



**ONTARIO SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST  
ENDORSEMENT**

COURT FILE NO.: CV-25-00738613-00CL

DATE: December 11, 2025

NO. ON LIST: 1

**TITLE OF PROCEEDING: In Re: HUDSON'S BAY COMPANY**

**BEFORE: JUSTICE Peter J. Osborne**

**PARTICIPANT INFORMATION**

**For Moving Party:**

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Name of Person Appearing	Name of Party	Contact Info
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**ENDORSEMENT OF JUSTICE OSBORNE:**

- [1] HBC seeks an order approving the sale of the Royal Charter to Wittington Investments Limited and DKRT Family Corp. (collectively, the “Purchasers”) for the immediate and irrevocable donation pursuant to a shared public custodianship arrangement to the Canadian Museum of History, the Archives of Manitoba, the Manitoba Museum and the Royal Ontario Museum.
- [2] HBC also seeks additional relief in the form of an order extending the stay of proceedings to and including March 31, 2026 and approval of the Monitor’s 8<sup>th</sup>, 9<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> Reports together with Supplements thereto, in addition to approval of the activities of the Monitor set out therein.
- [3] The order sought is not opposed by any party, and is recommended by the Court-appointed Monitor as well as the Department of Justice (Canada). It is further supported by one of HBC’s senior secured creditors, and is not opposed by the other senior secured creditor (or any other creditor). Neither is it opposed by any of the other parties that have previously appeared in this proceeding to make submissions with respect to the stewardship of the Charter (including, for example, The Assembly of Manitoba Chiefs).
- [4] For the reasons that follow, the order is granted.
- [5] Defined terms in this Endorsement have the meaning given to them in the motion record, the 11<sup>th</sup> Report of the Monitor dated December 8, 2025, and/or my Endorsement made in this proceeding dated November 30, 2025, in which I set out my reasons for approving the sale process now completed.
- [6] The background for, and context of, the present motion is set out in my Endorsement of November 30, 2025. That Endorsement set out my reasons for authorizing the Charter Auction Process and authorizing HBC to conduct the Auction, all of which I did by order dated November 21, 2025. The Endorsement set a Bid Deadline for Interested Potential Bidders to submit any Bid Proposal for the Charter by November 28, 2025.
- [7] HBC and its advisors compiled a list of potential qualified purchasers, including parties previously contacted during the SISP and the Art Collection Auction. HBC distributed a Charter teaser letter and issued a press release on November 17, 2025 announcing the Updated Charter Auction Process. Finally, it conducted calls with potential purchasers regarding participation in the Auction. In addition, and following my order of November 21, 2025, the Monitor published the press release, teaser and auction procedures on its website.
- [8] Ultimately, no Bid Proposals were received by the Bid Deadline (or thereafter) other than the Joint Bid, which had been established as the opening bid for the Updated Charter Auction Process. The Charter Auction was held on December 3, 2025, and the Joint Bid being the only bid, it was declared the Successful Bid.
- [9] Accordingly, approval of the sale contemplated by the Successful Bid is sought today.

- [10] Beyond certain export restrictions related to Canadian cultural property, there is very little law governing the disposition and stewardship of a document such as the Charter.
- [11] I am satisfied that this Court has jurisdiction to approve the Transaction, flowing from the *Companies' Creditors Arrangement Act* ("CCAA") and the relevant jurisprudence.
- [12] Section 36 of the CCAA authorizes this Court to approve a sale of assets outside the ordinary course of business. Section 36(3) sets out a number of factors to be considered when determining whether the authorization of such a sale of assets should be authorized.
- [13] I set those out in my Endorsement of November 21, 2025 and noted that they overlap with the *Soundair Principles*. I concluded that the Charter Auction Process should be approved.
- [14] I am now satisfied that that approval of the proposed Transaction should be granted.
- [15] As I stated in my Endorsement of November 21, 2025, the challenge for the Court with respect to the Charter is to balance the objective in an insolvency proceeding to maximize recoveries from the assets of a debtor company for the benefit of creditors and other stakeholders, against the imperative of ensuring that a document such as the Charter is addressed in a manner that reflects its relevance and importance to Canada, its history and all of its peoples (see paragraph 8).
- [16] The proposed Transaction strikes that balance and achieves those outcomes.
- [17] I am satisfied, given the extensive consultations and negotiations with key stakeholders and other interested parties not otherwise involved in these CCAA Proceedings that the process leading up to the proposed Transaction was reasonable in the circumstances. That process was highly publicized. I am satisfied that any potentially interested party was well aware of the opportunity to participate. The timelines were all extended well beyond any statutory requirements. I did this specifically to ensure that there was more than adequate time, not only for potential purchasers, but also other parties with an interest in the stewardship of the Charter (including private parties, cultural and historical groups, representatives of First Nations, Métis and Inuit peoples, and governments at all levels) had an opportunity to both fully consider their position and to make submissions as they saw fit.
- [18] The Charter Auction Process and the Updated Charter Auction Process were both designed with the unique cultural and historical importance of the Charter in mind. They contained appropriate safeguards to ensure that any sale of the Charter accorded with all applicable laws. Fundamentally, they ensured that the Charter would remain in Canada and be publicly accessible. All of this was done while ensuring that appropriate value would be received.
- [19] The sale of the Charter to the Purchasers, conditional upon the immediate and irrevocable donation of the Charter to the Public Custodians, is the best possible outcome in the circumstances for the Applicants, their stakeholders, and the public generally. While the lack of any opposition is not determinative of the issues that this Court must address, it does provide additional support for the conclusion that the outcome is appropriate. In short, the consultations with all stakeholders were robust and extensive and the interests of all parties have been properly considered.
- [20] The proceeds generated by the Transaction for the creditors of the Applicants of \$18 million are material. That quantum significantly exceeds the independently appraised value. The consideration is fair and reasonable. I accept the conclusion of the Monitor that the Transaction is more beneficial to creditors than a sale or disposition under a bankruptcy.
- [21] In addition to the donation of the Charter itself to the Public Custodians pursuant to a shared public custodianship model, the Transaction contemplates a donation of \$5 million to fund stewardship, consultation, education and public access related to the Charter. The Charter will be cared for and preserved, and will

remain accessible to all Canadians, in Canada. The consultation process contemplated by the Joint Bid will provide ongoing consultations with First Nations, Inuit and Métis communities and organizations.

[22] For all of these reasons, the Transaction, together with the sale of the Charter for the immediate and irrevocable donation to the Public Custodians, is approved.

[23] I am also satisfied that the stay of proceedings should be extended. The current stay expires on December 12, 2025. This Court has the jurisdiction to extend the stay pursuant to section 11.02 of the *CCAA*, where it is satisfied that circumstances exist that make the proposed order appropriate; and the debtor company satisfies the Court that it has acted, and is acting, in good faith and with due diligence.

[24] For the reasons set out in the 11<sup>th</sup> Report and the motion materials, I am satisfied that the requirements of section 11.02 are satisfied here. Again, no party opposes the stay extension.

[25] Accordingly, the stay of proceedings is extended from December 12, 2025 until and including March 31, 2026.

[26] Finally, I am satisfied that the Monitor's Reports and the activities of the Monitor set out therein, should be approved. Such requests are regularly granted in *CCAA* proceedings, and there are valid policy and practical reasons for doing so. See: *Target Canada*, at paragraph 22 and *Hudson's Bay Company (Re)*, 2025 ONSC 4525 at paras. 22-23. In this particular case, the activities of the Monitor are consistent with the mandate originally given to it in the appointment order, and have been accretive to the progress of the *CCAA* proceedings.

[27] For all of these reasons, the motion is granted.

[28] Orders to go in the form signed by me which have immediate effect without the necessity of issuing and entering.

A handwritten signature in green ink, appearing to read "O'Brien J.", is written above a horizontal line.

Date: Dec 11, 2025