

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE MR.

)

FRIDAY, THE 21<sup>ST</sup> DAY

)

JUSTICE OSBORNE

)

OF MARCH, 2025

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI, HBC  
CANADA PARENT HOLDINGS INC., HBC CANADA PARENT HOLDINGS 2 INC., HBC  
BAY HOLDINGS I INC., HBC BAY HOLDINGS II ULC, THE BAY HOLDINGS ULC, HBC  
CENTERPOINT GP INC., HBC YSS 1 LP INC., HBC YSS 2 LP INC., HBC HOLDINGS GP  
INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., and 2472598 ONTARIO INC.**

**ORDER  
(Lease Monetization Process)**

**THIS MOTION**, made by Hudson's Bay Company ULC Compagnie de la Baie D'Hudson SRI ("**Hudson's Bay**"), HBC Canada Parent Holdings Inc., HBC Canada Parent Holdings 2 Inc., HBC Bay Holdings I Inc., HBC Bay Holdings II ULC, The Bay Holdings ULC, HBC Centerpoint GP Inc., HBC YSS 1 LP Inc., HBC YSS 2 LP Inc., HBC Holdings GP Inc., Snospmis Limited, 2472596 Ontario Inc., and 2472598 Ontario Inc. (collectively, the "**Applicants**") for an order approving the Lease Monetization Process (defined below) was heard this day at 330 University Avenue, Toronto, Ontario and via videoconference.

**ON READING** the affidavits of Jennifer Bewley sworn March 7, 2025, March 14, 2025, and March 21, 2025, and the Exhibits thereto, the pre-filing report of Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as proposed monitor of the Applicants dated March 7, 2025 (the "**Pre-Filing Report**"), the first report of A&M, in its capacity as monitor of the Applicants, (in such capacity, the "**Monitor**"), dated March 16, 2025, and the Supplement to the First Report of the Monitor dated March 21, 2025, and on hearing the submissions of counsel to the Applicants, counsel to the Monitor, and such other parties as listed on the Counsel Slip, with no one else appearing although duly served as appears from the Affidavits of Service of Brittney Ketwaroo sworn March 17, 2025 and March 21, 2025.

## **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used but not otherwise defined herein have the meanings ascribed in the Lease Monetization Process attached hereto as Schedule "A" (the "**Lease Monetization Process**") or the Amended and Restated Initial Order, dated March 21, 2025 (the "**ARIO**"), as applicable.

## **APPROVAL OF THE LEASE MONETIZATION PROCESS**

3. **THIS COURT ORDERS** that the Lease Monetization Process is hereby approved. The Applicants, the Monitor and the Broker are hereby authorized and directed to take any and all actions as may be necessary or desirable to implement and carry out the Lease Monetization Process.

4. **THIS COURT ORDERS** that the agreement dated March 20, 2025, engaging Oberfeld Snowcap Inc. ("**Oberfeld**") as Broker to Hudson's Bay in the form attached as Exhibit "B" to the Affidavit of Jennifer Bewley sworn March 21, 2025, and the retention of Oberfeld under the terms thereof, is hereby approved.

5. **THIS COURT ORDERS** that each of the Applicants, the Monitor, the Broker and their respective affiliates, partners, directors, employees, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Lease Monetization Process, except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of the Applicants, the Monitor, or the Broker, as applicable, in performing their obligations under the Lease Monetization Process, as determined by this Court.

6. **THIS COURT ORDERS** that notwithstanding anything else contained herein, the Applicants and any Related Person that wishes to submit or participate in a Sale Proposal must declare such intention to the Monitor and the Broker in writing by April 7, 2025. If the Applicant or any Related Person makes such declaration, the Monitor and the Broker shall design and implement additional procedures for the Lease Monetization Process in respect

of the sharing of information with the Applicants so as to ensure and preserve the fairness of the Lease Monetization Process and shall advise the parties on the service list for these proceedings of these additional procedures.

7. **THIS COURT ORDERS** that notwithstanding any other term contained herein and paragraph 11 of the ARIO, on or before July 15, 2025, the Applicants shall send a notice of disclaimer with respect to any Lease that is not subject to a Successful Bid pursuant to the SISP or the Lease Monetization Order that has not been terminated in accordance with terms thereof.

8. **THIS COURT ORDERS** that, pursuant to section 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS), the Applicants, the Monitor and the Broker are authorized and permitted to send, or cause or permit to be sent, commercial electronic messages to an electronic address of prospective bidders or offerors and to their advisors, but only to the extent required to provide information with respect to the Lease Monetization Process in these proceedings.

9. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their respective powers and duties hereunder.

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

11. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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## Schedule "A"

### LEASE MONETIZATION PROCESS

#### Introduction

On March 7, 2025, Hudson's Bay Company ULC Compagnie De La Baie D'Hudson SRI (the "**Company**") and those parties listed in Schedule "**A**" hereto (collectively, the "**Applicants**") sought and obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**") pursuant to an initial order (as amended, restated or varied from time to time, the "**Initial Order**") granted by the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). Parties listed in Schedule "**B**" were also granted protection as "Non-Applicant Stay Parties". Alvarez & Marsal Canada Inc. was appointed as monitor in the CCAA proceedings (in such capacity, the "**Monitor**").

On March 14, 2025, the Applicants served a motion seeking, among other things, an order for the approval of a sale process (as same may be amended from time to time, the "**Lease Monetization Process**") pursuant to, and in accordance with, the Lease Monetization Order (as defined below) to be conducted under the supervision of the Court and the Monitor.

The purpose of this Lease Monetization Process is to seek Sale Proposals from Qualified Bidders and to implement one or a combination of them in respect of the Leases, which implementation may include sales, dispositions, assignments, surrender (if accepted by the applicable landlord), or other transaction forms. The Applicants, in their reasonable business judgment, and in consultation with the Broker, the Monitor and Agents, may, from time to time, withdraw any Lease from this Lease Monetization Process in accordance with the CCAA, the Applicants' rights under the Initial Order, or if any agreement is reached with the landlord of the relevant Lease.

On March 21, 2025, the Court entered an order approving the Lease Monetization Process (the "**Lease Monetization Order**").

This Lease Monetization Process describes, among other things: (a) the Leases available for sale (which, for greater certainty, is without prejudice to the position of a Landlord as to whether a Non-Applicant Stay Party's interest in a Lease can be subject to such sale) (the "**Landlord Reservation of Rights**"); (b) the manner in which Interested Bidders may gain access to due diligence materials concerning the Leases; (c) the manner in which bidders and bids become Qualified LOI Bidders or Qualified Bidders and Qualified LOI Bids or Qualified Bids, respectively; (d) the ultimate selection of one or more Successful Bidders; and (e) the process for obtaining such approvals (including the approval of the Court) as may be necessary or appropriate in respect of a Successful Bid, as applicable.

#### Defined Terms

1. The following capitalized terms have the following meanings when used in this Lease Monetization Process:
  - (a) "**Agents**" means collectively: (a) Bank of America, N.A. (including acting through branches and affiliates) in its capacity as administrative agent and collateral agent under the ABL Credit Agreement; (b) Restore Capital, LLC in its capacity as agent for the FILO Credit Facility lenders under the ABL Credit Agreement; and (c) Pathlight Capital LP, in its capacity as administrative agent under the Pathlight Credit Agreement (each as defined in the Affidavit of Jennifer Bewley sworn March 7, 2025).

- (b) **"Applicants"** is defined in the introduction hereto.
- (c) **"Approval Motion"** is defined in paragraph 23.
- (d) **"ARIO"** means the Amended and Restated Initial Order dated March 21, 2025
- (e) **"Broker"** means Oberfeld Snowcap Inc.
- (f) **"Business Day"** means a day (other than Saturday or Sunday) on which banks are generally open for business in Toronto, Ontario.
- (g) **"CA"** means a confidentiality agreement in form and substance satisfactory to the Company, in consultation with the Monitor. For greater certainty, there is no requirement for Landlords to enter into CA's in respect of their own Leases.
- (h) **"CCAA"** is defined in the introduction hereto.
- (i) **"Company"** is defined in the introduction hereto.
- (j) **"Court"** is defined in the introduction hereto.
- (k) **"Deposit"** is defined in paragraph 20(k).
- (l) **"Form of Purchase Agreement"** means the form of purchase and sale agreement to be developed by the Applicants, in consultation with the Monitor and the Broker, and provided to Qualified Bidders that submit a Qualified LOI for a Sale Proposal.
- (m) **"Initial Order"** is defined in the introduction hereto.
- (n) **"Interested Bidder"** is defined in paragraph 8.
- (o) **"Landlord LOI"** means a non-binding letter of intent from a landlord for an acquisition or consensual transaction for one or more of its Leases that is submitted on or before the Phase 1 Bid Deadline.
- (p) **"Landlord Qualified Bid"** means a final binding proposal from a landlord for an acquisition or consensual transaction for one or more of its Leases and which meets the requirements set out in paragraphs 20(a), 20(c), 20(d), 20(e), 20(g), 20(h), 20(i), 20(j), 20(k) and 20(l)
- (q) **"Lease Monetization Order"** is defined in the introduction hereto.
- (r) **"Leases"** means the Applicants' and the Non-Applicant Stay Parties' leasehold interests and all related rights and obligations in connection with the properties listed in Schedule "C" hereto, subject in all respects to the Landlord's Reservation of Rights, as defined herein.
- (s) **"LOI"** is defined in paragraph 7.
- (t) **"Monitor"** is defined in the introduction hereto.

- (u) **“Non-Applicant Stay Parties”** are the entities listed in Schedule **“B”** hereto.
- (v) **“Outside Date”** means June 17, 2025.
- (w) **“Phase 1”** is defined in paragraph 7.
- (x) **“Phase 1 Bid Deadline”** is defined in paragraph 9.
- (y) **“Phase 2”** means such period of time from the Phase 1 Bid Deadline to the Approval Motion.
- (z) **“Qualified Bid”** means an offer or combination of offers, in the form of a Sale Proposal or Sale Proposals, which meets the requirements of paragraph 20.
- (aa) **“Qualified Bid Deadline”** is defined in paragraph 18.
- (bb) **“Qualified Bidder”** means a bidder that submits a Qualified Bid.
- (cc) **“Qualified LOI”** is defined in paragraph 10.
- (dd) **“Qualified LOI Bid”** is defined in paragraph 16.
- (ee) **“Qualified LOI Bidder”** is defined in paragraph 16.
- (ff) **“Related Person”** has the same meaning as in the *Bankruptcy and Insolvency Act* (Canada).
- (gg) **“Sale Proposal”** means an offer to acquire or otherwise assume of all or some of the Leases. A “Sale Proposal” may include a transaction involving the assignment and assumption, and/or surrender of a Lease or Leases (in the case of a surrender, such proposal may only form part of a Landlord Qualified Bid, or otherwise require the Landlord’s consent to a surrender of the Lease).
- (hh) **“SISP”** means the Sale and Investment Solicitation Process approved by the Court on March 21, 2025.
- (ii) **“Successful Bid”** is defined in paragraph 22(b).
- (jj) **“Successful Bidder”** is defined in paragraph 22(b).
- (kk) **“Targeted Outside Date”** means June 3, 2025, or such later date as may be determined by the Applicants, on consent of the Monitor, in consultation with the Broker and the Agents, provided that in no event shall such date be after June 17, 2025.
- (ll) **“Teaser Letter”** is defined in paragraph 4.

### **Supervision of the Lease Monetization Process**

2. The Monitor will supervise, in all respects, the Lease Monetization Process, any attendant sales and, without limitation, will supervise the Broker’s performance under its

engagement by the Company in connection therewith. The Applicants shall assist and support the efforts of the Monitor and the Broker as provided for herein. In the event that there is disagreement or clarification required as to the interpretation or application of this Lease Monetization Process or the responsibilities of the Monitor, the Broker or the Applicants hereunder, the Court will have jurisdiction to hear such matter and provide advice and directions, upon application of any interested person. For the avoidance of doubt, and without limiting the rights and protections afforded to the Monitor under the CCAA, the Initial Order and the Lease Monetization Order, the terms of the Initial Order and the Lease Monetization Order shall govern the Monitor's role as it relates to the Lease Monetization Process.

### **"As Is, Where Is"**

3. The sale of the Leases will be on an **"as is, where is"** basis and without representations or warranties of any kind, nature, or description by the Monitor, the Broker, the Applicants or any of their respective directors, officers, employees, advisors, professionals, agents, estates or otherwise, except and only to the extent set forth in a definitive sale agreement executed by an Applicant.

### **Solicitation of Interest**

4. As soon as reasonably practicable, but in any event no later than three (3) Business Days after the issuance of the Lease Monetization Order, the Broker shall distribute an initial offering summary of the Leases in form acceptable to the Applicants and the Monitor (the **"Teaser Letter"**) notifying those potentially interested parties that are identified by the Broker, the Monitor and the Applicants, each in their sole discretion, of the existence of the Lease Monetization Process and inviting such parties to express an interest in making an offer to acquire all or some of the Leases.

### **Participation Requirements**

5. Unless otherwise ordered by the Court, or as otherwise determined by the Applicants, in consultation with the Monitor, each person seeking to participate in the Lease Monetization Process other than a Landlord in respect of any of its own Leases must deliver to the Broker at the address specified in Schedule **"D"** hereto (including by email transmission):
  - (a) a letter setting forth such person's identity, the contact information for such person and full disclosure of the principals of such person; and
  - (b) an executed CA which shall include provisions whereby such person agrees to accept and be bound by the provisions contained therein.
6. All secured creditors of the Applicants shall have the right to bid in the Lease Monetization Process, including by way of credit bid, provided however that until a secured creditor, including the Agents, declare that they will not submit a bid in the Lease Monetization Process, all consultation and consent rights herein shall be paused and the Monitor and the Applicants may place such limitations on the consultation and consent rights contained herein as they consider appropriate, so as to ensure and preserve the fairness of the Lease Monetization Process.



## **LEASE MONETIZATION PROCESS - PHASE 1**

### **Phase 1 Initial Timing**

7. For a period from the date of the Lease Monetization Order until the Phase 1 Bid Deadline (“**Phase 1**”), the Broker (with the assistance of the Monitor and the Applicants) will solicit non-binding letters of intent from prospective parties to acquire one or more of the Leases (each, an “**LOI**”).

### **Due Diligence**

8. Subject to the provisions of paragraph 28, the Broker will provide each party who executes a CA (an “**Interested Bidder**”) with access to an electronic data room. The Monitor, the Broker and the Applicants, and each of their representatives, make no representation or warranty as to the information: (a) contained in the electronic data room; (b) provided through any diligence process; or (c) otherwise made available, except to the extent expressly contemplated in any definitive sale agreement executed by an Applicant.

### **Non-Binding Letters of Intent from Interested Bidders**

9. Interested Bidders that wish to pursue a Sale Proposal must deliver an LOI to the Broker at the address specified in Schedule “**D**” hereto (including by email transmission), so as to be received by the Broker not later than 5:00 PM (Toronto time) on or before April 15, 2025, or such later date or time as may be determined by the Applicants, with the consent of the Monitor, in consultation with the Broker and the Agents (the “**Phase 1 Bid Deadline**”). Notwithstanding anything else contained herein, the Applicants and any Related Person that wishes to submit an LOI or participate in Lease Monetization Process must declare such intention to the Broker and the Monitor in writing by April 7, 2025. If the Applicant or any Related Party makes such declaration, the Broker and the Monitor shall design and implement additional procedures for the Lease Monetization Process in respect of the sharing of information with the Applicants so as to ensure and preserve the fairness of the Lease Monetization Process and shall advise the parties on the service list for these proceedings of these additional procedures.
10. An LOI so submitted will be considered a qualified LOI for the purposes hereof (each a “**Qualified LOI**”) only if:
  - (a) it is submitted on or before the Phase 1 Bid Deadline;
  - (b) it contains an indication of whether the Interested Bidder is offering to acquire all or some of the Leases;
  - (c) it identifies or contains the following:
    - (i) the purchase price (or range thereof) in Canadian dollars;
    - (ii) the Leases or Lease subject to the transaction; and
    - (iii) any proposed allocation of the purchase price as between each Lease;

- (d) it provides a general description of any likely financing associated with the proposed transaction, subject to any restrictions that may exist in the applicable Leases;
  - (e) it provides a general description as to whether the Interested Bidder anticipates its bid containing any provisions that do not conform to the restrictions surrounding the “permitted use” of the property as defined in each of the Leases;
  - (f) it describes any additional due diligence required to be conducted during Phase 2;
  - (g) it identifies any anticipated terms or conditions of the Sale Proposal that may be material to the proposed transaction; and
  - (h) it contains such other information reasonably requested by the Applicants in consultation with the Monitor and the Broker.
11. Notwithstanding anything to the contrary contained herein, a Landlord LOI shall be deemed to be a Qualified LOI.
  12. The Applicants, with the consent of the Monitor and in consultation with the Broker, may waive compliance with any one or more of the requirements specified in paragraph 10 (other than those in 10(c) and (d)) and deem such non-compliant bids to be a Qualified LOI. However, for the avoidance of doubt, the completion of any Sale Proposal shall be subject to the approval of the Court and the requirement of such approval may not be waived.

**Assessment of Qualified LOIs and Continuation or Termination of Lease Monetization Process**

13. Within five (5) Business Days following the Phase 1 Bid Deadline, or such later date as may be reasonably determined by the Applicants with the consent of the Monitor, in consultation with the Broker and the Agents, the Applicants will, in consultation with the Broker, the Monitor, and the Agents, assess the Qualified LOIs received during Phase 1, and will determine whether there is a reasonable prospect of obtaining a Qualified Bid. For the purpose of such consultations and evaluations, the Monitor or the Broker may request clarification of the terms of any Qualified LOI submitted by an Interested Bidder.
14. In assessing the Qualified LOIs submitted in Phase 1, the Applicants, following consultation with the Monitor, the Broker and the Agents, will consider, among other things, the following:
  - (a) the form and amount of consideration being offered;
  - (b) the effect of accepting Sale Proposals which are not on an en bloc basis;
  - (c) the financial capability of the Interested Bidder to consummate the proposed transaction;

- (d) the financial and other capabilities of the Interested Bidder to perform, observe and comply with the terms (including payment, use provisions and other obligations) of the applicable Lease(s);
  - (e) the anticipated conditions to closing of the proposed transaction (including any required regulatory and landlord approvals);
  - (f) the estimated time required to complete the proposed transaction and whether, in the Applicants' reasonable business judgment, in consultation with the Monitor and the Broker, it is reasonably likely to result in the execution of a definitive agreement on or before the Targeted Outside Date and in any event, no later than the Outside Date; and
  - (g) such other criteria as the Applicants may, in consultation with the Monitor and the Broker, determine.
15. If one or more Qualified LOIs are received and the Applicants, in consultation with the Broker, the Monitor, and the Agents, determine that there is a reasonable prospect of obtaining a Qualified Bid, the Applicants shall continue the Lease Monetization Process as set forth herein.

## **PHASE 2**

### **Due Diligence**

16. Each Interested Bidder that: (a) submits a Qualified LOI; and (b) is not eliminated from the Lease Monetization Process by the Applicants, following consultation with the Broker and the Monitor, and after assessing whether such Qualified LOI meets the criteria in paragraph 14 herein, may be invited by the Applicants to participate in Phase 2 (each such bidder, a **"Qualified LOI Bidder"**).
17. Subject to the provisions of paragraph 28, to the extent that a Qualified LOI Bidder requested due diligence within their Qualified LOI as per paragraph 10(f) herein, the Broker will provide the Qualified LOI Bidder with access to due diligence materials and information relating to the Leases as the Applicants, in their reasonable business judgment and in consultation with the Broker and the Monitor, determine appropriate, including all guarantees and indemnities by any person, and information or materials reasonably requested by Qualified LOI Bidders.

### **Qualified Bids**

18. The Phase 2 deadline for submission of binding bids to be considered for the sales of Lease(s) (the **"Qualified Bids"**) shall be May 1, 2025, or such later date or time as may be determined by the Applicants with the consent of the Monitor and in consultation with the Broker and the Agents (the **"Qualified Bid Deadline"**).
19. Notwithstanding anything to the contrary herein, a Landlord Qualified Bid shall be deemed to be a Qualified Bid.

20. Any Qualified LOI Bidder who wishes to become a Qualified Bidder must submit a Qualified Bid satisfying the conditions set forth below for the applicable Lease(s):
- (a) it is received by the Qualified Bid Deadline;
  - (b) it is a final binding proposal in the form of a duly authorized and executed purchase agreement, including the purchase price for the Leases proposed to be acquired, based on the Form of Purchase Agreement and accompanied by a clean Word version and a blacklined mark-up to the Form of Purchase Agreement showing amendments and modifications made thereto, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Qualified LOI Bidder with all exhibits and schedules thereto;
  - (c) it is irrevocable until the earlier of: (i) the approval by the Court of a Successful Bid, and (ii) 28 days following the Qualified Bid Deadline, provided that if such bidder is selected as a Successful Bidder, its offer will remain irrevocable until the closing of its Successful Bid;
  - (d) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate and perform the proposed transaction, and to meet all of the financial obligations under the Lease(s) that will allow the Applicants, in consultation with the Broker and the Monitor, to make a reasonable determination as to the Qualified LOI Bidder's financial and other capabilities to consummate and perform the transaction contemplated by its Qualified Bid;
  - (e) it lists the Lease(s) proposed to be subject to the bid and an allocation of the purchase price on a Lease by Lease basis;
  - (f) it includes details of any amendments which such Qualified LOI Bidder seeks in respect of any such Lease(s) from the applicable landlord(s) and other non-landlord liabilities to be assumed by the Qualified LOI Bidder, provided that, for greater certainty, nothing in this Lease Monetization Process shall be construed to: (i) permit or require any amendments to the terms of any Lease(s) without the prior written consent of the applicable landlord(s), or (ii) obligate any landlord to negotiate with a Qualified LOI Bidder regarding any such amendments;
  - (g) it is not conditional upon, among other things:
    - (i) the outcome of unperformed due diligence by the Qualified LOI Bidder; or
    - (ii) obtaining financing;
  - (h) it fully discloses the identity of each entity that will be sponsoring or participating in the bid, and the complete terms of such participation;
  - (i) with respect to any condition to closing contained in the definitive documentation, it outlines the anticipated time frame and any anticipated impediments for obtaining such approvals;

- (j) it includes evidence, in form and substance reasonably satisfactory to the Applicants, the Monitor and the Broker, that the requisite authorization(s) and/or approval(s) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid have been obtained by the bidder;
  - (k) it is accompanied by a deposit (the “**Deposit**”) in the form of a wire transfer (to a bank account specified by the Monitor), or such other form acceptable to the Monitor, payable to the order of the Monitor on behalf of the Applicants, in trust, in an amount equal to 10% of the purchase price for the Lease(s) proposed to be acquired, to be held and dealt with in accordance with the terms of a definitive agreement executed by an Applicant and this Lease Monetization Process.
  - (l) it includes an acknowledgement and representation that the bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid; (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Leases to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the purchase and sale agreement; and (iii) acknowledges that the occupancy of the premises set forth in the Leases may not be available until the completion of any inventory sale at the premises; and
  - (m) it contains such other information reasonably requested by the Applicants, in consultation with the Monitor and the Broker.
21. The Applicants with the consent of the Monitor, in consultation with the Broker, the Monitor and the Agents, may waive compliance with any one or more of the requirements with respect to Qualified Bids or Landlord Qualified Bids specified herein.
22. The Applicants, in consultation with the Broker, the Monitor, and the Agents:
- (a) may engage in negotiations with Qualified Bidders as they deem appropriate and may accept revisions to Qualified Bids, in their discretion;
  - (b) shall determine which is the most favourable bid with respect to such Lease(s) (the “**Successful Bid**” and the person(s) who made the Successful Bid shall become the “**Successful Bidder**”), taking into account, among other things:
    - (i) the form and amount of consideration being offered;
    - (ii) whether the Qualified Bid maximizes value for the Leases, including the effect of accepting Sale Proposals which are not on an en bloc basis;
    - (iii) the demonstrated financial capability of the Qualified Bidder to consummate the proposed transaction and capability of performing the obligations of the tenant under the applicable Lease(s);
    - (iv) the conditions to closing of the proposed transaction (including any required regulatory and landlord approvals and any lease amendments);

- (v) the terms and provisions of any proposed transaction documentation;
- (vi) the estimated time required to complete the proposed transaction and whether, in the Applicants' reasonable business judgment, in consultation with the Monitor and the Broker, it is reasonably likely to result in the execution of a definitive agreement on or before the Targeted Outside Date and in any event, no later than the Outside Date; and
- (vii) such other criteria as the Applicants may in consultation with the Monitor and the Broker determine.

### **Approval Motion for Definitive Agreements**

23. The Applicants will apply to the Court (the “**Approval Motion**”) for an order, among other things, approving the Successful Bid(s), and authorizing the Applicants to enter into any and all necessary agreements with respect to the Successful Bid(s), as applicable, and to undertake such other actions as may be necessary or appropriate to give effect to the Successful Bid(s), as applicable. The Approval Motion may be adjourned or rescheduled by the Applicants, in consultation with the Monitor and the Agents, without further notice by an announcement of the adjourned date at the Approval Motion. Nothing in this Lease Monetization Process and nothing in any arrangements made during the course thereof between the Monitor and/or the Applicants on the one hand and a Successful Bidder on the other shall in any way prejudice or impair the ability of a Landlord(s) to object to the Court approval of a Successful Bid.

## **OTHER TERMS**

### **Approvals**

24. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid, or Qualified Bid, as applicable.

### **Amendment**

25. If there is any proposed material modification to the Lease Monetization Process by the Applicants, the Applicants will seek Court approval of such material modification on notice to the Service List. Otherwise, the Applicants retain the discretion, with the consent of the Monitor and in consultation with the Broker and the Agents, to modify the Lease Monetization Process from time to time.

### **Disclaimers**

26. Notwithstanding any other term contained herein and paragraph 12 of the ARIO, on or before July 15, 2025, the Applicant shall send a notice of disclaimer with respect to any Lease that is not subject to a Successful Bid pursuant to the SISP or this Lease Monetization Process that has not been terminated in accordance with terms thereof.

### **Monitor Updates**

27. The Monitor will provide periodic updates to the Court on notice to the Service List with respect to the conduct and progress of the Lease Monetization Process, including an update to be delivered to the Court at the conclusion of Phase 1.

### **Reservation of Rights**

28. The Applicants, in their reasonable business judgment and in consultation with the Monitor and the Broker, may provide Interested Bidders with any diligence materials and information, including site visits, that the Applicants deem necessary and appropriate to maximize the value of Lease Monetization Process at any time after entry of the Lease Monetization Order.
29. Notwithstanding anything else contained herein, at any time after entry of the Lease Monetization Order, the Applicants, in their reasonable business judgment and in consultation with the Broker, the Monitor, and the Agents, may, from time to time, withdraw any Lease(s) from this Lease Monetization Process in accordance with the CCAA, the Applicants' rights under the Initial Order, or if any agreement is reached with the landlord of the relevant Lease(s).
30. The Applicants, after consultation with the Broker, the Monitor, and the Agents, may reject any or all bids. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law, or any other Order of the Court in order to implement a Successful Bid or Qualified Bid, as applicable.
31. To the extent any notice of changes to these procedures or related dates, time, or locations is required or otherwise appropriate, the Monitor may publish such notices on the Monitor's public web site at <http://www.alvarezandmarsal.com/HudsonsBay> and the Applicants shall forthwith serve such notices on the Service List, and such notice shall be deemed satisfactory, subject to any other notice requirements specifically set forth herein or as required by the Court.
32. This Lease Monetization Process does not, and will not be interpreted to, create any contractual or other legal relationship between the Applicants, the Broker or the Monitor and any Qualified Bidder, other than, with respect to the Applicants, as specifically set forth in a definitive agreement that may be executed by an Applicant. At any time during the Lease Monetization Process, the Applicants or the Monitor may apply to the Court for advice and directions with respect to the discharge of their powers and duties hereunder.
33. Nothing in the Lease Monetization Process or the Lease Monetization Order acknowledges or declares that the interests in the Leases being marketed within this Lease Monetization Process are capable of being transferred by the Applicants or the Non-Applicant Stay Parties. For clarity, all parties' ability to challenge the Applicants' and Non-Applicant Stay Parties' ability to transfer any Leases are expressly preserved and not derogated from (the "**Reservation of Rights**").
34. All consent and consultation rights provided to the Agents in this Lease Monetization in respect of any JV Head Lease shall instead be provided to RioCan Real Estate Investment

Trust and the relevant Non-Applicant Secured Creditor(s) (as defined in the ARIO) of the Non-Applicant Stay Party in respect of such Business or Property, to the exclusion of the Agents.

35. In respect of any JV Head Lease (as defined in the Initial Order) and without detracting from the Reservation of Rights and any rights RioCan Real Estate Investment Trust and/or its affiliates may have in relation to such JV Head Lease, no bid shall be considered a Successful Bid or Landlord Qualified Bid: (a) in respect of any JV Head Lease without the prior written consent of the relevant Non-Applicant Secured Creditor in respect of such JV Head Lease; and (b) in respect of RioCan Real Estate Investment Trust's interest in any JV Head Lease without the prior written consent of RioCan Real Estate Investment Trust. All references to the consent of any party in this paragraph relating to any JV Head Lease with a Non-Applicant Stay Party and RioCan Real Estate Investment Trust is in addition to any consent right that may exist in favour of the landlord under the applicable JV Head Lease.

#### **Agents Consultation**

36. The Applicants, the Monitor and the Broker will communicate and consult with all Agents through the Lease Monetization Process and will provide information to the Agents in connection with such communications, including copies of all bids within one day of receipt of same. The Applicants, the Monitor and the Broker shall provide the Agents with any and all information reasonably requested with respect to the Lease Monetization Process.

#### **Landlord Communications**

37. The Applicants, the Monitor and the Broker will communicate with the landlord party to the Leases from time to time, as appropriate, in connection with their respective interests in the Lease Monetization Process.



## **SCHEDULE A**

### **Applicants**

HBC Canada Parent Holdings Inc.

HBC Canada Parent Holdings 2 Inc.

The Bay Holdings ULC

HBC Bay Holdings I Inc.

HBC Bay Holdings II ULC

HBC Centerpoint GP Inc.

HBC YSS 1 LP Inc.

HBC YSS 2 LP Inc.

HBC Holdings GP Inc.

Snospmis Limited

2472596 Ontario Inc.

2472598 Ontario Inc.

## **SCHEDULE B**

### **Non-Applicant Stay Parties**

RioCan-HBC General Partner Inc.

HBC Holdings LP

RioCan-HBC Limited Partnership

RioCan-HBC (Ottawa) Holdings Inc.

RioCan-HBC (Ottawa) GP, Inc.

RioCan-HBC (Ottawa) Limited Partnership

HBC YSS 1 Limited Partnership

HBC YSS 2 Limited Partnership

HBC Centerpoint LP

The Bay Limited Partnership

**EXHIBIT 'C'****LEASES****Hudson's Bay**

| <b>Center</b>               | <b>City</b>   | <b>Prov.</b> | <b>GLA</b> | <b>Landlord</b>               |
|-----------------------------|---------------|--------------|------------|-------------------------------|
| The Bay Centre              | Victoria      | BC           | 229,275    | Manulife - Jones Lang LaSalle |
| Polo Park Shopping Centre   | Winnipeg      | MB           | 212,086    | Cadillac Fairview             |
| Midtown Plaza               | Saskatoon     | SK           | 174,306    | Cushman & Wakefield           |
| Market Mall                 | Calgary       | AB           | 200,000    | Cadillac Fairview             |
| Cambridge Centre            | Cambridge     | ON           | 131,453    | Morguard                      |
| Fairview Park               | Kitchener     | ON           | 184,714    | Westcliff                     |
| Sherway Gardens             | Toronto       | ON           | 223,477    | Cadillac Fairview             |
| Champlain Mall              | Brossard      | QC           | 143,786    | Cominar                       |
| Woodbine Centre             | Toronto       | ON           | 139,953    | Woodbine Mall Holdings Inc.   |
| Fairview Pointe Claire      | Pointe Claire | QC           | 179,578    | Cadillac Fairview             |
| St. Laurent Shopping Centre | Ottawa        | ON           | 145,074    | Morguard                      |
| Markville Shopping Centre   | Markham       | ON           | 140,094    | Cadillac Fairview             |
| Erin Mills Town Centre      | Mississauga   | ON           | 140,526    | Cushman & Wakefield           |
| Aberdeen Mall               | Kamloops      | BC           | 123,289    | Cushman & Wakefield           |
| Willowbrook Shopping Centre | Langley       | BC           | 131,146    | Quadreal Property Group       |
| Kingsway Garden Mall        | Edmonton      | AB           | 153,264    | Oxford                        |
| Fairview Mall               | Toronto       | ON           | 152,420    | Cadillac Fairview             |
| Carrefour De L'Estrie       | Sherbrooke    | QC           | 116,265    | Group Mach Inc                |
| Sunridge Mall               | Calgary       | AB           | 161,330    | Primaris                      |
| Centerpoint Mall            | Toronto       | ON           | 122,502    | Morguard                      |
| Parkwood Mall               | Prince George | BC           | 111,500    | BentalGreen Oak               |

| <b>Center</b>                   | <b>City</b>   | <b>Prov.</b> | <b>GLA</b> | <b>Landlord</b>  |
|---------------------------------|---------------|--------------|------------|--|
| Pickering Town Centre           | Pickering     | ON           | 121,730    | PTC Ownership LP<br>c/o Salthill Property<br>Management Inc. |
| Mapleview Centre                | Burlington    | ON           | 129,066    | Ivanhoe Cambridge  |
| Upper Canada Mall               | Newmarket     | ON           | 142,780    | Oxford   |
| Coquitlam Centre                | Coquitlam     | BC           | 120,086    | Morguard   |
| Whiteoaks Mall                  | London        | ON           | 165,759    | Westdell<br>Development                                      |
| St. Vital Shopping Centre       | Winnipeg      | MB           | 122,002    | BentallGreen Oak   |
| Limeridge Mall                  | Hamilton      | ON           | 125,307    | Cadillac Fairview  |
| Hillcrest Mall                  | Richmond Hill | ON           | 136,915    | Oxford   |
| Masonville                      | London        | ON           | 84,928     | Cadillac Fairview  |
| Les Promenades<br>Gatineau      | Gatineau      | QC           | 140,364    | Westcliff  |
| Les Galeries De La<br>Capitale  | Quebec City   | QC           | 163,034    | Primaris   |
| Mayflower Mall                  | Sydney        | NS           | 82,944     | Mccor  |
| Richmond Centre                 | Richmond      | BC           | 169,692    | Cadillac Fairview  |
| Oakville Place                  | Oakville      | ON           | 119,428    | Riocan   |
| Londonderry Mall                | Edmonton      | AB           | 60,838     | Cushman &<br>Wakefield                                       |
| Medicine Hat Mall               | Medicine Hat  | AB           | 93,217     | Primaris   |
| St. Albert Centre               | St. Albert    | AB           | 93,313     | Primaris   |
| Orchard Park Shopping<br>Centre | Kelowna       | BC           | 127,290    | Primaris   |
| Village Green Mall              | Vernon        | BC           | 83,036     | BentallGreen Oak   |
| Mic Mac Mall                    | Dartmouth     | NS           | 151,303    | Cushman &<br>Wakefield                                       |
| Bramalea City Centre            | Brampton      | ON           | 131,438    | Morguard   |
| Cataraqui Town Centre           | Kingston      | ON           | 113,054    | Primaris   |
| Conestoga Mall                  | Waterloo      | ON           | 130,580    | Primaris   |

| <b>Center</b>                   | <b>City</b>    | <b>Prov.</b> | <b>GLA</b> | <b>Landlord</b>                |
|---------------------------------|----------------|--------------|------------|--------------------------------|
| Centre Commercial Rockland      | Montreal       | QC           | 147,594    | Cominar                        |
| Place Rosemere Shopping Centre  | Rosemere       | QC           | 132,483    | Morguard                       |
| Woodgrove Centre                | Nanaimo        | BC           | 146,452    | Central Walk Woodgrove         |
| Mayfair Shopping Centre         | Victoria       | BC           | 166,073    | Central Walk Mayfair           |
| Oshawa Centre                   | Oshawa         | ON           | 122,624    | Primaris                       |
| Carrefour Angrignon             | LaSalle        | QC           | 128,888    | Westcliff                      |
| Yorkdale Shopping Centre        | Toronto        | ON           | 303,438    | Oxford                         |
| Guildford Shopping Centre       | Surrey         | BC           | 174,462    | Ivanhoe Cambridge              |
| Centre Laval                    | Laval          | QC           | 134,377    | Cominar                        |
| Southgate Shopping Centre       | Edmonton       | AB           | 236,551    | Primaris                       |
| Sevenoaks Shopping Centre       | Abbotsford     | BC           | 128,739    | Morguard                       |
| Cherry Lane Shopping Centre     | Penticton      | BC           | 94,643     | Manulife- Jones Lang LaSalle   |
| Chinook Centre                  | Calgary        | AB           | 206,514    | Cadillac Fairview              |
| Bower Place                     | Red Deer       | AB           | 110,672    | Quadreal Property Group        |
| West Edmonton Mall              | Edmonton       | AB           | 164,250    | Triple Five                    |
| Southcentre Mall                | Calgary        | AB           | 164,514    | Oxford                         |
| Lethbridge Centre               | Lethbridge     | AB           | 133,243    | Melcor                         |
| Georgian Mall                   | Barrie         | ON           | 90,748     | Riocan                         |
| Place d'Orleans Shopping Centre | Ottawa         | ON           | 115,501    | Primaris                       |
| Bayshore Shopping Centre        | Ottawa         | ON           | 180,696    | Cushman & Wakefield            |
| Pen Centre                      | St. Catharines | ON           | 150,110    | BentallGreen Oak               |
| Downtown                        | Vancouver      | BC           | 636,828    | RioCan-HBC Limited Partnership |
| Downtown                        | Calgary        | AB           | 448,834    | RioCan-HBC                     |

| <b>Center</b>                 | <b>City</b> | <b>Prov.</b> | <b>GLA</b> | <b>Landlord</b>  |
|-------------------------------|-------------|--------------|------------|--|
|                               |             |              |            | Limited Partnership  |
| Downtown                      | Montreal    | QC           | 655,396    | RioCan-HBC<br>Limited Partnership                          |
| Downtown                      | Ottawa      | ON           | 305,305    | RioCan-HBC<br>Limited Partnership                          |
| Square One                    | Mississauga | ON           | 204,174    | Oxford   |
| Devonshire Mall               | Windsor     | ON           | 165,584    | RioCan-HBC<br>Limited Partnership                          |
| Scarborough Town<br>Centre    | Toronto     | ON           | 231,759    | Oxford   |
| Les Promenades St<br>Bruno    | St-Bruno    | QC           | 131,808    | Cadillac Fairview  |
| Carrefour Laval               | Laval       | QC           | 177,022    | Cadillac Fairview  |
| Metrotown Centre              | Burnaby     | BC           | 140,545    | Ivanhoe Cambridge<br>II Inc. and Ivanhoe<br>Cambridge Inc. |
| Park Royal Shopping<br>Centre | Vancouver   | BC           | 161,647    | Park Royal Shopping<br>Centre Holdings Ltd                 |
| Eglinton Square               | Toronto     | ON           | 115,205    | KS Eglinton Square<br>Inc.                                 |
| 176 Yonge St.                 | Toronto     | ON           | 675,722    | Ontrea Inc.  |
| Les Galeries d'Anjou          | Montreal    | QC           | 176,474    | Ivanhoe Cambridge<br>Inc. – Anjou                          |

### **Saks Fifth Avenue**

| <b>Center</b>        | <b>City</b> | <b>Prov.</b> | <b>GLA</b> | <b>Landlord</b>   |
|----------------------|-------------|--------------|------------|-------------------|
| Sherway Gardens      | Toronto     | ON           | 132,256    | Cadillac Fairview |
| Chinook Centre       | Calgary     | AB           | 115,586    | Ontrea Inc.       |
| Toronto Eaton Centre | Toronto     | ON           | 175,000    | Ontrea Inc.       |

## Saks Fifth Avenue Off Fifth

| <b>Center</b>                | <b>City</b>  | <b>Prov.</b> | <b>GLA</b> | <b>Landlord</b>   |
|------------------------------|--------------|--------------|------------|---|
| Tanger Outlets               | Ottawa       | ON           | 28,357     | Riocan Holdings (TJV) Inc. and 1633272 Alberta ULC                |
| Outlet Collection at Niagara | Niagara      | ON           | 32,387     | The Outlet Collection (Niagara) Limited                           |
| Vaughan Mills                | Vaughan      | ON           | 34,992     | Ivanhoe Cambridge II Inc. and TRE2 Non-US Bigfoot Corp.           |
| Toronto Premium Outlets      | Halton Hills | ON           | 24,887     | Halton Hills Shopping Centre Partnership                          |
| Crossiron Mills              | Rocky View   | AB           | 30,009     | Crossiron Mills Holdings Inc.                                     |
| Queensway                    | Toronto      | ON           | 27,042     | Horner Developments Ltd. and Mantella & Sons Investments Ltd.     |
| Downtown Ottawa              | Ottawa       | ON           | 34,887     | RioCan-HBC Limited Partnership                                    |
| Tsawwassen Mills             | Tsawwassen   | BC           | 32,733     | Central Walk Tsawwassen Mills Inc.                                |
| Outlet Collection Winnipeg   | Winnipeg     | MB           | 32,204     | The Outlet Collection at Winnipeg Limited and Seasons Retail Corp |
| Place Ste-Foy                | Quebec       | QC           | 33,254     | Ivanhoe Ste-Foy Inc.  |
| Pickering Town Centre        | Pickering    | ON           | 30,033     | PTC Ownership LP  |
| Skyview Power Centre         | Edmonton     | AB           | 30,026     | Skyview Equities Inc. and SP Green Properties LP                  |
| Park Royal Shopping Centre   | Vancouver    | BC           | 33,300     | Park Royal Shopping Centre Holdings Inc.                          |

## Distribution Centres

| <b>Center</b>                | <b>City</b> | <b>Prov.</b> | <b>GLA</b> | <b>Landlord</b>                           |
|------------------------------|-------------|--------------|------------|---|
| Scarborough Logistics Center | Toronto     | ON           | 738,102    | 100 Metropolitan Portfolio Inc            |
| Vancouver Logistics Center   | Richmond    | BC           | 416,900    | PIRET (18111 Blundell Road) Holdings Inc. |
| Eastern Big Ticket Center    | Toronto     | ON           | 501,000    | ONTARI Holdings Ltd.                      |
| Toronto Logistics Center     | Toronto     | ON           | 221,244    | BCIMC Realty Corporation                  |



## **SCHEDULE D**

### *To the Company:*

Hudson Bay Company ULC  
401 Bay Street  
Toronto, ON M5H 2Y4

Attn: Jennifer Bewley  
Email: jennifer.bewley@hbc.com

### *With a copy to:*

Stikeman Elliott LLP  
5300 Commerce Court West  
199 Bay Street  
Toronto, ON M5L 1B9

Attn: Ashley Taylor / Maria Konyukhova  
Email: ataylor@stikeman.com / mkonyukhova@stikeman.com

### *To the Monitor :*

Alvarez & Marsal Canada Inc. Court appointed Monitor of Hudson's Bay Company  
ULC et al.  
Royal Bank Plaza, South Tower 200 Bay Street, Suite 29000  
P.O. Box 22  
Toronto, ON M5J 2J1

Attn: Alan Hutchens / Greg Karpel  
Email: ahutchens@alvarezandmarsal.com / gkarpel@alvarezandmarsal.com

### *With a Copy to:*

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3400 One First Canadian Place  
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*To the Broker:*

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Attn: Jay Freedman  
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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**ORDER  
(Lease Monetization Order)**

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