or (vii) an

admission or concession by the Foreign Representative or the Debtors that any lien acknowledged or satisfied under the Motion is valid, and all rights of the Foreign Representative or the Debtors to contest the extent, validity, or perfection, or seek avoidance of, any such lien are hereby reserved and preserved.

7. The Foreign Representative, the Debtors, and the Monitor are authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this Order.

8. This Court shall retain jurisdiction with respect to all matters related to the interpretation or implementation of this Order.

Dated: August 6th, 2021  
Wilmington, Delaware

A handwritten signature in black ink, appearing to read "Ka B. Owens", with a stylized flourish at the end.

KAREN B. OWENS  
UNITED STATES BANKRUPTCY JUDGE