

April 22, 2025

Via E-Mail

Clifton Prophet
Direct 1 416 862 3509
clifton.prophet@gowlingwlg.com

The Honourable Justice Peter J. Osborne
Ontario Superior Court of Justice
330 University Avenue
Toronto, Ontario
M5G 1R7

Your Honour:

Re: *In Re Hudson's Bay Company* (CV-25-00738613-00CL)
Appointment of Representative Counsel for SERP Retirees of the Hudson's Bay Company ULC

We are counsel to six (6) former employees of Hudson's Bay Company ULC ("**HBC**") who have entitlements in the Supplemental Executive Retirement Plan ("**SERP**") sponsored and administered by HBC.

These individuals have constituted themselves as an informal steering committee (the "**Steering Committee**") for the purposes of organizing and liaising with other retirees with entitlements in relation to the SERP. Members of the Steering Committee for the SERP have communicated with a total of 44 SERP retirees and have already held a virtual meeting of retirees for the purposes of discussing their position in the face of HBC's insolvency and current developments affecting their entitlements.

Our clients and the broader group of SERP retirees have separate and distinctive rights. Among other things, they are members of a retirement plan that:

1. Is not funded for a significant number of retirees;
2. Is partially funded for other retirees; and
3. Is fully funded for another group of retirees.

Further, members of the SERP retiree group have received notices from HBC terminating or purporting to terminate their SERP rights (with respect to any unfunded portion). SERP retirees have also received communications from Royal Trust, as custodian of the assets that

provide available funding, that the applicable trust arrangements are being wound up, with the potential for adjustment of benefit payments through this process.

In all the circumstances, these developments arising from HBC's insolvency and its decisions have placed the SERP retirees in positions of unique vulnerability. This group needs both organization and representation. This group needs much more information and assistance to properly understand their legal rights.

With the written support of 35 SERP retirees, all of whom specifically wish to have Gowling WLG (Canada) LLP appointed as representative counsel, our firm has indicated its interest in such an appointment and advised counsel to the Company of this interest, including through a written proposal submission. Despite our existing involvement with a significant number of SERP retirees and their support, HBC has decided to propose a different representative for the SERP retirees.

We understand that Koskie Minsky LLP has written to Your Honour today and requested that a qualified third-party be appointed to make the important decision concerning the selection of representative counsel and appropriate representatives. We agree with this approach and believe that it is important both for fairness reasons and to ensure that existing client and group relationships are respected. If Your Honour sees fit to put in place a process for independent third-party selection of representative counsel, it would be our firm's intention to seek an appointment as representative counsel to all former HBC employees with rights in the SERP.

We intend to address these matters at the hearing scheduled for April 24, 2025 in these proceedings, subject to any guidance which Your Honour may provide.

Sincerely,

Gowling WLG (Canada) LLP

Clifton Prophet



CP

Cc. Steering Committee
Service List