Court File No. CV-25-00738613-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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 1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C. LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608 B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270 ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., AND 2472598 ONTARIO INC.

MOTION RECORD OF THE EMPLOYEE REPRESENTATIVE COUNSEL

(REDACTION ORDER)

July 17, 2026

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Employee Representative Counsel

TO: SERVICE LIST

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TAB 1

Court File No. CV-25-00738613-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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 1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C. LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608 B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270 ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., AND 2472598 ONTARIO INC.

NOTICE OF MOTION

(Re: Redaction Order on Motion for Advice and Directions)

Employee Representative Counsel ("**ERC**") will make a Motion before the Honourable Justice Kimmel of the Ontario Superior Court of Justice (Commercial List) as soon such time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard:

☒ In writing under subrule 37.12.1 (1) because it is unopposed;

☐ In writing as an opposed motion under subrule 37.12.1 (4);

☐ In person;

☐ By telephone conference;

☐ By video conference.

at the following location: 330 University Avenue, Toronto, Ontario and via zoom.

THE MOTION IS FOR:

1. An order in the form attached as Schedule "A" authorizing ERC to file in its Supplementary Responding Motion Record a copy of the Employment Contracts (defined below) with

redactions in the form set out in Exhibit C to the Affidavit of Rita De Fazio, affirmed July 17, 2026; and

2. Such further relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

A. BACKGROUND

3. On February 13, 2026, Royal Trust Corporation of Canada ("**Royal Trust**") filed a notice of motion (the "**RT Motion**") seeking directions on twelve questions related to four trusts that were related to various Supplementary Employee Retirement Plans ("**SERPs**") and were created for the benefit of executive employees of 1242939 B.C. ULC, formerly known as Hudson's Bay Company (the "**Company**").

4. SERPs are a type of deferred compensation arrangement or plan, that provides benefits above and beyond those provided under an employer's registered pension plan. The obligations under a SERP derive solely from individual contracts and any applicable SERP plan text. They are not registered with any pension regulator, nor are they subject to pension legislation governing funding, security or actuarial valuation.

5. A Retirement Compensation Arrangement ("**RCA**") is a trust vehicle provided for by the *Income Tax Act* through which a pool of assets is held and used to pay for SERP benefits.

6. Each of the Company's SERPs provides defined benefit pensions to closed groups of participants with distinct periods of benefits accrual.

7. This motion for a redaction order relates to evidence that ERC anticipates filing in response to the RT Motion. This evidence concerns the interplay between two RCAs for which Royal Trust is the Trustee, namely:

(a) **The HBC Main RCA**, which refers to the trust established pursuant to the Multi Funded RCA Trust Agreement made as of January 6, 2006, between HBC as settlor and Royal Trust as trustee, to hold assets to pay benefits under the HBC SERP plan established on October 29, 1999 (the "**HBC Main SERP Plan**"); and

(b) **The HBC Additional RCA**, which refers to the trust established pursuant to the RCA Trust Agreement made as of June 1, 2011, between HBC as settlor and Royal Trust as trustee, as amended by the Amending Agreement made as of June 18, 2019.

8. In particular, this motion seeks authorization to serve and file redacted copies of the employment contracts of two former HBC executives who are participants in both the HBC Main RCA and the HBC Additional RCA (the "**Employment Contracts**"). Portions of the Employment Contracts are relevant to the issues to be determined in the RT Motion, and ERC is seeking to redact any identifying information in the Employment Contracts and the details of their monetary compensation in order to preserve the privacy of the two individuals.

9. On June 1, 2011, the Company entered into a trust agreement (the "**HBC Additional SERP Trust Agreement**") with Royal Trust naming two individuals as beneficiaries (collectively, the "**Additional SERP Participants**").

10. The recitals to the HBC Additional SERP Trust Agreement provide that the purpose of the HBC Additional RCA is as follows:

> WHEREAS effective October 29, 1999, the Company established the Hudson's Bay Company Supplementary Executive Retirement Plan (the "**1999 Plan**") to provide eligible executives with supplemental retirement income benefits upon retirement;
>
> AND WHEREAS there are participants of the 1999 Plan who have Employment Contracts (each a "**Participant**" and collectively the "**Participants**" as hereinafter defined) which require securing benefits related to the Hudson's Bay Company Additional Supplementary Executive Retirement Plan for Certain Executives (the "**Plan**") in excess of the amounts provided under the 1999 Plan under certain circumstances;
>
> AND WHEREAS, in order to secure such benefits under the Plan, the Company wishes to establish a trust fund (the "**Trust Fund**" as hereinafter defined) and to appoint the Trustee to be the trustee of the Trust Fund;
>
> NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Company and the Trustee do hereby covenant and agree as follows:

11. However, and notwithstanding that the HBC Additional Trust Agreement refers to "benefits related to the Hudson's Bay Company Additional Supplementary Executive Retirement Plan for Certain Executives" ("**Additional SERP Plan**"), no party has a copy of a separate plan text for the HBC Additional RCA.

12. The HBC Additional RCA arose because two Additional SERP Participants negotiated Employment Contracts which gave them enhanced protections for their entitlements under the HBC Main SERP Plan in the event of the termination of their employment following a change of control. These Employment Contracts:

    (a) contained a more expansive definition of a "Change of Control" than the definition of a "Change in Control" in the HBC Main SERP Plan; and

    (b) required the Company to "immediately secure the supplementary pension benefits accrued to [the Executive] under the SERP up to the Change of Control Termination Date" if they were terminated without cause or resigned within two years of a

Change of Control, to the extent that any funds already "held in trust at the time are deemed to be actuarially inadequate".

13. Under the heading "Compensation Provisions", the term "SERP" is referenced in the Employment Contracts as follows:

> "[name] will continue to be eligible to participate in the Supplementary Executive Retirement Plan (the "**SERP**"). Participation in the plan is subject to its terms and conditions."

14. Both employees were terminated within two years of a "Change of Control" within the meaning of the Employment Contracts. When they were terminated, both employees understood that the purpose of the HBC Additional RCA was to secure their benefits accrued under the HBC Main SERP in accordance with the terms of the Employment Contracts.

15. Neither of the Additional SERP Participants is aware of a separate plan text for the HBC Additional SERP ever existing.

B. ISSUES IN THE MOTION FOR DIRECTIONS

16. Questions 4-8 in the RT Motion relate to the HBC Additional RCA, which ERC will submit to the Court should be answered as follows:

Question	Answer
4. Can the Trustee assume that there is no plan text for the HBC Additional SERP?	Yes. There is no plan text providing different benefits to the Additional SERP Participants other than as set out in the HBC Main SERP Plan.
5. Are the benefits payable to the Additional SERP Participants, including any Termination Liability, to be determined in accordance with the terms of the HBC Main SERP Plan?	Yes. Benefits for the Additional SERP Participants should be determined under the HBC Main SERP Plan.
6. Are the Additional SERP Participants entitled to *security* in excess of what the HBC Main RCA provides, which was provided by the HBC Additional RCA?	Yes. The HBC Additional RCA is intended to provide additional security to the Additional SERP Participants.
7. Should the Additional SERP Participants have priority entitlement to the HBC Additional RCA Trust Fund?	Yes. The Additional SERP Participants have priority entitlement to the assets in the HBC Additional RCA.
8. If the Court determines the Additional SERP Participants have priority entitlement to the HBC Additional RCA Trust Fund (i.e., if the answer to question 7 is "yes"), should the methodology for allocating the remaining assets under the HBC Additional RCA include only the Additional SERP Participants' Termination Liability?	Yes. The remaining assets under the HBC Additional RCA should be allocated based on only the Additional SERP Participants' Termination Liability and paid only to those Additional SERP Participants.

C. RELEVANCE OF THE EMPLOYMENT CONTRACTS

17. The Employment Contracts are an important part of the factual matrix that informs the interpretation of the HBC Additional SERP Trust Agreement and are relevant to Questions 4-8 in the RT Motion.

18. The termination provisions of the Employment Contracts refer to the HBC Main SERP Plan and do not contain any terms that establish or suggest the existence of a separate plan with different entitlements than those under the HBC Main SERP Plan. In this way, the Employment Contracts are directly relevant to Question 4. They also shed light on the purpose of the HBC Additional RCA and how its assets should be distributed.

D. EVIDENCE PROPOSED TO BE REDACTED

19. Although the Employment Contracts contain evidence that is relevant to the RT Motion, the identities and monetary compensation of the Additional SERP Participants, as well as the fact that they are beneficiaries of the HBC Additional RCA, are not necessary to provide the directions that Royal Trust is seeking. Indeed, in Royal Trust's own motion record, it redacted the names of the Additional SERP Participants from the HBC Additional SERP Trust Agreement, which is an exhibit therein.

20. To protect their privacy, ERC proposes to file a Supplementary Responding Motion Record that contains copies of the Employment Contracts, but with the names, monetary compensation, and notice periods (the "**Personal Information**") redacted so that any objecting parties and the public can understand the basis for ERC's position and this Court's directions in Royal Trust's motion for directions without compromising the Additional SERP Participants' privacy.

21. The proposed order advances an important public interest in preserving the personal privacy of employees in an insolvency proceeding, who have not initiated any litigation and who are responding to the motion brought by Royal Trust, which would otherwise be at serious risk.

22. There is no reasonable alternative measure to the proposed order.

23. The benefits of the proposed order outweigh its negative effects. The open court principle is only minimally restricted by redacting the Personal Information from the public record, since the Personal Information is not necessary for Royal Trust to receive the directions sought.

24. None of the parties currently taking a position on Royal Trust's motion for directions opposes the issuance of the proposed order.

25. Section 137(2) of the *Courts of Justice Act,* RSO 1990, c C.43.

26. Rules 37 and 39 of the Rules of Civil Procedure, RRO 1990, Reg. 194, as amended.

27. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

28. The Affidavit of Rita De Fazio, affirmed July 17, 2026; and

29. Such further and other evidence as counsel may advise and this Court may permit.

July 17, 2026

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Employee Representative Counsel

To: Service List

TAB A

Court File No. CV-25-00738613-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	_______, THE __TH
	)	
JUSTICE KIMMEL	)	DAY OF JULY, 2026

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 1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C. LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608 B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270 ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., AND 2472598 ONTARIO INC.

ORDER

THIS MOTION, made by the Represented Employees, as represented by Employee Representative Counsel (each as defined in the Employee Representative Counsel Order dated May 5, 2025, and Employee Representative Counsel hereinafter "**ERC**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "***CCAA***") was heard on this day at 330 University Avenue, Toronto, Ontario, and via videoconference.

ON READING the Notice of Motion of the Represented Employees dated July 17, 2026, the affidavit of Rita De Fazio affirmed July 17, 2026 (the "**De Fazio Affidavit**") and the Exhibits thereto, and the factum of ERC, no one else making submissions for any other person on the service list or the media, although properly served:

DEFINITIONS

1. THIS COURT ORDERS that unless otherwise indicated or defined herein, capitalized terms have the meanings given to them in the De Fazio Affidavit.

REDACTION ORDER

2. THIS COURT ORDERS that ERC may serve on the Service List and file a Supplementary Responding Motion Record containing a redacted copy of the Employment Contracts, in the form appended as Exhibit C to the De Fazio Affidavit.

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

Court File No. CV-25-00738613-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 1242939 B.C. UNLIMITED LIABILITY COMPANY et al.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
(Proceeding commenced in Toronto)

NOTICE OF MOTION

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Employee Representative Counsel

TAB 2

Court File No. CV-25-738613-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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 1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C. LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608 B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270 ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., AND 2472598 ONTARIO INC.

Applicants

AFFIDAVIT OF RITA DE FAZIO

I, Rita De Fazio, of the City of Toronto, in the Province of Ontario, DO SOLEMNLY AFFIRM AS FOLLOWS:

1. I am an Associate at Ursel Phillips Fellows Hopkinson LLP, Employee Representative Counsel ("**ERC**") in the above-captioned matter. As such, I have personal knowledge of the matters to which I herein depose or where my knowledge is based upon information and belief, I refer to the source of that information, and believe it to be true.

2. This Affidavit is affirmed in relation to the motion (the "**RT Motion**") by Royal Trust Corporation of Canada ("**Royal Trust**") for advice and directions in its capacity as trustee of four retirement compensation arrangements ("**RCAs**") for former executives of 1242939 B.C. ULC, formerly known as Hudson's Bay Company, and its predecessors (the "**Company**"), and in relation to ERC's motion for an order permitting it to redact materials to be filed on the RT Motion.

3. Except where otherwise defined, all capitalized terms in my affidavit have the same meaning as defined in the Affidavit of Susannah B. Roth sworn February 10, 2026 (the "**Roth Affidavit**"), filed in the RT Motion.

A. OVERVIEW: THE RT MOTION AND THIS REDACTION MOTION

4. As described in the Roth Affidavit, Royal Trust is trustee of four HBC RCAs:

(a) the Zellers RCA,

(b) the HBC RAA RCA,

(c) the HBC Main RCA, and

(d) the HBC Additional RCA.

5. A Retirement Compensation Arrangement ("**RCA**") is a trust vehicle provided for by the *Income Tax Act* through which a pool of assets is held and used to pay for benefits under a SERP.

6. SERPs are a type of deferred compensation arrangement or plan, that provides benefits above and beyond those provided under an employer's registered pension plan. The obligations under a SERP derive solely from individual contracts and any applicable SERP plan text. They are not registered with any pension regulator, nor are they subject to pension legislation governing funding, security or actuarial valuation.

7. Each of the Company's SERPs provides defined benefit pensions to closed groups of participants with distinct periods of benefits accrual. Employees who were designated as executives (generally, being those at a Director level or a General Manager level and above) were eligible to participate in these SERPs.

8. On February 13, 2026, Royal Trust filed the RT Motion seeking advice and directions on twelve questions set out at para. 5 of the Roth Affidavit to carry out its responsibility to wind up the RCAs.

9. This motion for a redaction order relates to evidence that ERC anticipates filing in response to the RT Motion. That evidence concerns the interplay between two of the RCAs in issue in the RT Motion, namely:

(a) **The HBC Main RCA**, which refers to the trust established pursuant to the Multi Funded RCA Trust Agreement made as of January 6, 2006, between HBC as settlor and Royal Trust as trustee, to hold assets to pay benefits under the HBC SERP plan established on October 29, 1999 (the "**HBC Main SERP Plan**"); and

(b) **The HBC Additional RCA**, which refers to the trust established pursuant to the RCA Trust Agreement made as of June 1, 2011, between HBC as settlor and Royal Trust as trustee, as amended by the Amending Agreement made as of June 18, 2019.

B. THE HBC ADDITIONAL RCA AND THE ADDITIONAL SERP PARTICIPANTS

10. On June 1, 2011, the Company entered into a trust agreement (the "**HBC Additional SERP Trust Agreement**") with Royal Trust naming two individuals as beneficiaries (collectively, the "**Additional SERP Participants**"). A copy of the HBC Additional SERP Trust Agreement as filed by Royal Trust in its Motion Record on the RT Motion is attached as **Exhibit "A"** to this Affidavit.

11. The recitals to the HBC Additional SERP Trust Agreement provide that the purpose of the HBC Additional RCA is as follows:

> WHEREAS effective October 29, 1999, the Company established the Hudson's Bay Company Supplementary Executive Retirement Plan (the "**1999 Plan**") to provide eligible executives with supplemental retirement income benefits upon retirement;
>
> AND WHEREAS there are participants of the 1999 Plan who have Employment Contracts (each a "**Participant**" and collectively the "**Participants**" as hereinafter defined) which require securing benefits related to the Hudson's Bay Company Additional Supplementary Executive Retirement Plan for Certain Executives (the "**Plan**") in excess of the amounts provided under the 1999 Plan under certain circumstances;
>
> AND WHEREAS, in order to secure such benefits under the Plan, the Company wishes to establish a trust fund (the "**Trust Fund**" as hereinafter defined) and to appoint the Trustee to be the trustee of the Trust Fund;
>
> NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Company and the Trustee do hereby covenant and agree as follows:

12. However, and notwithstanding that the HBC Additional Trust Agreement refers to "benefits related to the Hudson's Bay Company Additional Supplementary Executive Retirement Plan for Certain Executives" ("**Additional SERP Plan**"), no party has a copy of a separate plan text for the HBC Additional RCA.

13. ERC has communicated directly with both the Additional SERP Participants to receive information and instructions from them in relation to the issues raised in the RT Motion.

14. The Additional SERP Participants have advised and I do believe:

    (a) Both of the Additional SERP Participants are participants in the HBC Main SERP Plan;

    (b) It was their understanding that the HBC Additional RCA was established to satisfy the obligations of the Company under their employment contracts to secure their accrued benefits under the HBC Main SERP Plan following the termination of their employment in the event of a Change of Control;

(c) The language in their respective contracts, which are identical in this respect, contains a more expansive definition of a Change of Control than that in the HBC Main SERP Plan and provides as follows:

> "to the extent not otherwise required under the SERP, HBC shall be required to immediately secure the supplementary pension benefits accrued… under the SERP to the Change of Control Termination Date, if such sums held in trust at the time are deemed to be actuarially inadequate"

(d) Under the heading "Compensation Provisions", the term "SERP" is referenced in the Employment Contracts as follows:

> "[name] will continue to be eligible to participate in the Supplementary Executive Retirement Plan (the "**SERP**"). Participation in the plan is subject to its terms and conditions."

(e) Both employees were terminated within two years of a "Change of Control" within the meaning of the Employment Contracts; and

(f) Neither of them is aware of a separate plan text for the HBC Additional RCA ever existing.

C. ERC'S COMMUNICATIONS WITH RT RELATED TO THE HBC ADDITIONAL RCA

15. As identified at para. 140 of the Roth Affidavit, ERC communicated with RT, to provide information to assist RT in determining how to deal with the assets in the HBC Additional RCA, and in hopes of narrowing the issues that might require the Court's direction.

16. ERC sought instructions to and provided Royal Trust with a redacted copy of one of the Employment Contracts and confirmed that the material provisions were identical in the other Additional SERP Participant's contract.

17. Notwithstanding those communications, as indicated at para. 145 of the Roth Affidavit, RT has indicated that it requires the Court's confirmation as to how it should direct the actuary to proceed with the termination calculations for the Main and Additional SERP Participants, which puts the Additional SERP Participants' Employment Contracts at issue.

D. ISSUES IN THE RT MOTION FOR DIRECTIONS

18. Questions 4-8 in the RT Motion relate to the HBC Additional RCA, which ERC will submit to the Court should be answered as follows:

Question	Answer
4. Can the Trustee assume that there is no plan text for the HBC Additional SERP?	Yes. There is no plan text providing different benefits to the Additional SERP Participants other than as set out in the HBC Main SERP Plan.
5. Are the benefits payable to the Additional SERP Participants, including any Termination Liability, to be determined in accordance with the terms of the HBC Main SERP Plan?	Yes. Benefits for the Additional SERP Participants should be determined under the HBC Main SERP Plan.
6. Are the Additional SERP Participants entitled to *security* in excess of what the HBC Main RCA provides, which was provided by the HBC Additional RCA?	Yes. The HBC Additional RCA is intended to provide additional security to the Additional SERP Participants.
7. Should the Additional SERP Participants have priority entitlement to the HBC Additional RCA Trust Fund?	Yes. The Additional SERP Participants have priority entitlement to the assets in the HBC Additional RCA.
8. If the Court determines the Additional SERP Participants have priority entitlement to the HBC Additional RCA Trust Fund (i.e., if the answer to question 7 is "yes"), should the methodology for allocating the remaining assets under the HBC Additional RCA include only the Additional SERP Participants' Termination Liability?	Yes. The remaining assets under the HBC Additional RCA should be allocated based on <u>only</u> the Additional SERP Participants' Termination Liability and paid only to those Additional SERP Participants.

E. EVIDENCE PROPOSED TO BE REDACTED

19. Although the Employment Contracts contain evidence that is relevant to the RT Motion, the identities and monetary compensation of the Additional SERP Participants, as well as the fact that they are beneficiaries of the HBC Additional RCA, are not necessary to provide the directions that Royal Trust is seeking. Indeed, in Royal Trust's own motion record, it redacted the names of the Additional SERP Participants from the HBC Additional SERP Trust Agreement, which is an exhibit therein.

20. In the RT Motion, I affirmed an affidavit setting out the main terms of the Employment Contracts but did not attach copies of the Employment Contracts as an exhibit to that affidavit in anticipation that ERC would file those documents in a Supplementary Responding Motion Record with appropriate orders to protect their privacy pursuant to Justice Kimmel's case management endorsement dated June 26, 2026. A copy of the case management endorsement is attached as **Exhibit "B"** to this Affidavit.

21. To protect their privacy, ERC proposes to file a Supplementary Responding Motion Record that contains copies of the Employment Contracts, but with the names, monetary compensation, and notice periods (the "**Personal Information**") redacted so that any objecting parties and the public can understand the basis for ERC's position and this Court's directions in Royal Trust's motion for directions without compromising the Additional SERP Participants' privacy.

22. Attached as **Exhibit "C"** to this Affidavit are the Employment Contracts with the proposed redactions marked.

F. NECESSITY OF A REDACTION ORDER

23. In seeking instructions, the Additional SERP Participants have advised and I do believe that they are apprehensive about their identities, their compensation, and other details of their employment being released to their former colleagues and to the public when this information is not necessary to determine the issues in the RT Motion. Indeed, the Additional SERP Participants' names were redacted from the schedule to the HBC Additional RCA Trust Agreement that Royal Trust filed in the RT Motion and are not otherwise mentioned in Royal Trust's motion record. They are referred to exclusively therein as the Additional SERP Participants.

24. The redactions to the Personal Information are necessary to protect the Additional SERP Participants' identities. The group of individuals who are eligible for defined benefits under the HBC Main SERP Plan numbers less than 300. The Additional SERP Participants have advised and I do believe, that many of these individuals are known to each other.

25. ERC shares the concerns of the Additional SERP Participants and does not believe that their identities and personal compensation information should be exposed to their former colleagues or other individuals when that information is not necessary to resolve the issues brought before the Court by Royal Trust.

26. Furthermore, in these proceedings, other individuals have received communications suggesting that they may face frivolous or vexatious litigation should their identities be revealed. In particular, with respect to the Hardship Programs motion heard February 11, 2025, an individual on the Service List, Robert Rene Turpin, suggested that he would take legal action to hold the Trustees of the Zellers Limited Health and Welfare Trust "personally liable" for unjust enrichment in relation to the assets in that trust fund, over which the Monitor reported that Mr. Turpin had no

legitimate or credible claim. The Monitor's assessment of Mr. Turpin's objections to that motion were reported in its Thirteenth Report, which appended copies of correspondence from Mr. Turpin in relation to that motion as Appendix C to the Monitor's Thirteenth Report. At para. 42(a) of its endorsement with respect to the sealing order granted in relation to the Hardship Programs, the Court recognized that the "threats of retaliation" received by the Trustees was a relevant factor to be considered in sealing their identities.

27. I affirm this affidavit in support of ERC's position on this motion and for no other or improper purpose.

AFFIRMED remotely by Rita De Fazio in the City of Toronto before me at the City of Toronto on July 17, 2026 in accordance with O. Reg 431/20, *Administering Oath or Declaration Remotely*	Rita De Fazio

A Commissioner for taking Affidavits *(or as may be)*

THIS IS **EXHIBIT "A"** REFERRED TO IN THE
AFFIDAVIT OF **RITA DE FAZIO**
AFFIRMED BEFORE ME AT THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO, THIS 17TH DAY OF JULY, 2026,
IN ACCORDANCE WITH O. REG. 431/20, ADMINISTERING OATH
OR DECLARATION REMOTELY

____
A Commissioner for taking Affidavits

CATHERINE FAN
(LSO #: 77641P)

RCA TRUST AGREEMENT

made as of

the 1st day of June, 2011

between

HUDSON'S BAY COMPANY

and

ROYAL TRUST CORPORATION OF CANADA

governing the Trust Fund

in respect of

"Hudson's Bay Company Additional Supplementary Executive Retirement Plan for Certain Executives"

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RCA TRUST AGREEMENT

THIS RCA TRUST AGREEMENT is entered into as of the 1st day of June, 2011.

BETWEEN:

HUDSON'S BAY COMPANY, a company incorporated under the laws of Canada (hereinafter referred to as the "**Company**")

OF THE FIRST PART

AND

ROYAL TRUST CORPORATION OF CANADA, a trust company incorporated

under the laws of Canada, (hereinafter referred to as the "**Trustee**")

OF THE SECOND PART

WHEREAS effective October 29, 1999, the Company established the Hudson's Bay Company Supplementary Executive Retirement Plan (the "**1999 Plan**") to provide eligible executives with supplemental retirement income benefits upon retirement;

AND WHEREAS there are participants of the 1999 Plan who have Employment Contracts (each a "**Participant**" and collectively the "**Participants**" as hereinafter defined) which require securing benefits related to the Hudson's Bay Company Additional Supplementary Executive Retirement Plan for Certain Executives (the "**Plan**") in excess of the amounts provided under the 1999 Plan under certain circumstances;

AND WHEREAS, in order to secure such benefits under the Plan, the Company wishes to establish a trust fund (the "**Trust Fund**" as hereinafter defined) and to appoint the Trustee to be the trustee of the Trust Fund;

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Company and the Trustee do hereby covenant and agree as follows:

ARTICLE I
DEFINITIONS

The following terms set out herein with initial capital letters shall have the meanings assigned below:

Actuary: shall mean such person or firm retained by the Company (or, following an Insolvent Date if it is necessary, the Trustee) to provide actuarial services as may be required from time to time for the purposes of the Trust Fund or each Employment Contract, who is (or, in the case of a firm, one of whose employees or members is) a Fellow of the Canadian Institute of Actuaries.

Company: shall mean Hudson's Bay Company.

Contribution: shall mean the amount or amounts, net of Refundable Tax, which are from time to time required to be remitted to the Trustee.

Corporate Action: shall mean any conversion privileges, subscription rights, warrants or other rights or options available in connection with any securities of the Trust Fund, including those relating to the reorganization, recapitalization, takeover, consolidation, amalgamation, merger, liquidation, filing for or declaration of bankruptcy, or plans of arrangement, of any corporation, association or other entity.

Depository: shall mean any domestic or foreign depository or clearing or settlement agency or system, including a transnational book-based system, and shall include The Canadian Depository for Securities Limited and The Depository Trust Company.

Direction: shall mean all written directions, notices, requests, instructions and objections given in accordance with Article VI by an authorized signatory so authorized to act on behalf of the Company.

Employment Contract: shall mean any employment contract relating to a Participant.

Insolvent Date: shall mean the date on which the Trustee is provided with evidence satisfactory to it that:

(a) the Company has made a general assignment for the benefit of its creditors under the Bankruptcy and Insolvency Act (Canada) or otherwise been declared or become bankrupt or insolvent;

(b) a court of competent jurisdiction has entered an order, judgment or decree against the Company in respect of any winding-up, declaration of bankruptcy or similar relief under any present or future law relative to bankruptcy, whether or not the Company has acquiesced in the entry of such order; or

(c) any trustee in bankruptcy has been appointed over the Company's assets, or any portion thereof, with or without the consent or acquiescence of the Company.

Investment Manager: shall mean any person or firm appointed by the Company pursuant to subsection 5.2.1 to manage the investment of the whole or any portion of the Trust Fund, who may be, but shall not be limited to one or more employees of the Company, or a subsidiary thereof, who is responsible for directing the Trustee with respect to all investments of that portion of the Trust Fund assigned to that Investment Manager. In the event that an Investment Manager has not been appointed to manage the investments of any portion of the Trust Fund, the Company shall be deemed to have assumed the responsibilities of an Investment Manager in respect of such portion of the Trust Fund.

Participant: shall mean each executive designated by the Company under the Plan and, following each such person's death, each such person's spouse, designated beneficiary or other person eligible for payment from the Plan.

Plan: shall mean the Hudson's Bay Company Additional Supplementary Executive Retirement Plan for Certain Executives.

Record Keeper shall mean any external service provider appointed by the Company pursuant to subsection 5.4 to maintain such accounts as may be necessary to record the rights provided under the Plan.

Refundable Tax: shall have the meaning ascribed thereto in Part XI.3 of the Income Tax Act (Canada).

Standard of Care: shall have the meaning ascribed thereto in Section 3.2.

Trust Agreement: shall mean this trust agreement, as (hereby amended and restated and as may be further) amended from time to time.

Trustee: shall mean the Royal Trust Corporation of Canada or any successor trustee thereto appointed in accordance with this Trust Agreement.

Trust Fund: shall have the meaning ascribed thereto in Section 2.1.

Voting Materials: shall mean all proxies, proxy solicitation materials and other communications actually received by the Trustee relating to the securities of the Trust Fund that call for voting.

ARTICLE II
CONTINUANCE AND ACCEPTANCE OF TRUST

2.1 Establishment of Trust Fund

All assets paid or delivered or caused to be paid and delivered by the Company from time to time to the Trustee and acceptable to the Trustee, together with any earnings, profits and increments thereon and assets from time to time substituted therefor, net of Refundable Tax exigible, and the right to the Refundable Tax held by the Canada Revenue Agency in respect of each Employment Contract, less all distributions and authorized payments therefrom, shall constitute the Trust Fund established in conjunction with the Plan and shall be held by the Trustee in trust and applied by the Trustee in the manner and for the purposes provided in this Trust Agreement.

Money paid or property distributed by the Trustee in accordance with the provisions of this Trust Agreement shall cease to form part of the Trust Fund upon the Trustee taking such action as is normally required for making payments or delivery of property.

2.2 **Appointment and Acceptance of Trust**

The Company hereby appoints the Trustee as trustee of, and the Trustee hereby accepts, the trust created by this Trust Agreement, and the Trustee agrees to hold, invest and administer the Trust Fund subject to the terms and conditions of this Trust Agreement.

2.3 **Participants**

Subject to applicable laws, the Participants shall not have any claim against the Trustee or bring an action against the Trust Fund or require an accounting of the Trust Fund except by or through the Company. In addition, any claim for or right to any benefit or payment of any amount, including a surplus amount, shall be governed solely by the terms of the Plan.

2.4 **Fiscal Year**

The fiscal year of the Trust Fund shall end on the 31st day of December of each year.

ARTICLE III
CONCERNING THE TRUSTEE

3.1 **Responsibilities of the Trustee**

The Trustee shall:

3.1.1 Receive all Contributions made by the Company under this Trust Agreement;

3.1.2 Hold title to all assets comprising the Trust Fund, for the account of the Trust Fund;

3.1.3 Keep the Trust Fund distinct from its own assets and those of any other person in the accounts and records kept by the Trustee and should the assets of the Trust Fund for any reason become mixed with the assets of the Trustee, the entire resulting mixed fund shall be deemed to be held by the Trustee in trust hereunder to the extent necessary to satisfy the Trust Fund's claim on such mixed fund. The Trustee may, however, through the use of a Depositary or subcustodian, commingle the Trust Fund with assets of other customers of the Trustee (but not with assets held for the Trustee's own account), in which case the Company shall be entitled, in common with those of other customers, to its proportionate share of the assets so held and/or the rights thereto;

3.1.4 From time to time, make all distributions, disbursements and payments (including surplus assets) out of the Trust Fund to such persons (including the Company) on the Direction of the Company and, following an Insolvent Date, on the Direction of the Actuary in accordance with the Actuary's interpretation of the Plan and each Employment Contract. For greater certainty, where, following an Insolvent Date, the Actuary advises that the Trust Fund is not sufficient to fully discharge all benefits and obligations under the Plan and each Employment Contract, the distributions, disbursements and payments out of the Trust Fund to the Participants shall be in reduced amounts as determined by the Actuary;

3.1.5 After all payments required to be made to the Participants, in accordance with the Company's or the Actuary's Direction, have been made or provided for and the Participants shall not be entitled to receive further payments from the Trust Fund, promptly pay, subject to Sections 8.2 and 8.3, the balance of the Trust Fund to the Company or to any person duly authorized to administer the Company's assets following an Insolvent Date;

3.1.6 Notify the Company upon the receipt by it of any assignment or attempted assignment or notice thereof or of any involuntary assignment, seizure, garnishment or any process of law or execution or notice thereof in respect of any benefit payable out of the Trust Fund;

3.1.7 Take all reasonable steps to collect and receive all income, principal, dividends and other payments and distributions when due in respect of any assets of the Trust Fund and promptly credit all such receipts received by it to the Trust Fund;

3.1.8 Act in accordance with the Direction of the Company, the Investment Manager or the Actuary under this Trust Agreement, with respect to the exercise of its powers including, without limitation, the acquisition or disposition of any asset, the exercise of any voting rights, the processing of Corporate Actions, or with respect to any other matter pursuant to this Trust Agreement;

3.1.9 Following an Insolvent Date, liquidate the portfolio and invest the Trust Fund in ninety (90) day Government of Canada Treasury Bills;

3.1.10 Keep accurate and detailed accounts and records of all assets and transactions with respect to the Trust Fund which shall be open to inspection and audit with reasonable notice at all reasonable times by any person duly authorized by the Company;

3.1.11 Provide to the Company or to any other person upon the Company's Direction, within ninety (90) days following the last day of the fiscal year of the Trust Fund, or such other accounting period as may be agreed upon by the Company and the Trustee, or following the resignation or the removal of the Trustee, a statement of account showing all assets, transactions, receipts and disbursements during the accounting period in such form as may, from time to time, be agreed by the Company and the Trustee. Where, however, the Company elects to participate in an investment program provided by the Trustee or any of its affiliates or an insurer, or an external investment broker or manager, the statement of account provided by the Trustee shall not show all assets, transactions, receipts and disbursements during the accounting period which shall, instead, be shown on the statement of account provided to the Company by the provider of the investment program;

3.1.12 Calculate the Refundable Tax of the Trust Fund at the end of each taxation year and remit out of the Trust Fund the amount of tax, if any, payable by it for the year or claim a refund of Refundable Tax owing to the Trust Fund, if applicable, withhold and remit from the Trust Fund all other taxes and assessments required by any applicable law to be so withheld and remitted and file any required tax returns or other filings;

3.1.13 Forward, or arrange to have forwarded, to the Company, or on Direction of the Company, to the Investment Manager of that portion of the Trust Fund in which the particular security is held, such Voting Materials as are actually received by the Trustee in respect of the securities held in the Trust Fund;

3.1.14 With respect to Corporate Actions, promptly forward to the Company, or on Direction of the Company, to the Investment Manager of that portion of the Trust Fund in which the particular security is held, a summary of information that is actually received by the Trustee from sources believed by the Trustee to be reliable, and request Directions with respect to any such Corporation Action where required. For greater certainty, other than as described in this Trust Agreement, the Trustee shall not be obligated to forward or summarize any other shareholder communications, including shareholder mailings, notices, or reports and the Trustee shall have no responsibility or liability for ensuring the accuracy or adequacy of the summary of information; and

3.1.15 Pay out of the Trust Fund all expenses with respect to the operation and administration of the Trust Fund, including without limitation such compensation, disbursements and expenses as are set out in Section 7.6, unless such compensation, disbursements and expenses are paid directly by the Company as provided in Section 7.6, in which case the Trustee shall reimburse the Company therefore from the Trust Fund on Direction.

3.2 **Standard of Care**

In exercising its powers and performing its duties hereunder, the Trustee shall act honestly and in good faith with the degree of care, skill, prudence and diligence that would be exercised by a professional trustee familiar with the custody and administration of the assets of a retirement compensation agreement plan trust, acting in like capacity under circumstances then prevailing (the "**Standard of Care**"). For greater certainty, any exclusion, or limitation of, or relief or protection from liability, duty or responsibility described elsewhere in the Trust Agreement shall not relieve the Trustee of its responsibilities to adhere to the Standard of Care described herein.

3.3 **Limitation of Liability**

3.3.1 The Trustee shall not be liable for any loss to, or diminution of, the Trust Fund resulting from any act or omission in connection with the affairs of the trust, except to the extent that such loss or diminution is directly caused by the Trustee's breach of the Standard of Care.

3.3.2 The Trustee shall have no duty or responsibility with respect to the administration of the Plan and each Employment Contract, the collection of Contributions, or for the adequacy of the Trust Fund to meet and discharge any payments and liabilities under the Plan.

3.3.3 The Trustee shall not be responsible for any loss to or diminution of the Trust Fund resulting from the acquisition, retention, or sale of any assets of the Trust Fund made in accordance with the Direction of the Company or any Investment Manager.

3.3.4 The Trustee shall not be liable to any person for any action in accordance with the Direction of the Company or Investment Manager or failure to act in the absence of the Direction of the Company or Investment Manager.

3.3.5 Upon the expiration of two hundred and seventy (270) days from the date of mailing of any statements provided under subsection 3.1.11, the Trustee shall be released and discharged from all liability and accountability to anyone with respect to its acts and transactions during the period covered by the statements, except with respect to those identified by the Company prior to that date under subsection 4.1.8 and those which are a breach of the Standard of Care.

3.3.6 Subject to the Standard of Care, the Trustee shall be fully protected in acting in good faith on the opinion or advice of or information obtained from any such counsel, auditors, advisors, agents or other persons in relation to any matter arising in the administration of the Trust Fund.

3.4 **Conflict of Interest**

3.4.1 The Trustee's services to the Company are not exclusive and, subject to the limitations otherwise provided in this Trust Agreement on the power and authorities of the Trustee, the Trustee may for any purpose, and is hereby expressly authorized from time to time in its discretion to, appoint, employ, invest in, contract or deal with any individual, firm, partnership, association, trust or body corporate, including without limitation, itself and any partnership, trust or body corporate with which it may directly or indirectly be affiliated or in which it may be directly or indirectly interested, whether on its own account or for the account of another (in a fiduciary capacity or otherwise), without being liable to account therefor and without being in breach of this Trust Agreement.

3.4.2 Without limiting the generality of the foregoing, the Company hereby authorizes the Trustee to act hereunder notwithstanding that the Trustee or any of its divisions, branches or affiliates may:

(a) have a material interest in the transaction or that circumstances are such that the Trustee may have a potential conflict of duty or interest including the fact that the Trustee or any of its affiliates may:

(i) purchase, hold, sell, invest in or otherwise deal with securities or other property of the same class and nature as may be held in the Trust Fund, whether on its own account or for the account of another (in a fiduciary capacity or otherwise);

(ii) act as a market maker in the securities that form part of the Trust Fund to which Directions relate;

(iii) act as financial advisor to the issuer of such securities;

(iv) provide brokerage services to other clients;

(v) act as agent for more than one (1) client with respect to the same transaction;

(vi) have a material interest in the issue of securities that form part of the Trust Fund;

(vii) use in other capacities, knowledge, procedures, systems, processes or other expertise gained in its capacity as Trustee hereunder, subject to the provisions of Section 9.4 hereof; provided that such use is not detrimental to the best interests of the Trust Fund;

(viii) invest the assets of the Trust Fund in the securities or other assets of any of its affiliates;

(ix) deposit assets of the Trust Fund in a financial institution in which the Trustee or an agent of or advisor to the Trustee has an interest, including for greater certainty Royal Trust Corporation of Canada or its affiliated, subsidiary, holding or related companies and notwithstanding that the Trustee and/or the Trustee's agent or advisor may benefit therefrom, and without the Trustee being required to account for or to give up any such benefit; and

(b) earn profits from any of the activities listed herein;

without being liable to account therefor and without being in breach of this Agreement.

3.5 **Confidential Information.**

3.5.1 The Company and the Trustee will exchange information about their businesses, products and personal and/or financial information of the Participants ("**Confidential Information**"), but only such information as is required in order for the parties to fulfill their duties under this Trust Agreement.

3.5.2 The parties agree to use the Confidential Information solely for performing their duties under this Trust Agreement. The parties will hold the Confidential Information in confidence and will not disclose the Confidential Information to any third party, provided, however, that the parties may disclose any such Confidential Information to their directors, officers, employees, agents, service providers, advisors, internal and external auditors or regulatory authorities as well as those of their affiliates (collectively, "**Representatives**") with a need to know such Confidential Information and who agree to be bound by these confidentiality obligations, or as required or permitted by law.

3.5.3 The parties acknowledge that the Confidential Information may include personal information about identifiable individuals. Both parties agree to act in accordance with the Personal Information Protection and Electronic Documents Act ("**PIPEDA**") and applicable provincial private sector privacy legislation which has by Order been declared as substantially similar to PIPEDA with respect to collection, use, disclosure, retention of and access to personal information.

3.5.4 The Trustee will correct or amend any inaccuracy with any Confidential Information promptly after it is notified of the inaccuracy by the Company. If the Trustee otherwise becomes aware of any inaccuracy with any Confidential Information, the Trustee will promptly advise the Company.

3.6 **Powers of the Trustee**

The Trustee is hereby vested with every power, right and authority necessary or desirable to enable the Trustee to administer the Trust Fund and carry out its responsibilities in accordance with this Trust Agreement. Where required under this Trust Agreement, the powers, rights and authorities shall only be exercised on Direction. Without restricting the generality of the foregoing, the Trustee shall have the full power and authority:

3.6.1 To purchase, or otherwise acquire, any securities, currencies, or other assets and to purchase, hold and retain the same in trust hereunder;

3.6.2 To sell for cash or on credit, or partly for cash and partly on credit, convey, exchange for other securities, currencies or other assets, convert, transfer, or otherwise dispose of any securities, currencies or other assets held by it at any time, by any means considered reasonable by the Trustee, and to receive the consideration and grant discharges therefor;

3.6.3 To exercise any conversion privileges, subscription rights, warrants or other rights or options available in connection with any securities or other assets at any time held by the Trustee, and make any payments incidental thereto; consent to, or otherwise participate in or dissent from, the reorganization, consolidation, amalgamation or merger of any corporation, company or association, or to the sale, mortgage, pledge or lease of the property of any corporation, company or association, any of the securities of which may at any time be held by it, and do any act with reference thereto, including the delegation of discretionary powers, the exercise of options, the making of agreements or subscriptions and the payment of expenses, assessments or subscriptions which it may deem necessary or advisable in connection therewith;

3.6.4 Subject to Direction from the Company or an Investment Manager, to vote personally, or by general or by limited proxy, any securities or other assets which may be held by it at any time, and similarly exercise personally or by general or by limited power of attorney any right appurtenant to any securities or other assets held by it at any time;

3.6.5 To renew or extend or participate in the renewal or extension of any securities or other assets, upon such terms as it may deem advisable, and agree to a reduction in the rate of interest on any security or other asset or of any guarantee pertaining thereto, in any manner and to any extent that it may deem advisable; waive any default whether in the performance of any covenant or condition of any security or other asset, or in the performance of any guarantee, or enforce rights in respect of any such default in such manner and to such extent as it may deem advisable; exercise and enforce any and all rights of foreclosure, bid on property on sale or foreclosure, take a conveyance in lieu of foreclosure with or without paying a consideration therefor and in connection therewith to release the obligation on the covenant secured by such security and exercise and enforce in any action, suit or proceeding at law or in equity any rights or remedies in respect of any such security or guarantee pertaining thereto;

3.6.6 To make, execute, acknowledge and deliver any and all deeds, leases, mortgages, conveyances, contracts, waivers, releases or other documents of transfer and any and all other instruments in writing that may be necessary or proper for the accomplishment of any of the powers herein granted;

3.6.7 To process Corporate Actions, provided that the Company or the Investment Manager has provided Directions to the Trustee within the time frames specified by the Trustee in its notice relating to Corporate Actions. In the event that Directions have not been provided within such time frames, the Trustee shall use reasonable efforts to process such Corporate Actions but the Trustee shall have no liability for failure to process such Corporate Actions or for processing such Corporate Actions in the absence of Directions, where necessary;

3.6.8 To clearly record all assets of the Trust Fund in the books and records of the Trustee so as to show that the beneficial ownership of such assets is vested in the Trust Fund; and

3.6.9 In the event there is at any time insufficient assets in the Trust Fund (excluding the right to the Refundable Tax) to effect any distribution, disbursement or payment in accordance with subsection 3.1.4 pending receipt from the Canada Revenue Agency of Refundable Tax, borrow (including the right to borrow from an affiliate) money against the assets of the Trust Fund up to an amount of such Refundable Tax and on such other terms and conditions as the Trustee may determine. For greater certainty, on Direction of the Company, the Trustee shall be required to so borrow. The Company shall bear the cost of such borrowing and the Company shall, if requested, reasonably co-operate with the Trustee to the extent required to effect any such borrowing and ensure the co-operation of its own bank. Following an Insolvent Date, no further borrowing shall occur.

3.6.10 In consultation with the Company, to commence, defend, adjust or settle suits, and administrative or legal proceedings in connection with the Trust Fund and represent the Trust Fund in any such suits and administrative or legal proceedings and keep the Company informed; provided, however, that the Trustee shall not be obliged or required to do so unless it has been indemnified to its satisfaction against all expenses and liabilities sustained or anticipated by the Trustee by reason thereof, except where such suits, administrative or legal proceedings directly result from a breach by the Trustee of the Standard of Care;

3.6.11 To hold in trust any securities, currencies or other assets which it may acquire hereunder and generally exercise any of the powers of an owner with respect to securities or other assets held in the Trust Fund;

3.6.12 To register the securities or other assets of the Trust Fund in its own name or in the names of its nominees or the nominees of any subcustodian or of any Depository, or in bearer form if the investment is not registrable or it would not be in the best interest of the Trust Fund to do otherwise;

3.6.13 To keep the assets of the Trust Fund wholly or partly, in its principal office or in any one or more of its branches in any Province of Canada or at the office of any financial institution that is authorized to act as a custodian of securities by the laws of any country, province, state or any other political subdivision of any country in which such financial institution is located;

3.6.14 To hold securities through the facilities of a domestic or foreign Depository or clearing agency which is duly authorized to operate a book-based system (including a transnational book-based system) in the country, province, state or other political subdivision of any country in which such Depository or clearing agency is located;

3.6.15 To deposit any assets forming part of the Trust Fund, including securities and documents of title held by it hereunder, with any bank or other Depository;

3.6.16 To retain uninvested cash balances from time to time on hand in the Trust Fund as may be deemed to be in the best interests of the Trust Fund and in its sole discretion hold such cash balances on deposit with a bank or such other deposit taking institution, including the Trustee or any of its affiliates, in any jurisdiction in such interest bearing account as the Trustee in its discretion may determine;

3.6.17 In consultation with the Company, to employ such counsel, auditors, actuaries, advisors, agents or other persons (who may be employed by the Company) as the Trustee may deem necessary from time to time for the purpose of discharging its duties hereunder and pay out of the Trust Fund their reasonable expenses and compensation;

3.6.18 To make payments to the legal representative of any person who is legally incompetent to receive them. The receipt by such person's legal representative shall be a complete release and discharge to the Trustee;

3.6.19 To enter into and settle foreign exchange transactions for the purpose of facilitating the transactions of the Trust Fund with such counterparties as the Trustee may determine, including its affiliates;

3.6.20 To appoint subcustodians on such terms as the Trustee may in its sole discretion determine;

3.6.21 To appoint nominees;

3.6.22 To advance monies by overdraft to the Trust Fund, on such terms and conditions as the Trustee may determine. In order to secure the obligations of the Trust Fund to repay such borrowings, the principal and interest charged on such borrowing shall be paid out of the Trust Fund and shall constitute a charge against the Trust Fund until paid;

3.6.23 To dispose of any assets of the Trust Fund on such terms as the Trustee may determine, in order to pay any outstanding obligations imposed on the Trust Fund or repay any outstanding loan contemplated by this Agreement; and

3.6.24 To do all such acts, take all such proceedings and exercise all such rights and privileges, although not specifically mentioned herein, as the Trustee, may deem necessary to administer the Trust Fund, and to carry out the purposes of this trust.

3.7 **Power Inexhaustible**

The exercise of any one or more of the powers provided in Section 3.6 or any combination thereof from time to time shall not be deemed to exhaust the rights of the Trustee to exercise such power or powers or combination of them thereafter from time to time.

ARTICLE IV
CONCERNING THE COMPANY

4.1 **Responsibilities of the Company**

The Company hereby represents and warrants that it has full power and authority to enter into this Trust Agreement, and to perform all of its obligations hereunder, and more specifically and without limitation, the Company:

4.1.1 Shall have full responsibility for the administration of the Plan and each Employment Contract;

4.1.2 Shall from time to time make Contributions in such amounts and in such frequency as the Company shall determine in its sole discretion as being required to be made in accordance with the terms of the Plan and each Employment Contract;

4.1.3 Shall, within the prescribed time, withhold the Refundable Tax exigible from a Contribution and remit such amount to the Receiver General, and shall inform the Trustee in writing of such remittance;

4.1.4 Shall file, or cause to be filed, any and all returns and forms required to be filed by it with respect to the Plan and each Employment Contract by applicable law and maintain its own remittance account with the Canada Revenue Agency;

4.1.5 Shall ensure that any Direction of the Company is in accordance with the provisions of the Plan, each Employment Contract and all amendments thereto from time to time;

4.1.6 Shall manage the investment of the assets of the Trust Fund in accordance with this Trust Agreement and applicable legislation, including the appointment under Article V and supervision of one or more Investment Managers for all or any portion of the assets of the Plan;

4.1.7 Shall immediately notify the Trustee of the appointment and termination of any Record Keeper, or of any Investment Manager and the allocation or re-allocation of the assets resulting therefrom;

4.1.8 Shall maintain or cause the Record Keeper to maintain individual Participant accounts and records, shall reconcile or cause the Record Keeper to reconcile such account balances on an annual or other periodic basis as it may determine, and shall deliver or cause the Record Keeper to deliver such records and reconciliations to the Trustee on an annual or other periodic basis as it may determine or as the Trustee may request;

4.1.9 Shall review any statement provided by the Trustee in accordance with subsection 3.1.11 and notify the Trustee of any errors, omissions or discrepancies contained in such statement;

4.1.10 Shall provide the Trustee with such Directions, certificates or other documentation or information as may be required by the Trustee to fulfil its obligations under this Trust Agreement, including copies of information returns filed by the Company with the Canada Revenue Agency with respect to the Trust Fund, or as the Trustee may reasonably request;

4.1.11 Shall provide the Trustee with a certificate substantially in the form of Schedule A attached hereto, and certified by the secretary of the Company to be true and correct, stating the name and title of the person or persons authorized to act on behalf of the Company, together with specimen signatures of all such authorized signatories. In the event that in any calendar year no updated Schedule A has been delivered to the Trustee because no authorized signatory has been added or deleted in that year, on or before March 1 of the following calendar year the Company shall either

(a) deliver a new Schedule A updated to reflect current information or

(b) provide written notice to the Trustee confirming that the information on the most recently updated Schedule A is unchanged;

4.1.12 Acknowledges that the Trustee is and in the future may be subject to legislation, including but not limited to anti-money laundering legislation and privacy legislation, that requires that the Trustee collect information or obtain undertakings, agreements, documents or the like from the Company or its directors, officers and employees, and shall cooperate with the Trustee including delivery of information, agreements or documents or providing signatures or executing documents and to take all reasonable steps to cause its directors, officers and employees to do same, all to the maximum extent required to ensure that the Trustee satisfies applicable legislative requirements;

4.1.13 Shall, with the Trustee, amend this Trust Agreement as then required by the Trustee, forthwith after notifying the Trustee that it wishes the Trust Fund to include a letter of credit;

4.1.14 Shall have full responsibility for compliance with unclaimed property legislation, as applicable, and shall direct the Trustee to provide information or remit unclaimed property as the case may be to the appropriate regulatory authority where required;

4.1.15 Shall cause to be delivered to the Trustee an updated Schedule B identifying each Participant (and setting out the current address of each Participant, his or her social insurance number, and the name of his or her spouse and/or designated beneficiary) as Participants are added or deleted. In the event that in any calendar year no updated Schedule B has been delivered to the Trustee because no Participants have been added or deleted in that year, on or before March 1 of the following calendar year the Company shall either:

(a) deliver or cause to be delivered to the Trustee a new Schedule B updated to reflect current information, or

(b) provide written notice to the Trustee confirming that the information on the most recently updated Schedule B is unchanged.

4.2 **Indemnity**

4.2.1 The Company shall indemnify and save harmless the Trustee on its own behalf and in trust for the Trust Fund and the officers, directors, employees, successors and assigns of the Trustee against any costs, expenses (including reasonable costs of litigation and reasonable legal fees and expenses), damages, claims, actions, demands and liabilities to which any of them may be subject, as a result of any act or omission in connection with this Trust Agreement, except to the extent such costs, expenses, losses, damages, claims, actions, demands or liabilities are incurred as a result of the Trustee having breached the Standard of Care. This provision shall survive the termination of this Trust Agreement.

4.2.2 For greater certainty, the commencement of formal legal proceedings shall not be a precondition for indemnification hereunder. Further, none of the provisions of this Trust Agreement shall require the Trustee to expend or risk its own funds, appear in, prosecute or defend proceedings, or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless the Trustee is first indemnified to its satisfaction.

ARTICLE V
INVESTMENT AND RECORD KEEPING

5.1 **Investment of Trust Fund**

Subject to subsection 3.1.9, the Trustee shall hold, invest and reinvest the Trust Fund strictly in accordance with Directions of the Company or any Investment Manager appointed by the Company hereunder with respect to such portion of the Trust Fund under the Company's or such Investment Manager's management. The investment of the assets of the Plan shall not be limited in any way to investments authorized for trustees under, or to the criteria in planning or the requirements for diversifying the investment of the assets of the Plan as may be prescribed for trustees by, any applicable federal, provincial or territorial legislation. For greater certainty, it is hereby confirmed that the Trustee shall have no responsibility for the investment management of the Trust Fund nor for any investment decisions except for carrying out Directions.

5.2 **Appointment of Investment Manager**

5.2.1 The Company shall have sole responsibility for the investment management of the Trust Fund but may appoint from time to time one or more Investment Managers to manage the investment of the whole or any portion or portions of the Trust Fund. The appointment of any such Investment Manager shall be deemed to be effective upon the later of the date of receipt by the Trustee of a Direction notifying the Trustee of such appointment or the effective date specified therein and such appointment shall continue in force until the earlier of the receipt by the Trustee of a Direction containing notice to the contrary or an Insolvent Date. The Trustee shall also be entitled to rely conclusively on and shall be fully protected in acting in accordance with the Directions of the Investment Manager in the exercise of powers conferred by this Trust Agreement. Notwithstanding any investment authority given to an Investment Manager, the Trustee may dispose of any assets of the Trust Fund on such terms as the Trustee may determine, upon notification of the Company, in order to pay any obligations imposed on the Trust Fund or to repay any loan authorized by this Trust Agreement.

5.2.2 Unless the Company instructs the Trustee otherwise, any such Investment Manager shall, with respect to such whole or any portion or portions of the Trust Fund, direct the Trustee in the exercise of the powers enumerated in subsections 1, 2, 3, 4, 5, and 6 of Section 3.6 otherwise conferred by this Trust Agreement, or as the Company by Direction may specify that the Investment Manager may direct.

5.3 **Termination of Investment Manager**

The Company may at any time terminate the appointment of any Investment Manager, in which event the Trust Fund, or the portion thereof managed by such Investment Manager, shall be invested and reinvested by the Trustee as directed by the Company in accordance with Section 5.1 hereof, until a successor Investment Manager is appointed by the Company with respect to all or any such portion of the Trust Fund. In addition, following an Insolvent Date the appointment of any Investment Manager shall terminate for the purposes of this Trust Agreement.

5.4 **Appointment of Record Keeper**

The Company shall have sole responsibility for the maintenance of individual Participant accounts and records, the reconciliation of such account balances, and all other such record keeping functions, but may appoint from time to time a Record Keeper to perform such functions. The appointment of a Record Keeper shall be deemed to be effective upon the later of the date of receipt by the Trustee of a Direction notifying the Trustee of such appointment or the effective date specified therein and such appointment shall continue in force until the earlier of the receipt by the Trustee of a Direction containing notice to the contrary or an Insolvent Date. The Trustee shall also be entitled to rely conclusively on and shall be fully protected in acting in accordance with the Directions of the Record Keeper in the exercise of powers conferred by this Trust Agreement.

5.5 **Termination of Record Keeper**

The Company may at any time terminate the appointment of any Record Keeper, in which event the record keeping functions previously performed by the Record Keeper shall be performed by the Company until a successor Record Keeper is appointed by the Company.

ARTICLE VI
COMMUNICATIONS

6.1 **Directions and Authorized Signatories**

6.1.1 All Directions given to the Trustee pursuant to any of the provisions of this Trust Agreement shall be in writing and given by an authorized signatory, and the Trustee shall be fully protected in acting in accordance with such Direction. The Company agrees that the Trustee shall be entitled to rely conclusively on the identification of the authorized signatories set out in Schedule A as the persons entitled to act on behalf of the Company for the purposes of this Trust Agreement until a later certificate respecting the same is delivered to the Trustee.

6.1.2 Notwithstanding subsection 6.1.1, the Trustee is authorized to act on telephone instructions. Written Directions shall be provided to the Trustee confirming telephone instructions on the same day that such telephone instructions are given to the Trustee. The fact that such confirming Directions are not received or that contrary Directions are later received by the Trustee shall in no way affect the validity of transactions effected by the Trustee on the basis of such telephone instructions. The Trustee shall be protected in relying on such telephone instructions as if they were Directions, and when so given shall be deemed to have been effectively and sufficiently given for all purposes of this Trust Agreement.

The Company agrees that some or all telephone conversations between the parties may be recorded by the Trustee and that, in the event of any disagreement as to the content of any instructions given by telephone, such recording will be conclusive and determinative of the content of the instructions.

6.1.3 Without limiting the foregoing, in the case of Directions sent through the internet, the parties acknowledge that it may not be possible for such Directions to be executed, however the Trustee shall nevertheless be protected in relying on such Directions as if they were written Directions executed by an authorized signatory. The Trustee shall be entitled, without further inquiry or investigation, to assume that such Directions have been duly and properly issued, and that the sender(s) is/are duly authorized to act, and to provide Directions.

6.2 **Directions from Investment Manager or Actuary**

Any Direction, including Direction from an Investment Manager or the Actuary, is deemed to be a Direction to the Trustee from the Company given in accordance with this Article VI.

6.3 **Addresses for Directions**

All Directions and notices required or permitted hereunder shall be given personally, or if sent by pre-paid ordinary mail or if transmitted by facsimile as follows, or at such other address and number as the party to whom such communication is to be given shall have last notified to the party giving the same in the manner provided in this Section:

6.3.1 in the case of the Trustee:

Royal Trust Corporation of Canada
155 Wellington Street West, 20th Floor
Toronto, Ontario M5V 3K7

Attention: Specialized Estate and Trust Services

Telephone: (416) 955-8737
Telefax: (416) 955-3268

6.3.2 in the case of the Company:

Hudson's Bay Company
176 Yonge Street, 6th Floor
Toronto ON M5C 2L7

Attention: Marc Poupart, General Manager, Pension & Retirement Programs

Telephone: (416) 861-6004
Telefax: (416) 861-6813

6.3.3 in the case of a Participant, to the address provided in Schedule B.

6.3.4 in the case of the Record Keeper:

Hudson's Bay Company
c/o Marc Poupart
176 Yonge Street, 6th Floor
Toronto ON M5C 2L7

Attention: Marc Poupart, General Manager, Pension & Retirement Programs

Telephone: (416) 861-6004
Telefax: (416) 861-6813

6.4 **Deemed Delivery**

Any Direction or notice delivered personally shall be deemed to have been given on the day it is so given. Subject to disruptions in the postal service, any Direction or notice mailed shall be deemed to have been given and received on the fifth (5) business date following the date of mailing. Any Direction or notice given by facsimile shall be deemed to have been given and received on the day it is brought to the attention of the Trustee's employee to whom it is addressed without thereby creating an obligation for the Trustee to constantly monitor its communication equipment provided however that a reasonable surveillance is performed within the normal business hours of the Trustee where such Direction is sent. The sender of a Direction shall have the obligation of ensuring that the Direction sent by him has been received by the Trustee and the Trustee shall not be held liable for an omission to act resulting from not receiving a Direction.

6.5 **Proof of Content**

The Trustee shall be entirely protected when relying on a Direction received pursuant to this Article VI and in case of discrepancies between the copy or material representation of a Direction held or produced by the Trustee and such copy or representation held or produced by any person, the copy or material representation held or produced by the Trustee shall be deemed to constitute conclusive evidence of the content of such Direction

6.6 **Limitation in Respect of Directions**

The Trustee shall act in accordance with Directions, and shall be fully protected and absolved from any liability arising therefore. Notwithstanding anything else in this Trust Agreement, the Trustee shall not be required to comply with Directions to settle the purchase of any securities on behalf of the Trust Fund unless there is sufficient cash in the Trust Fund at the time, nor shall the Trustee be required to comply with Directions to settle the purchase of any securities on behalf of the Trust Fund unless such securities are in deliverable form. If the Trustee is not provided with Directions when required hereunder, then the Trustee shall be fully protected and absolved from any liability arising from the failure to act in the absence of Directions.

6.7 **Internet**

The Company agrees that Directions and notices given through the internet or any other electronic means of communication which is not secure may only be validly given hereunder if the Company has first entered into an agreement with the Trustee that is satisfactory to the Trustee.

ARTICLE VII
RESIGNATION, REMOVAL, APPOINTMENT AND REMUNERATION OF TRUSTEE

7.1 **Resignation**

The Trustee may resign at any time after giving ninety (90) days' notice in writing to the Company.

7.2 **Removal**

The Company shall have power to remove the Trustee exercisable in writing without notice, at any time that:

7.2.1 the Trustee shall be declared bankrupt or shall be insolvent;

7.2.2 the assets or the business of the Trustee shall become liable to seizure or confiscation by any public or governmental authority; or

7.2.3 the Trustee shall cease to have the qualifications set out in Section 7.5.

The Company may remove the Trustee for any reason at any time upon ninety (90) days' notice in writing or upon such shorter notice as may be mutually agreed by the Trustee and the Company.

7.3 **Appointment of Successor**

In the event of resignation or removal of the Trustee under this Trust Agreement or in the case a vacancy shall arise in trusteeship of the Trust Fund, the Company shall appoint a trustee as successor to the Trustee and shall ensure that such successor has the qualifications set out in Section 7.5.

Notwithstanding the foregoing, any trust company resulting from the merger or amalgamation of the Trustee with one or more trust companies and any trust company which succeeds to substantially all of the trust business of the Trustee shall thereupon become the successor trustee hereunder without further act or formality.

In the event the Company fails to appoint a successor Trustee within sixty (60) days of the resignation or removal, the Trustee, at the expense of the Trust Fund, shall have the right to seek appointment of a successor Trustee from a court of competent jurisdiction.

7.4 **Obligations Upon Resignation or Removal**

In the event of the resignation or removal of the Trustee, the Trustee shall, upon Direction of the Company, transfer title to all assets comprising the Trust Fund and all books and records (which shall not, for greater certainty, include correspondence with the Company or other persons except the Canada Revenue Agency) maintained by the Trustee for the purpose of its responsibilities under this Trust Agreement to the successor appointed under

Section 7.3. Subject to subsection 3.3.5, upon such transfer the Trustee shall be relieved of all responsibilities under this Trust Agreement. The Trustee is authorized to reserve such fees and expenses reasonably incurred to the date of the resignation or removal of the Trustee and any balance of such reserve remaining after the payment of such fees and expenses shall be paid over to the successor Trustee.

7.5 **Qualifications of Trustee**

The successor Trustee shall be a duly licensed and qualified trust company to carry on trust activities in Canada and in any province thereof, or one or more individuals other than a Participant.

7.6 **Fees and Expenses of the Trustee**

Prior to an Insolvent Date, the Trustee shall be entitled to such compensation as may from time to time be mutually agreed upon in writing by the Trustee and the Company. Following an Insolvent Date, the Trustee shall be entitled to such compensation as was mutually agreed upon in writing by the Trustee and the Company prior to the Insolvent Date. Such compensation and all other disbursements made and expenses incurred in the creation of the Trust Fund and performance of the duties of the Trustee hereunder or arising out of this trust shall constitute a charge upon the Trust Fund and shall be paid out of the Trust Fund unless such compensation, disbursements and expenses shall be paid by the Company within thirty (30) days of the date the Trustee sends an invoice or account for same by any means described in Section 6.3 for the giving of notice. The Trustee is authorized to pay out of the Trust Fund the compensation, disbursements and expenses (including any applicable value added tax payable) of persons employed by it pursuant to subsection 3.6.17 and the compensation, disbursements and expenses of the Actuary and the Investment Manager on Direction of the Company.

ARTICLE VIII
AMENDMENT AND TERMINATION OF TRUST AGREEMENT

8.1 **Amendment of Trust Agreement**

The Company and the Trustee reserve the right at any time and from time to time to amend, in whole or in part, any or all of the provisions of this Trust Agreement by notice thereof in writing delivered to the other party, provided that no such amendment which affects the rights, duties or responsibilities of the other party may be made without its consent and that no such amendment shall authorize or permit any part of the Trust Fund to be used for or diverted to purposes other than those provided for under the terms of the Plan and each Employment Contract.

8.2 **Termination of Trust Agreement**

This Agreement may be terminated at any time by an instrument in writing executed by the Company, provided that the Trust Fund following such termination may not be used for or diverted to purposes other than those provided for under the terms of the Plan and each Employment Contract and for the payment of taxes and other assessments pursuant to subsection 3.1.12. Such termination shall not take effect until sixty (60) days after the receipt of such instrument by the Trustee, or such shorter period of time as may be mutually agreed upon.

Upon such termination, the Trust Fund shall be paid out by the Trustee, prior to an Insolvent Date, on Direction of the Company subject to subsection 4.1.10 and, following an Insolvent Date, as directed by the Actuary provided:

8.2.1 any fees and expenses payable under this Trust Agreement from the Trust Fund, shall first be deducted and paid; and

8.2.2 subject to subsection 4.2.1, the provisions of this Trust Agreement shall survive any termination until all assets comprising the Trust Fund have been paid out or distributed.

8.3 **Automatic Termination**

On an Insolvent Date, the Plan shall be deemed fully terminated and within sixty (60) days following such Insolvent Date the Trustee shall pay to each Participant, on Direction of the Actuary, the value of all benefits both (i) accrued to each Participant under the Plan and (ii) secured under the relevant Employment Contract, as determined by the Actuary, to the extent of the assets of the Trust Fund, including Refundable Tax, less expenses of the Trust Fund as estimated by the Trustee to complete the distribution of the Trust Fund. Such value shall be paid in two instalments, the first from the funds in the Trust Fund and the second from the funds refunded to the Trustee by the Canada Revenue Agency pursuant to paragraph 207.7(2)(b) of the Income Tax Act (Canada). In the event that there remain assets in the Trust Fund, including Refundable Tax, following the payment of all benefits pursuant to this Section 8.3, such surplus assets shall be paid to the Company or any person authorized to administer the Company's assets following such Insolvent Date.

ARTICLE IX
MISCELLANEOUS

9.1 **Representations and Warranties**

The Company confirms that the recitals to this Trust Agreement are true and correct and acknowledges that

9.1.1 where the terms of this Trust Agreement, the Plan and an Employment Contract are inconsistent in whole or in part, the terms of this Trust Agreement shall prevail over the terms of the Plan and the Employment Contract,

9.1.2 the Trustee shall not be obligated to review the terms of the Plan and any of the Employment Contracts, and

9.1.3 the Trustee's acceptance of the trust pursuant to Section 2.2 shall not be taken as an expression by the Trustee as to the suitability of this Trust Agreement in respect of the Plan and the Employment Contracts.

9.2 **Severance of Illegal or Invalid Provision**

If any provision of this Trust Agreement shall be held illegal or invalid for any reason by a Court of competent jurisdiction, such illegality or invalidity shall not affect the remaining provisions of this Trust Agreement but this Trust Agreement shall be construed and enforced as if such illegal or invalid provision had never been inserted herein.

9.3 **Assignment**

This Trust Agreement may not be assigned by the Trustee without the consent in writing of the Company but may be assigned by the Company to a successor in the business of the Company or to a corporation with which the Company may amalgamate or merge or a corporation resulting from any reconstruction or reorganization of the Company.

9.4 **Confidentiality**

Subject to subsection 3.4.2(a)(vii) hereof, the Trustee shall hold in confidence all information relating to the Trust Fund and may only release such information to others where required by applicable law or pursuant to a Direction of the Company.

9.5 **Interpretation**

Unless the context requires otherwise, any terms or provisions importing the plural shall include the singular and vice versa and any terms or provisions importing the masculine gender shall include the feminine gender.

9.6 **Governing Law**

This Trust Agreement shall be construed, administered and enforced according to the laws of the Province of Ontario and the laws of Canada applicable therein and the Trustee shall be liable to account only in the courts of that Province.

9.7 **Force Majeure**

The Trustee shall not be liable or responsible for any loss or damages, whatsoever, resulting from official action (including nationalisation and expropriation), currency restrictions or devaluations, acts or threat of war or terrorism, insurrection, revolution or civil disturbance, acts of God, strikes or work stoppages, inability of any settlement system to settle transactions, interruptions in postal, telephone, telex and/or other communication systems or in power supply, or any other event or factor beyond the reasonable control of the Trustee.

9.8 **Entire Agreement**

This Trust Agreement and any schedules or exhibits hereto constitute the whole and entire agreement between the parties in respect of the subject matter hereof and cancel and supersede any prior written or verbal agreements including undertakings, declarations or representations made with respect thereto.

9.9 **Execution in Counterpart**

This Trust Agreement may be executed in counterparts each of which when so executed shall be deemed to be an original and all counterparts together shall constitute one agreement.

9.10 **Binding Effect**

This Trust Agreement shall enure to the benefit of and be binding upon the Company, the Trustee and their respective successors and assigns.

IN WITNESS WHEREOF the parties have caused this Trust Agreement to be executed by their respective duly authorized officers effective as of the date first above written.

HUDSON'S BAY COMPANY

Michael Culhane, Vice-President & CFO

Michael McCorkle, Vice-President & Treasurer

We have authority to bind the Company.

ROYAL TRUST CORPORATION OF CANADA

SCHEDULE A TO THE TRUST AGREEMENT

DATED AS THE 1st DAY OF JUNE, 2011

CERTIFICATE OF AUTHORIZED SIGNATORIES

See Attached

CERTIFICATE OF AUTHORIZED SIGNATORIES

PLAN SPONSOR:	HUDSON'S BAY COMPANY / ZELLERS INC.
PLAN NAMES:	1. ZELLERS INC. RETIRING ALLOWANCE ARRANGEMENT RCA TRUST FOR FORMER EXECUTIVES OF WOODWARDS LIMITED 2. HUDSON'S BAY COMPANY RETIRING ALLOWANCE ARRANGEMENT RCA TRUST 3. HUDSON'S BAY COMPANY SERP RCA 4. HUDSON'S BAY COMPANY ADDITIONAL SERP RCA FOR CERTAIN EXECUTIVES

The Undersigned pursuant to the trust/custodian agreement for the trust fund (the "Fund") hereby authorizes the following person(s) (herein called **"Authorized Person(s)"**) to direct Royal Trust Corporation of Canada and/or The Royal Trust Company ("Royal Trust") with respect to certain categories (Column E) of activities requiring authorization for said Account (see Category Guide on page 2 for list of categories of activities requiring authorization or Direction).

A. NAME	B. TITLE	C. SPECIMEN SIGNATURE	D. IS PERSON IN (A) AN EMPLOYEE OF UNDERSIGNED? YES	NO	IF "NO", NAME OF COMPANY ORGANIZATION	E. CATEGORY (*SEE GUIDE ON PG 2*)
Michael Culhane	**Senior Vice-President & CFO**	Michael G. Culhane	**XX**			8
Michael McCorkle	**Vice-President & Treasurer**		**XX**			8
Marc Poupart	**General Manager, Pension & Retirement Programs**		**XX**			2,3,4, 5,6,7
Joyce Omboni	**Senior Manager, Pension & Retirement Programs**		**XX**			2,3,4, 5,6,7
Michelle Chusan	**Manager, Retirement Programs & Communicatio**	M Chusan	**XX**			2,3,4, 5,6,7

All authorizations and Directions provided to Royal Trust must be signed by the appropriate number of Authorized Persons indicated in the Category Guide. The Undersigned hereby confirms that Royal Trust is fully protected in acting upon any instrument, certificate, direction or other writing (whether in written form or given by electronic transmission) presented to it and signed by the appropriate number of Authorized Persons (whether or not such Authorized Person is an employee of the Undersigned). The Undersigned also hereby assumes responsibility to amend this Certificate from time to time as required and to provide Royal Trust with a copy of the amended Certificate. Unless Royal Trust has received an amended Certificate, the Undersigned acknowledges and agrees that Royal Trust may rely conclusively on the last Certificate filed with them.

This Certificate replaces and supersedes any previously filed Certificate and becomes effective on the date Royal Trust receives it. This Certificate shall remain in full force and effect until the Undersigned provides Royal Trust with a Certificate to amend and replace it.

Signed in the City of TORONTO on this 1st day of June, 2011

CERTIFIED ON BEHALF OF **Hudson's Bay Company** /Zellers Inc.

Name of Plan Sponsor (the "Undersigned")

RECEIVED JUN 01 2011

Date Received by Royal Trust

I hereby declare that I am duly authorized to provide this Certificate on behalf of the Undersigned.

AUTHORIZED SIGNATORY	PRINT NAME	TITLE
	Michael McCorkle	**Vice-President & Treasurer**

CATEGORY GUIDE

In Column E of the Certificate, enter the Category(ies) in which each Authorized Person is entitled to sign.

CATEGORY GUIDE	CATEGORY FUNCTION	NO. OF REQUIRED SIGNATORIES
1	To sign legal documentation to bind the Company/Organization/Plan Sponsor (Note: Category "1" designation may be given **ONLY** to direct employees of the Company/Organization/Plan Sponsor)	2
2	To direct Royal Trust to make payment of benefits out of the Fund	1
3	To direct Royal Trust to settle security transactions and make disposition of Fund assets for settlement purposes and to advise Royal Trust of corporate action decisions relating to investments	1
4	To direct Royal Trust to pay fees, charges and expenses from the Fund (including, but not limited to, out-of-pocket expenses, payments to consultants, lawyers, investment managers, Royal Trust as trustee, Royal Trust as custodian, Royal Trust in any other capacity acting for the Fund, to any other custodian)	1
5	To provide such information with respect to contributions to be remitted to the Fund including information as to timing and amount of such contributions as the Company may be required by applicable legislation to provide to Royal Trust	1
6	To provide notification to Royal Trust of the appointment of Investment Managers and other agents; to provide notification of the termination of an Investment Manager and direction as to any changes in the management of Fund assets	1
7	To direct Royal Trust in respect of any other activity or matter (not specifically stated in 1-6 above). Please specify:	1
8	All of the above (1-7) inclusive	1

SCHEDULE B TO THE TRUST AGREEMENT

DATED AS OF THE 1st DAY OF JUNE, 2011

PARTICIPANT INFORMATION

Name of Participant	Address of Participant	Participant's Social Insurance Number	Name of Spouse and/or Beneficiary
[redacted]			

THIS IS **EXHIBIT "B"** REFERRED TO IN THE
AFFIDAVIT OF **RITA DE FAZIO**
AFFIRMED BEFORE ME AT THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO, THIS 17TH DAY OF JULY, 2026,
IN ACCORDANCE WITH O. REG. 431/20, ADMINISTERING OATH
OR DECLARATION REMOTELY

____
A Commissioner for taking Affidavits

CATHERINE FAN
(LSO #: 77641P)

ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25-00738613-00CL **DATE: June 26, 2026**

NO. ON LIST: 3

TITLE OF PROCEEDING: 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; HBC HOLDINGS GP INC; THE BAY HOLDINGS ULC; HBC CENTERPOINT GP INC; HBC YSS2LP INC; SN OSPMIS LIMITED; HBC YSS 1 LP INC; 2472596 ONTARIO INC; 2472598 ONTARIO INC v. REVENU QUÉBEC; Chelsey Boucher; Lucio Cammisa; Orazio Mazzotta; Mozac Mohammed-Ali; SCHINDLER ELEVATOR CORPORATION; His Majesty the King in Right of Canada as represented by the Minister of National Revenue; INDO COUNT INDUSTRIES INDIA LIMITED; DIESEL CANADA INC; UNITED STEELWORKERS Local 1-417; LEVI STRAUSS & CO; RICHEMONT CANADA INC; MAPLE LEAF SPORTS & ENTERTAINMENT PARTNERSHIP; HIS MAJESTY THE KING IN RIGHT OF ONTARIO; HIS MAJESTY THE KING IN RIGHT OF MANITOBA; Restore Capital LLC, in its capacity as FILO AGENT; HCS 102, LLC; Tiger Asset Solutions Canada, ULC; 1903 Partners, LLC; WESTCLIFF MANAGEMENT LTD.; GA Group Solutions LLC; ATTORNEY GENERAL OF CANADA; RAPID CONSTRUCTION SOLUTIONS INC.; DKRT FAMILY CORP.; THE ASSOCIATION FOR MANITOBA ARCHIVES; RUBY LIU COMMERCIAL INVESTMENT CORP. ; ROYAL TRUST CORPORATION OF CANADA

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Elizabeth Pillon Brittney Ketwaroo	HUDSON'S BAY COMPANY	lpillon@stikeman.com bketwaroo@stikeman.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Emily Fan Angela Hou	COUNSEL TO TELUS HEALTH CANADA, AS ADMINISTRATOR OF THE HUDSON'S BAY COMPANY PENSION PLAN	EFan@mintz.com ahou@mintz.com
Susan Ursel Karen Ensslen	PROPOSED PENSION REPRESENTATIVE COUNSEL	sursel@upfhlaw.ca kensslen@upfhlaw.ca
Mark Firman	FILO LENDERS	Mark.firman@blakes.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Sean Zweig Thomas Gray	Counsel to the Monitor	zweigs@bennettjones.co grayt@bennettjones.com
Greg Karpel Alan Hutchens	The Monitor, Alvarez & Marsal	gkarpel@alvarezandmarsal.com ahutchens@alvarezandmarsal.com
Jules Monteyne Aryo Shalviri	Royal Trust Corporation of Canada	jules.monteyne@blakes.com aryo.shaviri@blakes.com

ENDORSEMENT OF JUSTICE KIMMEL:

[1] Royal Trust Corporation of Canada ("RT") has brought a motion for advice and directions of the Court in its capacity as trustee of trust funds related to four retirement compensation arrangements ("RCAs") to which former executives of the 1242939 B.C. Unlimited Liability Company (f/k/a Hudson's Bay Company ULC Compagnie De La Baie D'Hudson SRI) and its applicable predecessors (the "Company", together with 1241423 B.C. Ltd., 1330096 B.C. Ltd., 1330094 B.C. Ltd., 1330092 B.C. Unlimited Liability Company, 1329608 B.C. Unlimited Liability Company, 2745263 Ontario Inc., 2745270 Ontario Inc., Snospmis Limited, 2472596 Ontario Inc., and 2472598 Ontario Inc., the "Applicants") are beneficiaries.

[2] The motion deals with the RCAs and associated Supplementary Executive Retirement Plans ("SERPs").

[3] RT is the Trustee of four RCA's, each of which was established for the purpose of holding assets relating to certain benefits accrued under the SERPs for which the Company had promised some portion would be secured or pre-funded. Each RCA was established pursuant to and is governed by its own trust agreement (collectively, the "**Trust Agreements**"). RT was not a party to, nor was it involved in the establishment of any of the SERPs.

[4] After the CCAA filing discussions with the Company regarding the need for an actuary, RT retained Mercer as its actuary to assist with the wind up and distribution of the RCAs and interpretation of the SERPs, effective May 5, 2025.

[5] The Applicants and RT, in consultation with Employee Representative Counsel ("ERC") and the Monitor and its counsel, have compiled an Issues List outlining various questions upon which the court's advice and direction might be sought, given the unique circumstances in which RT finds itself. RT, while the moving party, is not expecting to take a position on the motion.

[6] ERC and the Applicants, in consultation with the Monitor, have reached significant alignment and continue to progress discussions toward a consensus position on the vast majority of the issues.

[7] ERC and the Applicants anticipate being in a position to put forward a consensus position to the Court on the identified Questions 1-8, 10 and 11. They have asked a hearing date to be scheduled in the fall for the court to consider their proposals with respect to these (and any related questions) and they propose to develop a timetable and protocol to conclude their consultations and notify stakeholders and provide an opportunity for them to participate at the hearing of this part of RT's motion. This bifurcated approach makes sense in the particular circumstances of this case.

[8] A half day in person hearing has been scheduled in this matter on September 25, 2026 before Justice Steele to consider a sub-set of questions that are expected to be put forward with proposed consensus responses. It is anticipated that a sealing order will be sought in connection with some of the material for this motion, and the court has directed that the party requesting the sealing order shall complete the Notice of Request for Publication Ban form on the Court's website and comply with the specific notice requirements set out under the Consolidated Civil Practice Direction, Part 9- Publication Bans, paragraphs 113-117.

[9] Pending the outcome of the confidentiality and sealing order motion, the parties will adopt a protocol for dealing with the evidence on this motion that does not involve filing any materials with the court that contain the evidence sought to be sealed. The sealing order request is expected to be narrow and accordingly can be addressed at the hearing of the motion.

[10] The parties shall develop a timetable and protocol for briefing this part of the motion that ensures that all materials (including anticipated further materials from the parties present at this case conference as well as any that any stakeholder may later wish to file in response to this motion) have been served, filed and uploaded into the appropriate hearing bundle in case center by no later than September 23, 2026 at 2:30 p.m. That protocol shall be served on all potentially interested stakeholders sufficiently in advance that they will have a reasonable opportunity to participate, should they wish to do so. The protocol shall include clear instructions for how an interested stakeholder can participate and the timing for such, in an effort to avoid any last-minute adjournment requests.

[11] The parties may arrange a further case conference before either Justice Steele or myself to deal with any scheduling or timetabling matters in connection with RT's motion, including (at the appropriate time) the scheduling of a hearing and timetable for the court to consider any remaining questions that are not covered by the questions expected to be put forward for the court's consideration at this initial return date on September 25, 2026.

Kimmel J.

Date: Jun 26, 2026

Jessica Kimmel

THIS IS **EXHIBIT “C”** REFERRED TO IN THE
AFFIDAVIT OF **RITA DE FAZIO**
AFFIRMED BEFORE ME AT THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO, THIS 17TH DAY OF JULY, 2026,
IN ACCORDANCE WITH O. REG. 431/20, ADMINISTERING OATH
OR DECLARATION REMOTELY

____
A Commissioner for taking Affidavits

CATHERINE FAN
(LSO #: 77641P)

PRIVATE AND CONFIDENTIAL

EMPLOYMENT CONTRACT

between

The Governor and Company of Adventurers of England
Trading into Hudson Bay
also known as Hudson's Bay Company
(the "Company" or "HBC")

and

[redacted]

This employment contract (this "Agreement") sets out the terms and conditions upon which HBC wishes to continue to employ [redacted] and [redacted] wishes to continue his employment with HBC. All amounts referred to in this contract are in Canadian dollars unless otherwise specified.

Term:

This Agreement is effective on February 1, 2009, and continues indefinitely, subject to annual performance reviews and other normal review processes, except in the event of termination of employment pursuant to any of the Termination Provisions below.

[redacted] agrees that this Agreement represents the full and complete terms of the employment agreement with the Company and replaces any and all previous contracts, letters or agreements between [redacted] and the Company with respect to employment with the Company, which commenced on December 15, 1986 and that no claim of any kind shall be made against the Company or its employees, directors or owners, arising out of or based upon any previous contracts, letters or agreements or any events or work performed by [redacted] prior to the date of this Agreement.

The forgoing paragraph does not apply to the Change of Control Severance provisions in the Prior Agreement. In the event that there is no Change of Control as defined in this agreement and [redacted]'s employment is terminated without cause or for "Good Reason" as defined in the Prior Agreement within two years of the change of control that occurred on July 15, 2008, the Change of Control Severance provisions in the Prior Agreement will apply instead of the Termination Provisions in this Agreement. If there is a subsequent Change of Control as defined in this Agreement, this Agreement will apply.

For clarification, following the July 15, 2008 change of control, [redacted] received his full entitlement under the Mid Term Incentive Plan and the Phantom Share Appreciation Rights Plan (PSAR) that were in place under the Prior Agreement.

Title/Position:

[redacted]

Employment:

a) [redacted] agrees to perform his duties and responsibilities faithfully and in a good and reasonable manner and to devote substantially his full time and attention to the business of HBC. [redacted] further agrees to sign annually and be bound and abide by HBC's Code of Business Conduct and confidentiality requirements, each as may be amended from time to time.

b) [redacted] agrees that the Company has the right from time to time to set or alter the duties of the job or to transfer or reassign [redacted] in its sole discretion, without notice or compensation in lieu of notice so long as the new assignment does not result in materially poorer conditions or remuneration overall.

Compensation Provisions

Base Salary: [redacted] per annum initially. Thereafter, Base Salary will be reviewed annually and approved by the Chief Executive Officer based on performance, market conditions, and other relevant factors. This salary is inclusive of overtime, holiday and vacation pay, is payable monthly in arrears, subject to all deductions required by law.

Annual Incentive: [redacted] is entitled to participate in an Annual Incentive Plan, as it may be amended from time to time (the "AIP"). The actual bonus will be determined in accordance with the terms of the AIP. Where there is a discrepancy between this Agreement and the AIP plan text solely as it relates to the annual incentive, the plan text will govern. The following is a summary of the AIP benefit for 2009:

Under the AIP, [redacted] will be entitled to an annual bonus based on EBITDA (defined below) (the "Annual Bonus") which will be 50% of [redacted]'s Base Salary if the EBITDA target for the year is achieved. If the EBITDA threshold is not achieved, [redacted] will not be entitled to any Annual Bonus. [redacted] may be entitled to an increased Annual Bonus if the EBITDA target is exceeded only in accordance with the terms of the AIP.

"EBITDA" means, in respect of any period, earnings (loss) before interest expense, income taxes, depreciation and amortization expense for such period adjusted to exclude the following: (i) business and organization restructuring/realignment charges; (ii) merger/acquisition cost and expenses; (iii) non-cash charges (including non-cash foreign currency gains or losses); (iv) costs and expenses related to the application of purchase accounting resulting from the Related Transactions during the 12 month period immediately following the Initial Closing Date, if any; and (v) normalizing adjustments, if any, related to transactions that are not associated with day-to-day operations or that arise from unusual or infrequently occurring events, each determined in good faith by management of HBC.

For fiscal 2009, the EBITDA target is $292.5 million and the EBITDA threshold is $220 million. For all fiscal periods after fiscal 2009, the EBITDA target and threshold will be determined

	by the Board proximate to the commencement of the period.
	The Annual Bonus vests on completion of the Company's audit for the fiscal year, unless [redacted] voluntarily resigns or is terminated for Cause before that date.
	The AIP may be amended for future years with the approval of the Board. Changes may include increasing or decreasing the targets and thresholds for the chosen metrics, the definitions of the metrics or choosing different metrics.
	[redacted] may also be eligible for a discretionary bonus, as determined in the sole discretion of the Board.
Mid-Term Incentive	[redacted] is entitled to participate in a Mid-Term Incentive Plan, as it may be amended from time to time (the "MIP"). The incentive payment will be determined in accordance with the terms of the MIP and the grant agreement (the "Grant Agreement") issued under the MIP for the applicable three year period. Where there is a discrepancy between this Agreement and the MIP plan text or its ancillary Grant Agreement text solely as it relates to the mid-term incentive, this Agreement will govern. The following is a summary of the potential mid-term incentive bonus for the 2009-2011 grant period:
	Under the MIP, [redacted] will be entitled to mid-term incentive bonus (the "MIP Bonus") which for the 2009-2011 Grant will be [redacted], if the three year cumulative EBITDA target is achieved. 100% of the MIP Bonus will be based on the achievement of the three year cumulative EBITDA target.
	If the EBITDA target is not met, [redacted] will not be entitled to any MIP Bonus except in accordance with the terms of the Grant Agreement issued under the MIP. [redacted] may be entitled to an increased MIP Bonus if the EBITDA target is exceeded only in accordance with the terms of the Grant Agreement issued under the MIP.
	For the fiscal period 2009 to 2011, the three year cumulative EBITDA target is $780 million. The MIP and the Grant Agreement issued under the MIP may be amended for future years with the approval of the Board. Changes may include increasing or decreasing the thresholds and targets for the chosen metrics, the definitions of the metrics or choosing different metrics.
Car:	HBC will provide [redacted] with a leased car with a capital value limit of [redacted] and shall pay for [redacted]'s operating costs and

	insurance. [redacted] will comply with all policies and procedures of HBC's Fleet Department regarding the vehicle.
Club:	HBC will pay a one time initiation fee of up to [redacted] and annual membership dues not to exceed [redacted] per annum.
Vacation:	[redacted] must earn accrued vacation before it can be taken. [redacted] is entitled to [redacted] weeks vacation per year. Available vacation hours will show on the pay deposit notification. Vacation entitlement will be increased to [redacted] weeks on [redacted]'s 10th anniversary increasing to a maximum of [redacted] weeks on [redacted]'s 15th anniversary.
Benefits:	[redacted] is entitled to participate in HBC's insurance plan(s), extended health care plan, dental plan, short term approved absence plan, and long term disability plan in accordance with the plan terms and policies, as amended from time to time by the Company.
Pension:	[redacted] is entitled to participate in the Hudson's Bay Executive Pension Plan in accordance with the terms of the plan.
SERP:	[redacted] will continue to be eligible to participate in the Supplementary Executive Retirement Plan (the "**SERP**"). Participation in the plan is subject to its terms and conditions.
Merchandise Discount:	[redacted] is entitled to the executive discount privilege and agrees to sign, be bound and abide by the terms of the executive discount privilege regulations, as amended from time to time. Failure to abide by the terms of the discount privilege is Cause for dismissal. It is understood that HBC may make amendments to the discount privilege at any time including changing the applicable discount rate and what merchandise is included or excluded from the discount.
Financial Counselling	HBC will reimburse [redacted] for financial counselling up to a maximum of [redacted] per calendar year.
Professional Dues	HBC will reimburse [redacted] for reasonable professional dues up to a maximum of [redacted] per calendar year.
Benefit Details:	[redacted] acknowledges that he has been provided with the details of the terms of the current benefits and other employee plans and programs of HBC.
Expenses:	HBC shall reimburse [redacted] for reasonable expenses, where authorized by Company policy and incurred in connection with the performance of the duties of the Position. Such expenses

must be documented in accordance with Company policy. Applicable policies may be altered from time to time at the sole discretion of the Company.

Termination Provisions

Termination for Cause:

Hbc may terminate [redacted]'s employment without notice in the event that Hbc has cause, whether defined in this agreement or otherwise. [redacted] will not be entitled to any benefits or compensation after the date employment is terminated other than unpaid Base Salary or accrued vacation not taken in the year of termination.

"Cause" means:

(i) theft, fraud, dishonesty, or material misconduct by [redacted] involving the property, business or affairs of the Company or the carrying out of [redacted]'s duties to the Company;

(ii) any material breach or non-observance by [redacted] of any term of this Agreement or any non-competition, non-solicitation or confidentiality covenants between [redacted] and the Company;

(iii) material failure by [redacted] to comply with the Company's written code of conduct, or any other obligations to the Company;

(iv) the material failure by [redacted] to perform his duties with the Company;

(v) any intentional effort by [redacted], whether by action or inaction, to trigger termination without Cause under this Agreement;

(vi) the breach by [redacted] of his fiduciary duties owed to the Company;

(vii) any willful act, misrepresentation or omission which [redacted] knew or should have known, would expose the Company to material loss; or

(viii) anything that would constitute cause for the termination of [redacted]'s employment or constitute a fundamental breach of [redacted]'s obligations to the Company, as interpreted by the Courts of Ontario from time to time.

Termination with Severance:

HBC may terminate [redacted]'s employment at any time by giving notice of termination of employment to [redacted]. Following the date that notice of termination is given, the Compensation Provisions of this Agreement shall be discontinued and shall be replaced by the following Severance Provisions:

(a) Continue monthly payment of Base Salary for a period of time (the "Severance Period"), from the date that notice of termination is given, until the lesser of:

(i) [redacted] ([redacted]) *months* or

(ii) the date on which [redacted] is re-employed in reasonably comparable employment, except that upon such re-employment, one-half of the remaining unpaid portion of the amount specified in (i) above will be paid out.

Such amounts paid shall be less withholding taxes as required by law and be deemed to include all termination pay and severance pay owing to [redacted] pursuant to any applicable provincial or federal statutes in respect of termination of his employment or otherwise. Without prejudice to its other rights and remedies at law and in equity, if [redacted] breaches his post-employment obligations, the Company may cease paying the monthly installments referred to in this section.

(b) continue the following benefit contributions or payments, as applicable, subject to the limitations set out below:

(i) the payments for the lease of the car will be continued until the earlier of the end of the Severance Period or the end of the current lease, at which time [redacted] may return the car or purchase the car under the terms of HBC's policy and this benefit shall cease, except that an allowance of [redacted] per month will be paid to [redacted] for the remaining duration, if any, of the Severance Period. [redacted] will continue to comply with all policies and procedures of HBC's Fleet Department regarding the vehicle for as long as the lease continues. Failure to comply with these policies and procedures will disqualify [redacted] from any further compensation or payments during the Severance Period.

(ii) Payment of club dues (subject to limit for annual membership dues) will continue during the Severance Period. No initiation fees will be paid during the Severance Period.

(iii) Payment of HBC's contributions to, and in respect of [redacted]'s participation in, HBC's insurance plan(s), the extended health care and dental plan during the Severance Period, subject to the terms and conditions of the plans, which may be amended from time to time, provided that [redacted] makes any required employee contributions, if any.

(iv) Payment of HBC's contributions to, and in respect of [redacted]'s participation in, the Hudson's Bay Executive Pension Plan for the duration of the Severance Period, unless [redacted] requests otherwise.

(v) Participation in the SERP will continue during the Severance Period, subject to the terms of the plan.

(vi) Maintain [redacted]'s discount on merchandise during the Severance Period. It is understood that HBC has the right to change the benefit during the Severance Period in the same manner as it amends the benefit for other employees. Such amendments may include changing the applicable discount rate generally or for specific merchandise, or excluding merchandise from the discount. [redacted] will continue to abide by the terms of the discount privilege regulations, as amended from time to time. Failure to abide by the terms of the discount privilege will disqualify [redacted] from any further compensation or payments during the Severance Period.

(vii) Membership in the Mid-Term Incentive Plan will change effective the date notice of termination is given. Payments under the plan, if any, will depend on the duration of the Severance Period. If the Severance Period ends after the expiry of the Mid-Term Incentive Plan period, and a payment is approved by the Board under the Mid-Term Incentive Plan, [redacted] will be eligible for a pro-rated payment based on the period of time during the Mid-Term Incentive Plan period that [redacted] was actively working. If the Severance Period ends prior to the expiry of the Mid-Term period, [redacted] will not be eligible for a payment.

(c) Pay any outstanding Base Salary and vacation accrued but not used up to the date notice of termination was given.

(d) Pay any vested bonus on its terms, if and when due, which may have resulted from the prior fiscal period (no pro-ration from any interim period shall be due).

[redacted] will not be entitled to short term approved absence, or long term disability benefits (other than during the statutory notice period), or any other benefits not outlined in the severance provisions in this Agreement after the date that notice of termination is given.

In the event of [redacted]'s death during the Severance Period, his beneficiary will be entitled to one-half of the remaining unpaid severance referenced above, plus [redacted]'s Company provided life insurance proceeds, if any. All other benefits cease after thirty (30) days.

Such payments and benefits shall be subject to withholding tax as required by law.

Severance Provisions Where Termination Follows a Change of Control

Definitions: For purpose of the severance provisions in this Agreement, a "Change of Control" is defined as having occurred when:

(i) Any "Person" (which term shall for the purposes of this provision have the meaning ascribed thereto in the Securities Act (Ontario), as amended from time to time) or combination of Persons, other than the person or persons that hold the shares of HBC (the "holding companies"), any of HBC's affiliates or related entities either alone or any combination thereof, acquires or becomes the beneficial owner, directly or indirectly, of more than 50% of the voting securities of HBC, whether through the acquisition of previously issued and outstanding voting securities, or of voting securities that have not been previously issued, or any combination thereof or any other transaction having a similar effect;

(ii) Any resolution is passed or any action or proceeding is taken with respect to the liquidation, dissolution or winding-up of HBC and the terms of any resolution, action or proceeding are completed;

(iii) More than 50% of the issued and outstanding voting securities of HBC become subject to an unaffiliated voting trust;

(iv) Capital reorganization, amalgamation, arrangement or other scheme of reorganization, as a result of which the shares of HBC outstanding immediately after such transaction constitute less than 50% of the shares or voting power of the resulting company, excluding where the resulting entity is an HBC affiliate, holding companies or entity related to HBC;

(v) Any Person, not part of the management of the Company at the date hereof or not controlled by the Company or any affiliate of the Company, enters into any agreement, arrangement or understanding to provide all or substantially all the management services to the Company, other than such agreement, arrangement or understanding involving HBC's affiliates or related entities; or

(vi) The Company enters into any transaction or arrangement which would have an effect which is the same as or similar to the result of any of the transactions referred to in the above clauses.

For the purposes of this Agreement, [redacted] may "Resign for Good Reason" where, following a Change of Control, there is:

(vii) A material, adverse reduction or material, adverse diminution in [redacted]'s reporting relationships, authority, titles, duties, position or responsibilities with HBC;

(viii) A reduction in [redacted]'s Base Salary;

(ix) The discontinuance of [redacted]'s eligibility to participate in bonus plans or other incentive plans in effect during the fiscal year prior to the year in which the Change of Control occurs;

(x) Relocation of [redacted]'s principle business location to a location that is more than 80 kilometers from [redacted]'s principle business location immediately prior to the Change of Control;

(xi) The assignment to [redacted] of any significant, ongoing duties inconsistent with [redacted]'s skills, duties, position, responsibilities or status;

(xii) Any other material breach of this Agreement.

In order to Resign for Good Reason, [redacted] must provide written notification to the Company of his belief that he may Resign for Good Reason within (30) thirty days after [redacted] knows or has reason to know of the occurrence of any of the events described above. The notification will indicate which of the above events [redacted] believes has occurred. If the notification refers to paragraphs (ii), (iii), or (iv) above, the Company will respond immediately and advise [redacted] if it agrees and whether it will pay the Change of Control Severance described below. In the event that any other paragraphs are referenced in the notification, the Company will respond within (30) thirty days of receipt of the notification and advise [redacted] if it agrees and whether it will pay the Change of Control Severance.

If the Company agrees that [redacted] may Resign for Good Reason, [redacted] will be released immediately and the Company will pay the Change of Control Severance.

If the Company disagrees that [redacted] may Resign for Good Reason, [redacted] may either accept the Company's decision and continue working under the terms of this Agreement, or, leave immediately and assert his perceived right to payment pursuant to this Agreement.

In the event that [redacted] believes he may Resign for Good Reason but does not provide written notification as required, he will be deemed to have accepted the changes. In the event that [redacted] accepts changes described in (ii) and (iii) above, this Agreement will be deemed to be amended to reflect the new compensation terms. All other terms and conditions of this Agreement will continue in effect.

Change of Control Severance:

If a Change of Control occurs and within 2 years following the Change of Control, [redacted]'s employment is terminated without Cause or [redacted] Resigns for Good Reason, [redacted] shall be entitled to the entitlements set out in this Agreement in respect of a "Termination with Severance" and on the terms and conditions set out in those provisions with the following changes:

a) HBC will pay a lump sum equivalent to [redacted]'s monthly Base Salary at the time of the Change of Control multiplied by the number of months referred to in paragraph (a) (i) above, under the Severance Provisions for a Termination with Severance.

b) The "Severance Period" for the purposes of benefit continuation will be [redacted] ([redacted]) months from the date that notice of termination is given by HBC or the date that [redacted] Resigns for Good Reason, ("Change of Control Termination Date")

c) To the extent not otherwise required under the SERP, HBC shall be required to immediately secure the supplementary pension benefits accrued to [redacted] under the SERP up to the Change of Control Termination Date, if such sums held in trust at the time are deemed to be actuarially inadequate.

d) For purposes of eligibility for any retiree discount on merchandise, [redacted] will be deemed to have retired voluntarily on the last day of the Severance Period, if [redacted] has both reached age 55 and the sum of [redacted]'s age and years of service equal 75 or more as at such date.

Legal Fees:	HBC or its successor shall pay [redacted]'s reasonable legal fees up to a maximum of $[redacted] incurred by [redacted] for the purposes of interpreting or enforcing the terms of this Agreement following a Change of Control or in any situation in which [redacted] reasonably believes that a Change of Control has occurred.
Provisions Fair:	The parties agree that [redacted]'s entitlements under the Termination Provisions set out herein are fair and reasonable and that the amounts payable to [redacted] by HBC or its successor or for [redacted]'s benefit are reasonable estimates of the damages which will be suffered by [redacted] in these circumstances and shall not be construed as a penalty. Further, the parties agree that the Severance Provisions provide a greater benefit than the minimum requirements of the relevant employment standards legislation and that the Termination Provisions apply to the exclusion of the provisions of the legislation.
Relocation Counselling:	[redacted] is entitled to receive for the duration of the Severance Period senior level executive relocation (job search) counselling that is consistent with programs provided for a similar level position. Such counselling shall be provided by an outside career counseling firm designated by HBC or its successor.
Severance Limitation:	Except as expressly set out in this Agreement, [redacted] is not eligible for any severance pay, notice of termination or pay in lieu of notice if (i) [redacted] voluntarily resigns from HBC; (ii) [redacted] dies; (iii) [redacted] retires; or (iv) [redacted]'s employment is terminated for Cause.

<u>Other Provisions</u>

Specific Agreements:	In further consideration for the provision of the above compensation, entitlements and offer of employment, [redacted] agrees not to compete against HBC on the following terms: a) [redacted] agrees not to compete in Canada against HBC (or any divisions, subsidiaries, successors or assigns) during his employment and for six months immediately following the cessation of his employment from HBC for any reason (including termination of employment for cause or otherwise or resignation), whether the employee competes directly or indirectly, has a financial or other interest (including an interest by way of royalty or other compensation arrangement), in any manner whatsoever including, without limitation, either individually or in partnership, jointly or in conjunction with any other Person, or as an employee, contractor, advisor, principal,

agent, director or shareholder.

The prohibition on competition applies only if both conditions below in i) and ii) are met:

i) [redacted] must be engaged in a line or area of merchandising which is substantially similar to or which competes with the line or area of merchandising in which [redacted] was employed during the last two years of his employment with HBC; and

ii) [redacted] must be engaged in a substantially similar or competitive business which was carried on by HBC or any of its divisions, subsidiaries, successors or assigns in Canada during the last two years of or at the end of [redacted]'s employment. For clarification, a substantially similar business includes but is not limited to multi-location department store or a multi-location retail business selling products comparable to those sold by HBC or any division, subsidiary, successor or assign with annual revenues in excess of $500 million. It does not include a business that has some retail operations but whose revenue is principally derived from non-retail activities, unless [redacted] is employed with respect to those retail operations.

Notwithstanding the foregoing, nothing herein shall prevent [redacted] from owning not more than five (5) % of the issued shares of a corporation, the shares of which are listed on a recognized stock exchange or traded in the over-the-counter market in Canada, which carries on a business which is the same as or substantially similar to or which competes with the business or any divisions, subsidiaries, successors or assigns of HBC.

b) directly or indirectly, solicit, hire, offer employment to, or in any manner encourage employees of Hbc or its divisions, subsidiaries, successors or assigns, to leave its employ for a period of two (2) years,

c) disclose to others, or use, any trade secret or other confidential information of Hbc or its divisions, owners, affiliates, subsidiaries, successors or assigns.

Resignation or retirement from Company:

Should [redacted] voluntarily resign or retire from his employment with the Company, [redacted] must provide at least thirty days' written notice.

Resignation from Offices:	[redacted] agrees that on the cessation of his employment, whether following a Change of Control or otherwise, or on his termination of employment irrespective of the time, manner or cause, he shall immediately resign all offices held and shall execute such documents as may be required to confirm same, including directorships, in HBC or any other entity related to HBC and [redacted] shall not be entitled to receive any additional severance payment or compensation for loss of office or otherwise upon such accepted resignation.
Assignment of Rights:	The rights which accrue to the Company under this Agreement shall pass to and be binding upon and enforceable by its successors or assigns. The rights of [redacted] under this Agreement are not assignable in any manner except as otherwise provided herein.
Severability:	In the event that any paragraph, provision or part of this Agreement shall be deemed void or invalid, the remaining paragraphs, provisions or parts shall be and remain in full force and effect.
Agreement	This Agreement constitutes the entire agreement between the parties with respect to the employment of [redacted] and, excepting [redacted]'s fiduciary and other common law duties and obligations which shall survive and continue beyond the termination of this Agreement and all previous agreements, understandings or representations, written or oral, express or implied, between the parties on their behalf relating to the employment of [redacted] by the Company are terminated and cancelled and are of no further force or effect.
Modification:	Any modification of this Agreement must be in writing and signed by the parties or it shall have no effect and shall be void. Any failure to enforce, or waiver of, rights under this Agreement by either party shall not operate as a waiver or otherwise stop or impair the ability of such party to thereafter rely upon the strict rights in this Agreement except as otherwise provided in this Agreement.
Independent Legal Advice:	[redacted] acknowledges having been advised to seek independent legal advice, and that [redacted] was given the opportunity to seek and obtain such advice, prior to the execution of this Agreement. [redacted] acknowledges having read the entire agreement, having understood the contents and having relied on [redacted]'s own sources of information in signing the Agreement and not having relied on any assertions, promises or information from the Company

other than those set out in the terms of this Agreement.

Governing Law:	This Agreement shall be construed in accordance with the laws of the Province of Ontario.
Interpretation:	The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and the Agreement shall be interpreted without regard to any presumption or other rule requiring interpretation of the Agreement more strongly against the party causing it to be drafted.

IN WITNESS WHEREOF we have hereunto affixed by hand, **SIGNED AND DELIVERED**

[redacted]

PRIVATE AND CONFIDENTIAL

EMPLOYMENT CONTRACT

between

The Governor and Company of Adventurers of England
Trading into Hudson's Bay
also known as Hudson's Bay Company
(the "Company" or "HBC")

and

[redacted]

This employment contract (this "Agreement") sets out the terms and conditions upon which HBC wishes to continue to employ [redacted] and [redacted] wishes to continue his employment with HBC. All amounts referred to in this contract are in Canadian dollars unless otherwise specified.

Term: This Agreement is effective on March 1, 2007, and continues indefinitely, subject to annual performance reviews and other normal review processes, except in the event of termination of employment pursuant to any of the Termination Provisions below. All compensation and other benefits will be effective on March 1, 2007.

[redacted] agrees that this Agreement represents the full and complete terms of the employment agreement with the Company and replaces any and all previous contracts, letters or agreements between [redacted] and the Company with respect to employment with the Company, which commenced on August 1, 1999, including, without limitation, the agreement signed by [redacted] on July 20, 2006, and that no claim of any kind shall be made against the Company or its employees, directors or owners, arising out of or based upon any previous contracts, letters or agreements or any events or work performed by [redacted] prior to the date of this Agreement.

Title/Position: [redacted]

Employment: a) [redacted] agrees to perform his duties and responsibilities faithfully and in a good and reasonable manner and to devote substantially his full time and attention to the business of HBC. [redacted] further agrees to sign annually and be bound and abide by HBC's Code of Business Conduct and confidentiality requirements, each as may be amended from time to time.

b) [redacted] agrees that the Company has the right from time to time to set or alter the duties of the job or to transfer or reassign [redacted] in its sole discretion, without notice or compensation in lieu of notice so long as the new assignment does not result in materially poorer conditions or remuneration overall.

Compensation Provisions

Base Salary: $[redacted] per annum initially. Thereafter, Base Salary will be reviewed annually and approved by the Governor based on performance, market conditions, and other relevant factors. This salary is inclusive of overtime, holiday and vacation pay, is payable monthly in arrears, subject to all deductions required by law.

Annual Incentive: [redacted] is entitled to participate in an Annual Incentive Plan, as it may be amended from time to time (the "AIP"). The actual bonus will be determined in accordance with the terms of the AIP. Where there is a discrepancy between this Agreement and the AIP plan text solely as it relates to the annual incentive, the plan text will govern. The following is a summary of the AIP benefit for 2007:

Under the AIP, [redacted] will be entitled to an annual bonus based on EBITDA (defined below) (the "Annual Bonus") which will be 50% of [redacted]'s Base Salary if the EBITDA target for the year, and individual plan targets as defined in the plan text, are achieved. If the EBITDA threshold is not achieved, [redacted] will not be entitled to any Annual Bonus. [redacted] may be entitled to an increased Annual Bonus if the EBITDA target is exceeded only in accordance with the terms of the AIP.

"EBITDA" means, in respect of any period, earnings (loss) before interest expense, income taxes, depreciation and amortization expense and after accrual of all bonus amounts for such period adjusted to exclude the following: (i) merger/ acquisition transactional costs and expenses; (ii) any gain or loss arising from the sale of capital or fixed assets; (iii) any "management fees", as referenced in the Company's bank credit agreement, if any, paid to The InterTech Group, and (iv) normalizing adjustments, if any, related to unusual or infrequently occurring events, each determined in good faith by the Governor.

For fiscal 2007, the EBITDA target is $215 million and the EBITDA threshold is $188 million. For all fiscal periods after fiscal 2007, the EBITDA target and threshold will be determined by the Governor proximate to the commencement of the period.

The Annual Bonus vests on completion of the Company's audit for the fiscal year, unless [redacted] voluntarily resigns or is terminated for Cause before that date.

The AIP may be amended for future years with the approval of the Governor. Changes may include increasing or decreasing the targets and thresholds for the chosen metrics, the definitions of the metrics or choosing different metrics.

[redacted] may also be eligible for a discretionary bonus, as determined in the sole discretion of the Governor.

Mid-Term Incentive [redacted] is entitled to participate in a Mid-Term Incentive Plan, as it may be amended from time to time (the "MIP"). The incentive payment will be determined in accordance with the terms of the MIP and the grant agreement (the "Grant Agreement") issued under the MIP for the applicable three year period. Where there is a discrepancy between this Agreement and the MIP plan text or its ancillary Grant Agreement text solely as it relates to the mid-term incentive, the plan text or its ancillary Grant Agreement text will govern. The following is a summary of the potential mid-term incentive bonus for the 2007-2009 grant period:

Under the MIP, [redacted] will be entitled to mid-term incentive bonus (the "MIP Bonus") which for the 2007-2009 Grant will be $[redacted], if both the three year cumulative EBITDA target and the three year cumulative Free Cash Flow (defined below) targets are achieved. 50% of the MIP Bonus will be based on the achievement of the three year cumulative EBITDA target and 50% of the MIP Bonus will be based on the achievement of the three year cumulative Free Cash Flow target, except that the portion of the MIP Bonus based on achievement of Free Cash Flow above threshold will not be paid unless the EBITDA threshold has also been met.

If the EBITDA and/or Free Cash Flow targets are not met, [redacted] will not be entitled to any MIP Bonus except in accordance with the terms of the Grant Agreement issued under the MIP. [redacted] may be entitled to an increased MIP Bonus if the EBITDA and/or Free Cash Flow targets are exceeded only in accordance with the terms of the Grant Agreement issued under the MIP.

"Free Cash Flow" in respect of any period, means EBITDA (as defined) less (a) interest and cash taxes paid, excluding interest expenses paid to The InterTech Group; (b) capital expenditures, whether paid or accrued;(c) any increase in working capital; plus (a) any reduction in working capital. For greater certainty, net proceeds from the sale of fixed or capital assets will be excluded from the calculation of Free Cash Flow.

For the fiscal period 2007 to 2009, the three year cumulative EBITDA target is $783 million and the three year cumulative Free Cash Flow target is $93 million.

The MIP and the Grant Agreement issued under the MIP may be amended for future years with the approval of the Governor. Changes may include increasing or decreasing the thresholds and targets for the chosen metrics, the definitions of the metrics or choosing different metrics.

Equity Based Compensation	[redacted] will participate in a Phantom Share Appreciation Rights ("**PSAR**") plan. Any payment under the plan will be determined in accordance with the terms of the plan, as may be amended from time to time. Where there is a discrepancy between this Agreement and the PSAR plan text solely as it relates to the phantom share appreciation rights, the plan text will govern. The following is a summary of the PSAR benefit:
	Under this plan, [redacted] will hold appreciation rights in 125,000 shares out of 100,000,000 total phantom shares in HBC. While PSAR's are not marketable securities, they will allow [redacted] to benefit from the financial gain in HBC in the event of a sale or material disposition of the Company.
	The PSAR's will vest in two increments. First, at the five year anniversary of the plan, [redacted] will become 50% vested. At the ten year anniversary, [redacted] will become 100% vested. After the five year anniversary, the only exceptions to this vesting schedule are in the event of death, disability, retirement (all of which will be defined in the plan), or termination without Cause, any of which would result in *pro rata* vesting. Notwithstanding anything preceding in this section, [redacted] will vest pro rata if there is a sale or material disposition of the Company at any time before the ten year anniversary of the plan, but only if [redacted] continues his employment with the Company through the date of sale or material disposition. The Company will not terminate [redacted]'s employment in order to avoid vesting or payment of the PSAR's. In the event of [redacted]'s death, disability, retirement, termination without Cause, or upon reaching the 10 year anniversary of the plan (all of which assume [redacted]'s continuous employment through the respective dates thereof), [redacted] (or his estate, if applicable) will continue to hold the vested interest in the PSAR's until such time as a sale or material disposition occurs.
	Upon a sale or material disposition of the Company, [redacted] would receive his *pro rata* share of the net, after-tax gain on that sale.
Car:	HBC will provide [redacted] with a leased car with a capital value limit of $[redacted] and shall pay for [redacted]'s operating costs and insurance. [redacted] will comply with all policies and procedures of HBC's Fleet Department regarding the vehicle.
Club:	HBC will pay a one time initiation fee of up to $[redacted] and

	annual membership dues not to exceed $[redacted]per annum.
Vacation:	[redacted] is entitled to [redacted] weeks vacation per annum, increasing to [redacted] weeks vacation per annum after 10 years of service and [redacted] weeks vacation per annum after 15 years of service. Vacation is to be taken in the year of entitlement or it is foregone.
Benefits:	[redacted] is entitled to participate in HBC's insurance plan(s), extended health care plan, dental plan, short term approved absence plan, and long term disability plan in accordance with the plan terms and policies, as amended from time to time by the Company.
Pension:	[redacted] is entitled to participate in the Hudson's Bay Executive Pension Plan in accordance with the terms of the plan.
SERP:	[redacted] will continue to be eligible to participate in the Supplementary Executive Retirement Plan (the "**SERP**"). Participation in the plan is subject to its terms and conditions.
Merchandise Discount:	[redacted] is entitled to the executive discount privilege and agrees to sign, be bound and abide by the terms of the executive discount privilege regulations, as amended from time to time. Failure to abide by the terms of the discount privilege is Cause for dismissal. It is understood that HBC may make amendments to the discount privilege at any time including changing the applicable discount rate and what merchandise is included or excluded from the discount.
Financial Counselling	HBC will reimburse [redacted] for financial counselling up to a maximum of $[redacted]per calendar year.
Professional Dues	HBC will reimburse [redacted] for reasonable professional dues up to a maximum of $[redacted] per calendar year or other sum as may be approved by the Governor.
Benefit Details:	[redacted] acknowledges that he has been provided with the details of the terms of the current benefits and other employee plans and programs of HBC.
Expenses:	HBC shall reimburse [redacted] for reasonable expenses, where authorized by Company policy and incurred in connection with the performance of the duties of the Position. Such expenses must be documented in accordance with Company policy. Applicable policies may be altered from time to time at the sole discretion of the Company.

Termination Provisions

Termination for Cause:

Hbc may terminate [redacted]'s employment without notice in the event that Hbc has cause, whether defined in this agreement or otherwise. [redacted] will not be entitled to any benefits or compensation after the date employment is terminated other than unpaid Base Salary or accrued vacation not taken in the year of termination.

"Cause" means:

(i) theft, fraud, dishonesty, or material misconduct by [redacted] involving the property, business or affairs of the Company or the carrying out of [redacted]'s duties to the Company;

(ii) any material breach or non-observance by [redacted] of any term of this Agreement or any non-competition, non-solicitation or confidentiality covenants between [redacted] and the Company;

(iii) material failure by [redacted] to comply with the Company's written code of conduct, or any other obligations to the Company;

(iv) the material failure by [redacted] to perform his duties with the Company;

(v) any intentional effort by [redacted], whether by action or inaction, to trigger termination without Cause under this Agreement;

(vi) the breach by [redacted] of his fiduciary duties owed to the Company;

(vii) any willful act, misrepresentation or omission which [redacted] knew or should have known, would expose the Company to material loss; or

(viii) anything that would constitute cause for the termination of [redacted]'s employment or constitute a fundamental breach of [redacted]'s obligations to the Company, as interpreted by the Courts of Ontario from time to time.

Termination with Severance:

HBC may terminate [redacted]'s employment at any time by giving notice of termination of employment to [redacted]. Following the date that notice of termination is given, the Compensation Provisions of this Agreement shall be discontinued and shall be replaced by the following Severance Provisions:

(a) Continue monthly payment of Base Salary for a period of time (the "Severance Period"), from the date that notice of termination is given, until the lesser of:

(i) [redacted] ([redacted]) months or

(ii) the date on which [redacted] is re-employed in reasonably comparable employment, except that upon such re-employment, one-half of the remaining unpaid portion of the amount specified in (i) above will be paid out.

Such amounts paid shall be less withholding taxes as required by law and be deemed to include all termination pay and severance pay owing to [redacted] pursuant to any applicable provincial or federal statutes in respect of termination of his employment or otherwise. Without prejudice to its other rights and remedies at law and in equity, if [redacted] breaches his post-employment obligations, the Company may cease paying the monthly installments referred to in this section.

(b) continue the following benefit contributions or payments, as applicable, subject to the limitations set out below:

(i) the payments for the lease of the car will be continued until the earlier of the end of the Severance Period or the end of the current lease, at which time [redacted] may return the car or purchase the car under the terms of HBC's policy and this benefit shall cease, except that an allowance of $[redacted] per month will be paid to [redacted] for the remaining duration, if any, of the Severance Period. [redacted] will continue to comply with all policies and procedures of HBC's Fleet Department regarding the vehicle for as long as the lease continues. Failure to comply with these policies and procedures will disqualify [redacted] from any further compensation or payments during the Severance Period.

(ii) Payment of club dues (subject to limit for annual membership dues) will continue during the Severance Period. No initiation fees will be paid during the Severance Period.

(iii) Payment of HBC's contributions to, and in respect of [redacted]'s participation in, HBC's insurance plan(s), the extended health care and dental plan during the Severance Period, subject to the terms and conditions of the plans, which may be amended from time to time, provided that [redacted] makes any required employee contributions, if any.

(iv) Payment of HBC's contributions to, and in respect of [redacted]'s participation in, the Hudson's Bay Executive Pension Plan for the duration of the Severance Period, unless [redacted] requests otherwise.

(v) Participation in the SERP will continue during the Severance Period, subject to the terms of the plan.

(vi) Maintain [redacted]'s discount on merchandise during the Severance Period. It is understood that HBC has the right to change the benefit during the Severance Period in the same manner as it amends the benefit for other employees. Such amendments may include changing the applicable discount rate generally or for specific merchandise, or excluding merchandise from the discount. [redacted] will continue to abide by the terms of the discount privilege regulations, as amended from time to time. Failure to abide by the terms of the discount privilege will disqualify [redacted] from any further compensation or payments during the Severance Period.

(vii) Membership in the Mid-Term Incentive Plan will change effective the date notice of termination is given. Payments under the plan, if any, will depend on the duration of the Severance Period.

If the Severance Period ends after the expiry of the Mid-Term Incentive Plan period, and a payment is approved by the Governor under the Mid-Term Incentive Plan, [redacted] will be eligible for a pro-rated payment based on the period of time during the Mid-Term Incentive Plan period that [redacted] was actively working. If the Severance Period ends prior to the expiry of the Mid-Term period, [redacted] will not be eligible for a payment. In the event that a Change of Control occurs after notice of termination is given but prior to the completion of the Severance Period, [redacted] will be entitled to receive a pro-rated payment based on his active service before notice of termination was given at the same time that active employees receive payments under the plan.

(c) Pay any outstanding Base Salary and vacation accrued but not used up to the date notice of termination was given.

(d) Pay any vested bonus on its terms, if and when due, which may have resulted from the prior fiscal period (no pro-ration from any interim period shall be due).

[redacted] will not be entitled to short term approved absence, or long term disability benefits (other than during the statutory notice period), or any other benefits not outlined in the severance provisions in this Agreement after the date that notice of termination is given.

In the event of [redacted]s death during the Severance Period, his beneficiary will be entitled to one-half of the remaining unpaid severance referenced above, plus [redacted]'s Company provided life insurance proceeds, if any. All other benefits cease after thirty (30) days.

Such payments and benefits shall be subject to withholding tax as required by law.

Severance Provisions Where Termination Follows a Change of Control

Definitions: For purpose of the severance provisions in this Agreement, a "Change of Control" is defined as having occurred when:

(i) Any "Person" (which term shall for the purposes of this provision have the meaning ascribed thereto in the Securities Act (Ontario), as amended from time to time) or combination of Persons, other than the person or persons that hold the shares of HBC (the "holding companies"), any of HBC's affiliates or related entities either alone or any combination thereof, acquires or becomes the beneficial owner, directly or indirectly, of more than 50% of the voting securities of HBC, whether through the acquisition of previously issued and outstanding voting securities, or of voting securities that have not been previously issued, or any combination thereof or any other transaction having a similar effect;

(ii) Any resolution is passed or any action or proceeding is taken with respect to the liquidation, dissolution or winding-up of HBC and the terms of any resolution, action or proceeding are completed;

(iii) More than 50% of the issued and outstanding voting securities of HBC become subject to an unaffiliated voting trust;

(iv) Capital reorganization, amalgamation, arrangement or other scheme of reorganization, as a result of which the shares of HBC outstanding immediately after such transaction constitute less than 50% of the shares or voting power of the resulting company, excluding where the resulting entity is an HBC affiliate, holding companies or entity related to HBC;

(v) Any Person, not part of the management of the Company at the date hereof or not controlled by the Company or any affiliate of the Company, enters into any agreement, arrangement or understanding to provide all or substantially all the management services to the Company, other than such agreement, arrangement or understanding involving HBC's affiliates or related entities; or

(vi) The Company enters into any transaction or arrangement which would have an effect which is the same as or similar to the result of any of the transactions referred to in the above clauses.

For the purposes of this Agreement, [redacted] may "Resign for Good Reason" where, following a Change of Control, there is:

(vii) A material, adverse reduction or material, adverse diminution in [redacted]'s reporting relationships, authority, titles, duties, position or responsibilities with HBC;

(viii) A reduction in [redacted]'s Base Salary;

(ix) The discontinuance of [redacted]'s eligibility to receive bonuses or other incentives in effect during the fiscal year prior to the year in which the Change of Control occurs;

(x) Relocation of [redacted]'s principle business location to a location that is more than 80 kilometers from [redacted]'s principle business location immediately prior to the Change of Control;

(xi) The assignment to [redacted] of any significant, ongoing duties inconsistent with [redacted]'s skills, duties, position, responsibilities or status;

(xii) Any other material breach of this Agreement.

In order to Resign for Good Reason, [redacted] must provide written notification to the Company of his belief that he may Resign for Good Reason within (30) thirty days after [redacted] knows or has reason to know of the occurrence of any of the events described above. The notification will indicate which of the above events [redacted] believes has occurred. If the notification refers to paragraphs (ii), (iii), or (iv) above, the Company will respond immediately and advise [redacted] if it agrees and whether it will pay the Change of Control Severance described below. In the event that any other paragraphs are referenced in the notification, the Company will respond within (30) thirty days of receipt of the notification and advise [redacted] if it agrees and whether it will pay the Change of Control Severance.

If the Company agrees that [redacted] may Resign for Good Reason, [redacted] will be released immediately and the Company will pay the

Change of Control Severance.

If the Company disagrees that [redacted] may Resign for Good Reason, [redacted] may either accept the Company's decision and continue working under the terms of this Agreement, or, leave immediately and assert his perceived right to payment pursuant to this Agreement.

In the event that [redacted] believes he may Resign for Good Reason but does not provide written notification as required, he will be deemed to have accepted the changes. In the event that [redacted] accepts changes described in (ii) and (iii) above, this Agreement will be deemed to be amended to reflect the new compensation terms. All other terms and conditions of this Agreement will continue in effect.

Change of Control Severance:

If a Change of Control occurs and within 2 years following the Change of Control, [redacted]'s employment is terminated without Cause or [redacted] Resigns for Good Reason, [redacted] shall be entitled to the entitlements set out in this Agreement in respect of a "Termination with Severance" and on the terms and conditions set out in those provisions with the following changes:

a) HBC will pay a lump sum equivalent to [redacted]'s monthly Base Salary at the time of the Change of Control multiplied by the number of months referred to in paragraph (a) (i) above, under the Severance Provisions for a Termination with Severance.

b) The "Severance Period" for the purposes of benefit continuation will be [redacted] ([redacted]) months from the date that notice of termination is given by HBC or the date that [redacted] Resigns for Good Reason, ("Change of Control Termination Date")

c) To the extent not otherwise required under the SERP, HBC shall be required to immediately secure the supplementary pension benefits accrued to [redacted] under the SERP up to the Change of Control Termination Date, if such sums held in trust at the time are deemed to be actuarially inadequate.

d) For purposes of eligibility for any retiree discount on merchandise, [redacted] will be deemed to have retired voluntarily on the last day of the Severance Period, if [redacted] has both reached age 55 and the sum of [redacted]'s age and years of service equal 75 or more as at such date.

Legal Fees:	HBC or its successor shall pay [redacted]'s reasonable legal fees up to a maximum of $[redacted] incurred by [redacted] for the purposes of interpreting or enforcing the terms of this Agreement following a Change of Control or in any situation in which [redacted] reasonably believes that a Change of Control has occurred.
Provisions Fair:	The parties agree that [redacted]'s entitlements under the Termination Provisions set out herein are fair and reasonable and that the amounts payable to [redacted] by HBC or its successor or for [redacted]'s benefit are reasonable estimates of the damages which will be suffered by [redacted] in these circumstances and shall not be construed as a penalty. Further, the parties agree that the Severance Provisions provide a greater benefit than the minimum requirements of the relevant employment standards legislation and that the Termination Provisions apply to the exclusion of the provisions of the legislation.
Relocation Counselling:	[redacted] is entitled to receive for the duration of the Severance Period senior level executive relocation (job search) counselling that is consistent with programs provided for a similar level position. Such counselling shall be provided by an outside career counseling firm designated by HBC or its successor.
Severance Limitation:	Except as expressly set out in this Agreement, [redacted] is not eligible for any severance pay, notice of termination or pay in lieu of notice if (i) [redacted] voluntarily resigns from HBC; (ii) [redacted] dies; (iii) [redacted] retires; or (iv) [redacted]'s employment is terminated for Cause.

Other Provisions

Specific Agreements:	In further consideration for the provision of the above compensation and entitlements, [redacted] agrees not to, either during employment or from the date of ceasing employment with Hbc for whatever reason: a) for a period of one (1) year from the date employment ceased, for any reason, directly or indirectly, in any manner whatsoever including, without limitation, either individually, or in partnership, jointly or in conjunction with any other Person, or as employee, principal, agent, director or shareholder: be engaged in any undertaking; have any financial or other interest (including an interest by way of royalty or other compensation arrangements) in or in respect of the business of any Person which carries on a business which is the same as or substantially similar

to or which competes with or would compete with the business carried on during [redacted]'s employment or at the end thereof, as the case may be, by Hbc or any divisions, subsidiaries, successors or assigns in Canada.

Notwithstanding the foregoing, nothing herein shall prevent [redacted] from owning not more than five (5) % of the issued shares of a corporation, the shares of which are listed on a recognized stock exchange or traded in the over-the-counter market in Canada, which carries on a business which is the same as or substantially similar to or which competes with or would compete with the business of Hbc or any divisions, subsidiaries, successors or assigns.

For clarification, a substantially similar business includes but is not limited to a multi-location department store or a multi-location retail business selling products comparable to those sold by Hbc or any division, subsidiary, successor or assign with annual revenues in excess of $500 million. It does not include a business that has some retail operations but whose revenue is principally derived from non-retail activities, unless [redacted] is employed with respect to those retail operations.

b) directly or indirectly, solicit, hire, offer employment to, or in any manner encourage employees of Hbc or its divisions, subsidiaries, successors or assigns, to leave its employ for a period of two (2) years,

c) disclose to others, or use, any trade secret or other confidential information of Hbc or its divisions, owners, affiliates, subsidiaries, successors or assigns.

Resignation or retirement from Company:	Should [redacted] voluntarily resign or retire from his employment with the Company, [redacted] must provide at least thirty days' written notice.
Resignation from Offices:	[redacted] agrees that on the cessation of his employment, whether following a Change of Control or otherwise, or on his termination of employment irrespective of the time, manner or cause, he shall immediately resign all offices held and shall execute such documents as may be required to confirm same, including directorships, in HBC or any other entity related to HBC and [redacted] shall not be entitled to receive any additional severance payment or compensation for loss of office or otherwise upon such accepted resignation.

Assignment of Rights:	The rights which accrue to the Company under this Agreement shall pass to and be binding upon and enforceable by its successors or assigns. The rights of [redacted] under this Agreement are not assignable in any manner except as otherwise provided herein.
Severability:	In the event that any paragraph, provision or part of this Agreement shall be deemed void or invalid, the remaining paragraphs, provisions or parts shall be and remain in full force and effect.
Agreement	This Agreement constitutes the entire agreement between the parties with respect to the employment of [redacted] and, excepting [redacted]'s fiduciary and other common law duties and obligations which shall survive and continue beyond the termination of this Agreement and all previous agreements, understandings or representations, written or oral, express or implied, between the parties on their behalf relating to the employment of [redacted] by the Company are terminated and cancelled and are of no further force or effect.
Modification:	Any modification of this Agreement must be in writing and signed by the parties or it shall have no effect and shall be void. Any failure to enforce, or waiver of, rights under this Agreement by either party shall not operate as a waiver or otherwise stop or impair the ability of such party to thereafter rely upon the strict rights in this Agreement except as otherwise provided in this Agreement.
Independent Legal Advice:	[redacted] acknowledges having been advised to seek independent legal advice, and that [redacted] was given the opportunity to seek and obtain such advice, prior to the execution of this Agreement. [redacted] acknowledges having read the entire agreement, having understood the contents and having relied on [redacted]'s own sources of information in signing the Agreement and not having relied on any assertions, promises or information from the Company other than those set out in the terms of this Agreement.

Governing Law: This Agreement shall be construed in accordance with the laws of the Province of Ontario.

Interpretation: The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and the Agreement shall be interpreted without regard to any presumption or other rule requiring interpretation of the Agreement more strongly against the party causing it to be drafted.

IN WITNESS WHEREOF we have hereunto affixed by hand, **SIGNED AND DELIVERED**

For the Company: For the employee:

[redacted]

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

Court File No.: CV-25-00738613-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 1242939 B.C. UNLIMITED LIABILITY COMPANY et al.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
(Proceeding commenced in Toronto)

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Employee Representative Counsel

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

Court File No.: CV-25-00738613-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 1242939 B.C. UNLIMITED LIABILITY COMPANY et al.

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MOTION RECORD OF THE EMPLOYEE REPRESENTATIVE COUNSEL (REDACTION ORDER)

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