

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

THE HONOURABLE MR	)	WEDNESDAY, THE 19 <sup>TH</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.**

**AMENDMENT TO INITIAL ORDER**

**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 extending the stay of proceedings, increasing the amount of the Court-ordered Directors' Charge (as defined in the Initial Order granted in these proceedings on March 7, 2025, the "**Initial Order**"), and sealing a confidential appendix to the First Report of Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as monitor of the Applicants (in such capacity, the "**Monitor**") dated March 16, 2025 (the "**First Report**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day at 330 University Avenue, Toronto, Ontario, and by videoconference via Zoom.

**ON READING** the affidavits of Jennifer Bewley sworn March 7, 2025, and March 14, 2025 (the "**Second Bewley Affidavit**"), and the Exhibits thereto, the pre-filing report of A&M in its capacity as proposed monitor of the Applicants dated March 7, 2025, the First Report, on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, 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 affidavit of service of Brittney Ketwaroo sworn March 17, 2025,

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record 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 defined in this Order shall have the meanings given to them in the Initial Order.

### **EXTENSION OF STAY PERIOD**

3. **THIS COURT ORDERS** that the Stay Period is extended until and including March 21, 2025, or such later date as this Court may order.

### **INCREASE TO DIRECTORS' CHARGE**

4. **THIS COURT ORDERS** that paragraph 21 of the Initial Order shall be deleted and replaced with the following:

"21. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$49,200,000, as security for the indemnity provided in paragraph 19 of this Order. The Directors' Charge shall have the priority as set out in paragraphs 40 and 42 herein."

5. **THIS COURT ORDERS** that paragraph 40 of the Initial Order shall be deleted and replaced with the following:

"40 **THIS COURT ORDERS** that the priorities of the Administration Charge, the Directors' Charge and the DIP Charge (collectively, the "**Charges**"), as among them, shall be as follows:

With respect to all Property other than the Loan Parties' Property:

First – Administration Charge (to the maximum amount of \$2,800,000); and

Second – Directors’ Charge (to the maximum amount of \$49,200,000).

With respect to the Loan Parties’ Property, subject in all cases to the Priority Waterfall (as defined in the DIP Term Sheet), as amongst themselves, the priorities of the Charges shall be as follows:

Priority Ranking	ABL Priority Collateral	Pathlight Priority Collateral	Other Collateral (as defined in the DIP Agreement)
1 <sup>st</sup>	Administration Charge (to the maximum amount of \$2,800,000).	Administration Charge (to the maximum amount of \$2,800,000).	Administration Charge (to the maximum amount of \$2,800,000).
2 <sup>nd</sup>	All amounts owing under the Revolving Credit Facility and FILO Credit Facility (other than Excess ABL Obligations).	All amounts owing under the Pathlight Credit Facility (other than Excess Term Loan Obligations).	Directors’ Charge (to the maximum amount of \$13,500,000).
3 <sup>rd</sup>	Directors’ Charge (to the maximum amount of \$13,500,000).	All amounts owing under the Revolving Credit Facility and FILO Credit Facility (other than Excess ABL Obligations).	DIP Lenders’ Charge.
4 <sup>th</sup>	DIP Lenders’ Charge.	Directors’ Charge (to the maximum amount of \$13,500,000)	Directors’ Charge (to the maximum amount of \$35,700,000).
5 <sup>th</sup>	Directors’ Charge (to the maximum amount of \$35,700,000).	DIP Lenders’ Charge.	
6 <sup>th</sup>	Term Loan Obligations (other than Excess Term Loan Obligations).	Directors’ Charge (to the maximum amount of \$35,700,000).	

6. **THIS COURT ORDERS** that paragraph 42 of the Initial Order shall be deleted and replaced with the following:

“42. **THIS COURT ORDERS** that the Charges shall constitute a charge on the Property and shall rank in accordance with the waterfall set forth in paragraph 40.”

## **APPROVAL OF ADVISOR ENGAGEMENT**

7. **THIS COURT ORDERS** that the agreement dated February 14, 2025, engaging Reflect Advisors, LLC ("**Reflect**") as financial advisor to Hudson's Bay in the form attached as Exhibit "F" to the Second Bewley Affidavit (the "**Reflect Engagement Agreement**"), and the retention of Reflect under the terms thereof, is hereby approved and ratified and the Applicants are authorized and directed to make the payments contemplated thereunder in accordance with the terms and conditions of the Reflect Engagement Agreement.

8. **THIS COURT ORDERS** that paragraph 31 of the Initial Order shall be deleted and replaced with the following:

"31. **THIS COURT ORDERS** that the Applicants' counsel, Reflect, the Monitor and its counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$2,800,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority as set out in paragraphs 40 and 42 hereof."

## **SEALING PROVISION**

9. **THIS COURT ORDERS** that Confidential Appendix "1" to the First Report is hereby sealed pending further order of the Court, and shall not form part of the public record.

## **GENERAL**

10. **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 powers and duties hereunder.

11. **THIS 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.

12. **THIS COURT ORDERS** that each of the Applicants and the Monitor shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

13. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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

Proceeding commenced at Toronto

**AMENDMENT TO INITIAL ORDER  
(MARCH 19, 2025)**

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