

UNSECURED TERM LOAN AGREEMENT

Dated as of June 26, 2023

among

HUDSON'S BAY COMPANY ULC,
as the Borrower,

The Guarantors Named Herein,

and

2171948 ONTARIO INC.
as the Lender

TABLE OF CONTENTS

Section	Page
ARTICLE I DEFINITIONS AND ACCOUNTING TERMS	1
1.01 Defined Terms	1
1.02 Other Interpretive Provisions	41
1.03 Accounting Terms.....	43
1.04 Rounding.....	43
1.05 Times of Day	43
1.06 Currency.....	43
ARTICLE II TERM LOAN.....	44
2.01 Term Loan.....	44
2.02 Voluntary Prepayments.....	44
2.03 Repayment of Obligations.	44
2.04 Interest.	44
2.05 Computation of Interest	45
2.06 Evidence of Debt.	45
2.07 Commitment Fee.....	46
2.08 Payments Generally	46
ARTICLE III TAXES.....	46
3.01 Taxes.....	46
ARTICLE IV CONDITIONS PRECEDENT	48
4.01 Conditions of Loan	48
ARTICLE V REPRESENTATIONS AND WARRANTIES	50
5.01 Existence, Qualification and Power	50
5.02 Authorization; No Contravention	50
5.03 Governmental Authorization; Other Consents.....	51
5.04 Binding Effect.....	51
5.05 Financial Statements	51
5.06 Litigation.....	51
5.07 No Default.....	52
5.08 Ownership of Property; Liens	52
5.09 [Reserved].....	52
5.10 Environmental Compliance.	52
5.11 Insurance.....	53
5.12 Taxes.....	53
5.13 ERISA; Canadian Pension Plans.	54
5.14 Subsidiaries; Equity Interests.....	55
5.15 Margin Regulations; Investment Company Act.....	55
5.16 Disclosure	55
5.17 Compliance with Laws	55
5.18 Intellectual Property; Licenses, Etc.	56
5.19 Labour Matters.....	56
5.20 [Reserved].....	57
5.21 Solvency.....	57

5.22	[Reserved].....	57
5.23	Brokers.....	57
5.24	Material Contracts.....	57
5.25	Casualty	57
5.26	[Reserved].....	57
5.27	Inactive Subsidiaries.....	57
5.28	USA PATRIOT Act; Sanctioned Persons.....	57
5.29	Loan Parties	58
5.30	Canadian Loan Party Affiliate Transactions.....	58
5.31	Canadian Retail Business Assets	58
5.32	[Reserved].....	58
5.33	[Reserved].....	58
5.34	[Reserved].....	58
ARTICLE VI AFFIRMATIVE COVENANTS		59
6.01	Financial Statements.....	59
6.02	Certificates; Other Information.....	60
6.03	Notices	62
6.04	Payment of Obligations	63
6.05	Preservation of Existence, Etc.	63
6.06	Maintenance of Properties	63
6.07	Maintenance of Insurance	63
6.08	Compliance with Laws; Compliance with ERISA and Canadian Pension Plans	64
6.09	Books and Records; Accountants.	64
6.10	Inspection Rights	65
6.11	Additional Loan Parties.	65
6.12	[Reserved].....	66
6.13	[Reserved].....	66
6.14	[Reserved].....	66
6.15	Environmental Laws.....	66
6.16	Further Assurances	66
6.17	Designation of Subsidiaries	66
6.18	[Reserved].....	66
6.19	Material Debt Documents.....	67
6.20	Most Favoured Nation	67
6.21	Canadian Borrowings.	67
ARTICLE VII NEGATIVE COVENANTS.....		67
7.01	Liens	67
7.02	Investments	67
7.03	Indebtedness; Disqualified Stock; Equity Issuances.....	67
7.04	Fundamental Changes.....	68
7.05	Dispositions	68
7.06	Restricted Payments.....	68
7.07	Prepayments of Indebtedness.....	69
7.08	Change in Nature of Business.....	69
7.09	Transactions with Affiliates.....	69
7.10	Burdensome Agreements	70
7.11	Use of Proceeds	70
7.12	Amendment of Material Documents.....	70
7.13	Fiscal Year	71

7.14	No Specified CF Lease Closures	71
7.15	Consolidated Fixed Charge Coverage Ratio	71
7.16	Inactive Subsidiaries	71
7.17	Immaterial Subsidiaries Covenant Baskets.....	71
7.18	Pensions and Benefit Plans.	72
7.19	Hazardous Materials.	72
7.20	Sale Leasebacks.	72
7.21	Bank Products.	72
7.22	[Reserved].....	72
7.23	Supplemental Canadian Ringfencing Covenants.....	72
7.24	Ringfencing Consequences.....	74
ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES.....		74
8.01	Events of Default	74
8.02	Remedies Upon Event of Default.	77
8.03	Application of Funds.	78
8.04	Financial Covenant Cure.....	78
8.05	Separate Classes.....	79
ARTICLE IX MISCELLANEOUS		79
9.01	Amendments, Etc.....	79
9.02	Notices; Effectiveness; Electronic Communications	79
9.03	No Waiver; Cumulative Remedies	80
9.04	Expenses; Indemnity; Damage Waiver.....	80
9.05	Payments Set Aside	82
9.06	Successors and Assigns.	82
9.07	Treatment of Certain Information; Confidentiality.....	82
9.08	Right of Setoff	83
9.09	Interest Rate Limitation	84
9.10	Counterparts; Integration; Effectiveness.....	84
9.11	Survival.....	84
9.12	Severability	84
9.13	Governing Law; Jurisdiction; Etc.	84
9.14	Waiver of Jury Trial.....	85
9.15	No Advisory or Fiduciary Responsibility	86
9.16	USA PATRIOT Act and PCTFA Notice	86
9.17	Foreign Assets Control Regulations	87
9.18	Time of the Essence	87
9.19	Additional Waivers.	87
9.20	No Strict Construction.	87
9.21	Judgment Currency.	88
9.22	Attachments.	88
9.23	Electronic Execution of Assignments and Certain Other Documents.	88
9.24	ENTIRE AGREEMENT.....	89
9.25	Language.....	89
SIGNATURES.....		S-1

SCHEDULES

1.01	Guarantors
1.06	Permitted Holders
5.01	Loan Parties Organizational Information
5.06	Litigation
5.10	Environmental Matters
5.12	Taxes
5.13	Canadian Pension Plans
5.14	Subsidiaries; Other Equity Investments; Equity Interests in the Loan Parties
5.18	Intellectual Property Matters
5.19	Collective Bargaining Agreements
5.24	Material Contracts
5.30	Canadian Loan Party Affiliate Transactions
7.01	Existing Liens
7.02	Existing Investments
7.03	Existing Indebtedness
7.05	Permitted Dispositions
7.09	Other Affiliate Transactions
9.02	Certain Addresses for Notices

EXHIBITS

Form of

A	Loan Notice
B	Form of Compliance Certificate
C	CF Leases in Lease Documents

UNSECURED TERM LOAN AGREEMENT

This **UNSECURED TERM LOAN AGREEMENT** is entered into as of June 26, 2023 among
HUDSON'S BAY COMPANY ULC, an unlimited liability company organized under the laws of the Province of British Columbia (the "Borrower"),
the Persons named on Schedule 1.01 hereto (collectively, the "Guarantors"), and
2171948 ONTARIO INC., as Lender

W I T N E S S E T H

WHEREAS the Lender is an Affiliate of Cadillac Fairview; and

WHEREAS the Borrower has requested that the Lender make available to the Borrower, on the Effective Date, an unsecured term loan facility in an aggregate principal amount of Cdn\$200,000,000, the proceeds of which shall be used by the Borrower for purposes permitted under, and otherwise in accordance with the terms of, this Agreement, and the Lender has indicated its willingness to lend on the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the mutual conditions and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree as follows:

ARTICLE I DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

"**ABL Agent**" means Bank of America, N.A., in its capacity as administrative agent and collateral agent under the ABL Credit Agreement, and its successors and assigns thereunder.

"**ABL Credit Agreement**" means that certain Amended and Restated Credit Agreement dated as of October 19, 2019, among the Borrower, as lead borrower, HBC US, as US borrower, the guarantors from time to time party thereto, the ABL Agent, as agent, and the lenders from time to time party thereto, as the same may from time to time be amended, amended and restated, supplemented or otherwise modified from time to time in accordance with this Agreement.

"**ABL Obligations**" means the "Obligations" under and as defined in the ABL Credit Agreement, as in effect on the Effective Date.

"**Acquired EBITDA**" means, with respect to any Acquired Entity or Business or any Converted Restricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Acquired Entity or Business or Converted Restricted Subsidiary (determined as if references to the Parent and the Restricted Subsidiaries in the definition of "Consolidated EBITDA" were references to such Acquired Entity or Business and its Restricted Subsidiaries or to such Converted Restricted Subsidiary and its Restricted Subsidiaries), as applicable, all as determined on a consolidated basis for such Acquired Entity or Business or Converted Restricted Subsidiary, as applicable.

“Acquired Entity or Business” has the meaning set forth in the definition of “Consolidated EBITDA.”

“Acquisition” means, with respect to any Person (a) a purchase of a Controlling interest in, the Equity Interests of any other Person, (b) a purchase or other acquisition of all or substantially all of the assets or properties of, another Person or of any business unit of another Person, or (c) any merger, amalgamation, or consolidation of such Person with any other Person or other transaction or series of transactions resulting in the acquisition of all or substantially all of the assets, or a Controlling interest in the Equity Interests, of any Person, in each case in any transaction or group of transactions which are part of a common plan and (other than in the case of an Acquisition by a Canadian Loan Party) involving Acquisition Consideration in excess of (i) \$250,000,000 if the Acquisition Consideration is paid with the proceeds of, or by, an issuance of Equity Interests, or (ii) \$100,000,000 in all other circumstances.

“Acquisition Consideration” means, with respect to any Acquisition, the aggregate cash and non-cash consideration for such Acquisition. The “Acquisition Consideration” for any Acquisition expressly includes Indebtedness assumed in such Acquisition and the good faith estimate by the Borrower of the maximum amount of any deferred purchase price obligations (including earn-out payments) incurred in connection with such Acquisition. The “Acquisition Consideration” for any Acquisition expressly excludes (a) Equity Interests of the Parent issued to the seller as consideration for such Acquisition and (b) the net proceeds of the sale or issuance of Equity Interests by the Parent to the extent such Acquisition is made within 180 days of the receipt of such net proceeds by the Parent or its Subsidiaries.

“Affiliate” means, with respect to any Person, (i) another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified, (ii) any director, officer, managing member, partner, trustee, joint venturer, or beneficiary of that Person, and (iii) any other Person directly or indirectly holding 10% or more of any class of the Equity Interests of that Person; provided, however, that the Lender shall in no event be deemed an Affiliate of the Parent or any of its Subsidiaries.

“Agreement” means this Unsecured Term Loan Agreement.

“AML Legislation” means the USA PATRIOT Act, the PCTFA, and each other anti-terrorism and legislation, rules and regulations, and anti-money laundering laws and “know your client” policies, regulations, laws or rules, in each case, binding on or affecting the Person referred to in the context in which the term is used or binding or affecting the assets of such Person, including any guidelines or orders under any of the foregoing.

“Attributable Indebtedness” means, on any date, (a) in respect of any Capital Lease Obligation of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP or IFRS, as applicable, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease or similar payments under the relevant lease or other applicable agreement or instrument that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP or IFRS, as applicable, if such lease, agreement or instrument were accounted for as a capital lease.

“Audited Financial Statements” means, collectively, the audited consolidated balance sheet of the Parent and its Subsidiaries for the three most recently completed Fiscal Years of the Parent and its Subsidiaries ended at least ninety (90) days before the Effective Date, and the related consolidated statements of income or operations, Shareholders’ Equity and cash flows for such Fiscal Year of the Parent

and its Subsidiaries, including the notes thereto, accompanied by an unqualified report thereon by their independent registered public accountants.

“**Availability**” has the meaning specified in the ABL Credit Agreement, as in effect from time to time.

“**BIA**” means the *Bankruptcy and Insolvency Act* (Canada), as amended.

“**Borrower**” has the meaning specified in the introductory paragraph hereto.

“**Business Day**” means any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in Toronto, Ontario, Canada.

“**Cadillac Fairview**” means The Cadillac Fairview Corporation Limited.

“**Canadian Benefit Plans**” means any plan, fund, program, or policy, whether oral or written, formal or informal, funded or unfunded, insured or uninsured, providing employee benefits, including medical, hospital care, dental, sickness, accident, disability, life insurance, pension, retirement or savings benefits, under which any Canadian Loan Party has any liability with respect to any employee or former employee, but excluding any Canadian Pension Plans.

“**Canadian Blocked Person**” means any Person that is a “designated person”, “politically exposed foreign person”, or “terrorist group” as described in any Canadian Economic Sanctions and Export Control Laws, in each case subject to economic sanctions pursuant to Canadian AML Legislation.

“**Canadian Dollars**” or “**Cdn\$**” shall mean the lawful currency of Canada.

“**Canadian Economic Sanctions and Export Control Laws**” means any Canadian laws, regulations or orders governing dealings with countries, entities, organizations, or individuals subject to economic sanctions and similar measures, including the *Special Economic Measures Act* (Canada), the *United Nations Act* (Canada), the *Freezing Assets of Corrupt Foreign Officials Act* (Canada), Part II.1 of the *Criminal Code* (Canada), and any related regulations.

“**Canadian HoldCo**” means HBC Canada Parent Holdings Inc., a corporation organized under the laws of the Province of British Columbia.

“**Canadian Loan Parties**” means, collectively, the Borrower and all Guarantors organized under the laws of Canada or any province or territory thereof. “**Canadian Loan Party**” means any one of such Persons.

“**Canadian Pension Plans**” means each pension plan required to be registered under Canadian federal or provincial pension benefits law or a tax statute or regulation in Canada that is maintained or contributed to by a Canadian Loan Party for its employees or former employees but does not include the Canada Pension Plan or the Quebec Pension Plan as maintained by the Government of Canada or the Province of Quebec, respectively.

“**Canadian Pension Plan Termination Event**” shall mean an event which would reasonably be expected to entitle a Person (without the consent of any Canadian Loan Party) to wind-up or terminate a Canadian Pension Plan in full or in part, or the institution of any steps by any Governmental Authority to order the termination or wind-up of, in full or in part, any Canadian Pension Plan, the institution of any

steps by a Canadian Loan Party to terminate, in full or in part, any Canadian Pension Plan if such plan has a Pension Plan Unfunded Liability, or an event respecting any Canadian Pension Plan which could reasonably be expected to result in the revocation of the registration of such Canadian Pension Plan or to have a trustee appointed to administer a Canadian Pension Plan or which could otherwise reasonably be expected to adversely affect the tax status of any such Canadian Pension Plan.

“Canadian Retail Business” means the operation by the Canadian Loan Parties of Hudson’s Bay Stores, Saks Fifth Avenue Stores and Saks Off Fifth Stores in Canada (including the e-commerce site TheBay.com and excluding, for greater certainty, the e-commerce sites Saks.com and Saksoff5th.com) and all ancillary activities conducted by the Canadian Loan Parties in relation thereto.

“Capital Lease Obligations” means, with respect to any Person for any period, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as liabilities on a balance sheet of such Person under GAAP or IFRS, as applicable, and the amount of which obligations shall be the capitalized amount thereof determined in accordance with GAAP or IFRS, as applicable.

“CCAA” means the *Companies’ Creditors Arrangement Act* (Canada), as amended.

“CERCLA” means the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq.

“CERCLIS” means the Comprehensive Environmental Response, Compensation, and Liability Information System maintained by the United States Environmental Protection Agency.

“CF Lease” means any ground, operating or other type of lease between the Borrower or any Subsidiary or Affiliate thereof, as a tenant, and Cadillac Fairview or any Subsidiary or Affiliate thereof (either by itself or with any co-owner (or an Affiliate thereof) of the applicable property), as a landlord, together with any amendments, supplements, or waivers thereto from time to time.

“CFC” means any Person that is a controlled foreign corporation under Section 957 of the Code.

“Change in Law” means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith, (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, and (z) the regulations of the European Union commonly referred to as “CRD IV” and “CRR” shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Change of Control” means an event or series of events by which:

(a) the direct or indirect sale, transfer, conveyance or other Disposition (other than by way of merger, amalgamation or consolidation), in one or a series of related transactions, of all or

substantially all of the properties or assets of the Parent and its Restricted Subsidiaries, taken as a whole, to any “person” or “group” (as those terms are used in Section 13(d)(3) of the Exchange Act); or

(b) the consummation of any transaction (including, without limitation, any merger, amalgamation or consolidation), the result of which is that any “person” or “group” (as defined above), (other than the Permitted Holders) becomes the beneficial owner, directly or indirectly, of more than 35% of the combined voting power of all of Equity Interests entitled to vote for members of the board of directors or equivalent governing body of the Parent;

(c) Parent shall cease to own and control legally and beneficially, either directly or indirectly, equity securities in each other Loan Party representing 100% of the combined voting power of all of Equity Interests entitled to vote for members of the board of directors or equivalent governing body of such Loan Parties on a fully-diluted basis free and clear of all Liens (other than statutory Liens otherwise permitted hereunder), except where such failure is as a result of a transaction permitted by the Loan Documents;

(d) a Change of Control (under and as defined in the ABL Credit Agreement) shall have occurred; or

(e) a Change of Control (under and as defined in the Pathlight Term Loan Credit Agreement) shall have occurred at any time while the Obligations (as defined in the Pathlight Term Loan Credit Agreement as in effect on the Effective Date) have not been “Paid in Full” (as defined in the Pathlight Term Loan Credit Agreement as in effect on the Effective Date).

“**Code**” means the Internal Revenue Code of 1986, and the regulations promulgated thereunder, as amended and in effect.

“**Collateral**” means all property and assets of the Loan Parties or Subsidiaries thereof that are subject to a Lien in favour of the ABL Agent under the ABL Credit Agreement or, so long as the Pathlight Term Loan Credit Agreement has not been “Paid in Full” (as defined in the Pathlight Term Loan Credit Agreement on the Effective Date), the Pathlight Term Agent under the Pathlight Term Loan Credit Agreement, as applicable.

“**Compliance Certificate**” means the compliance certificate, in the form of Exhibit B, required to be delivered in accordance with Section 6.02(a)(i).

“**Consignment Arrangement**” has the meaning given to such term in the ABL Credit Agreement.

“**Consolidated**” means, when used to modify a financial term, test, statement, or report of a Person, the application or preparation of such term, test, statement or report (as applicable) based upon the consolidation, in accordance with GAAP or IFRS, as applicable, of the financial condition or operating results of the Parent and its Restricted Subsidiaries.

“**Consolidated EBITDA**” means, with reference to the Parent and its Restricted Subsidiaries 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) the net income or loss from discontinued operations; 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 including discontinued operations, each determined in good faith by management of the Parent, all as determined on a Consolidated basis in accordance with GAAP or IFRS, as applicable (it being agreed that the calculation of Consolidated EBITDA for any period shall exclude the earnings of any Person that is not the Parent or a Restricted Subsidiary of the Parent; provided that Consolidated EBITDA shall be increased by the aggregate amount of dividends, distributions or other payments actually paid in cash or cash equivalents (or to the extent subsequently converted to cash or cash equivalents) to the Borrower or a Restricted Subsidiary by such Person in respect of such period).

There shall be included in determining Consolidated EBITDA for any period, without duplication, the Acquired EBITDA of any Person, property, business or asset acquired by the Parent or any Restricted Subsidiary during such period (but not the Acquired EBITDA of any related Person, property, business or assets to the extent not so acquired), to the extent not subsequently sold, transferred or otherwise disposed by the Parent or such Restricted Subsidiary during such period (each such Person, property, business or asset acquired and not subsequently so disposed of, an “**Acquired Entity or Business**”) and the Acquired EBITDA of any Unrestricted Subsidiary that is converted into a Restricted Subsidiary during such period (each, a “**Converted Restricted Subsidiary**”), based on the actual Acquired EBITDA of such Acquired Entity or Business or Converted Restricted Subsidiary for such period (including the portion thereof occurring prior to such acquisition). There shall be excluded in determining Consolidated EBITDA for any period the Disposed EBITDA of any Person, property or business sold, transferred or otherwise disposed of or, closed or classified as discontinued operations (but if such operations are classified as discontinued due to the fact that they are subject to an agreement to dispose of such operations, only when and to the extent such operations are actually disposed of) by the Parent or any Restricted Subsidiary during such period (each such Person, property, business or asset so sold or disposed of, a “**Sold Entity or Business**”) and the Disposed EBITDA of any Restricted Subsidiary that is converted into an Unrestricted Subsidiary during such period (each a “**Converted Unrestricted Subsidiary**”), based on the actual Disposed EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary for such period (including the portion thereof occurring prior to such sale, transfer or disposition).

“**Consolidated Fixed Charge Coverage Ratio**” has the meaning given to such term in the ABL Credit Agreement as in effect on the Effective Date.

“**Contractual Obligation**” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“**Contributed Assets (Europe)**” means the HBC Europe Business (as defined in the Opco Implementation Agreement) and any assets comprising any portion thereof including the HBC Contributed Shares (as defined in the Opco Implementation Agreement) the receivables that the Parent and HBC Europe S.à r.l. and their Affiliates have against the HBC Europe Business existing on or prior to the OpCo Closing Date (as defined in the Opco Implementation Agreement) (but excluding receivables under the bridge loan granted pursuant to Clause 9 of the Opco Implementation Agreement) and a cash payment of €100,000,000.

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “**Controlling**” and “**Controlled**” have meanings correlative thereto.

“**Converted Restricted Subsidiary**” has the meaning set forth in the definition of “Consolidated EBITDA.”

“Converted Unrestricted Subsidiary” has the meaning set forth in the definition of “Consolidated EBITDA.”

“Covenant Compliance Event” has the meaning given to such term in the ABL Credit Agreement as in effect on the Effective Date.

“CRA” means the Canada Revenue Agency.

“Debtor Relief Laws” means (a) the Bankruptcy Code of the United States, (b) the BIA, the CCAA, the WURA and (c) all other liquidation, conservatorship, bankruptcy, winding up, assignment for the benefit of creditors, moratorium, rearrangement, arrangement (including any governing corporate statute providing for arrangements where such arrangement involves the compromise of debts or creditors), receivership, insolvency, reorganization, examinership, or similar debtor relief Laws of the United States, Canada or other applicable jurisdictions from time to time in effect.

“Default” means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Default Rate” means an interest rate equal to the interest rate otherwise applicable to the Loan plus two percent (2.00%) per annum.

“Delaware Divided LLC” means any Delaware LLC which has been formed upon consummation of a Delaware LLC Division.

“Delaware LLC Division” means the statutory division of any Delaware LLC into two or more Delaware LLCs pursuant to Section 18-217 of the Delaware Limited Liability Company Act.

“Designated Jurisdiction” means any country, region or territory to the extent that such country or territory is the subject of any Sanction.

“Disposed EBITDA” means, with respect to any Sold Entity or Business or any Converted Unrestricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary (determined as if references to the Parent and the Restricted Subsidiaries in the definition of “Consolidated EBITDA” (and in the component definitions used therein) were references to such Sold Entity or Business and its Restricted Subsidiaries or to such Converted Unrestricted Subsidiary and its Subsidiaries), as applicable, all as determined on a consolidated basis for such Sold Entity or Business or Converted Unrestricted Subsidiary, as applicable.

“Disposition” or **“Dispose”** means the sale, transfer, license, lease, gift or other disposition (including any sale and leaseback transaction), whether in one transaction or in a series of transactions, of any property (including, without limitation, any Equity Interests other than any sale or issuance of Equity Interests in the Parent) by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer, gift or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith and including any disposition of property to a Delaware Divided LLC pursuant to a Delaware LLC Division.

“Disqualified Stock” means any Equity Interest that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to

the date that is ninety-one (91) days after the date on which the Loan matures; provided, however, that (i) only the portion of such Equity Interests which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date shall be deemed to be Disqualified Stock and (ii) with respect to any Equity Interests issued to any employee or to any plan for the benefit of employees of the Borrower, HBC US or their respective Subsidiaries or by any such plan to such employees, such Equity Interest shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Borrower, HBC US or one of their respective Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, resignation, death or disability and if any class of Equity Interest of such Person that by its terms authorizes such Person to satisfy its obligations thereunder solely by delivery of an Equity Interest that is not Disqualified Stock, such Equity Interests shall not be deemed to be Disqualified Stock. Notwithstanding the preceding sentence, any Equity Interest that would constitute Disqualified Stock solely because the holders thereof have the right to require a Loan Party to repurchase such Equity Interest upon the occurrence of a change of control or an asset sale shall not constitute Disqualified Stock. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Agreement will be the maximum amount that the Borrower, HBC US and any of their respective Subsidiaries may become obligated to pay upon maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock or portion thereof, plus accrued dividends.

"Dollars" and **"\$"** mean lawful money of the United States.

"Effective Date" means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 9.01.

"Electronic Copy" has the meaning specified in Section 9.23(b).

"Electronic Record" has the meaning specified in Section 9.23(b).

"Electronic Signature" has the meaning in Section 9.23(b).

"Embargoed Person" means any party that (i) is publicly identified on the most current list of "Specially Designated Nationals and Blocked Persons" published by the U.S. Treasury Department's Office of Foreign Assets Control ("**OFAC**"), (ii) resides, is organized or chartered, or has a place of business in a Designated Jurisdiction or (iii) is a Canadian Blocked Person.

"Environmental Laws" means all applicable federal, state, local, provincial, territorial, municipal, local and foreign laws (including the common law), statutes, ordinances, codes, rules, guidelines, policies, procedures, standards, permits, concessions, grants, franchises, licenses, governmental restrictions and regulations, now or hereafter in effect, and in each case as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative order, consent decree, order or judgment that has the force of law, imposing liability or standards of conduct for or relating to the regulation and protection of human, plant or animal health or safety, the environment or natural resources (including air, surface water, groundwater, wetlands, land, soil, land surface or subsurface strata, wildlife, aquatic species and vegetation) or the release of any Hazardous Materials into the environment. Environmental Laws include, without limitation, the *Canadian Environmental Protection Act*, 1999, *Fisheries Act*, *Transportation of Dangerous Goods Act*, 1992, the *Migratory Birds Protection Act*, 1994, the *Species At Risk Act*, the *Hazardous Products Act*, the *Canada Shipping Act* and the *Canada Wildlife Act*.

“Environmental Liability” means any liability, obligation, damage, loss, claim, action, suit, judgment, order, fine, penalty, fee, expense, or cost, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal or presence of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equipment” means all “equipment,” as such term is defined in the UCC or the PPSA, now owned or hereafter acquired by any Loan Party, wherever located and, in any event, including all such Loan Party’s machinery and equipment, including processing equipment, conveyors, machine tools, data processing and computer equipment, including embedded software and peripheral equipment and all engineering, processing and manufacturing equipment, office machinery, furniture, materials handling equipment, tools, attachments, accessories, automotive equipment, trailers, trucks, forklifts, molds, dies, stamps, motor vehicles, rolling stock and other equipment of every kind and nature, trade fixtures and fixtures not forming a part of real property, all whether now owned or hereafter acquired, and wherever situated, together with all additions and accessions thereto, replacements therefor, all parts therefor, all substitutes for any of the foregoing, fuel therefor, and all manuals, drawings, instructions, warranties and rights with respect thereto, and all products and proceeds thereof and condemnation awards and insurance proceeds with respect thereto.

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or non-voting.

“Equivalent Amount” means with respect to any two currencies, the amount obtained in one such currency when an amount in the other currency is converted into the first currency using the spot rate of exchange for such conversion as quoted by the Bank of Canada at the close of business on the Business Day that such conversion is to be made (or, if such conversion is to be made before close of business on such Business Day, then at approximately close of business on the immediately preceding Business Day).

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with HBC US within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of HBC US or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by HBC US or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent or in reorganization within the meaning of Title IV of ERISA; (d) the filing

of a notice of intent to terminate a Pension Plan under, or the treatment of a Pension Plan amendment as a termination under, Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; or (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon HBC US or any ERISA Affiliate.

“Event of Default” has the meaning specified in Section 8.01. An Event of Default shall be deemed to be continuing unless and until that Event of Default has been duly waived as provided in Section 9.01 hereof.

“Excluded Subsidiaries” means (a) any Subsidiary that is not a wholly owned Subsidiary of the Parent, (b) as to the Obligations of the U.S. Loan Parties only, any CFC or any Subsidiary which has no material assets other than the Equity Interests of one or more CFCs, (c) any Immaterial Subsidiary of the Borrower or HBC US, (d) any Real Estate Subsidiary, (e) any Subsidiary that is prohibited by applicable Law or Contractual Obligations existing on the Effective Date (or, in the case of any newly acquired or formed Subsidiary, in existence at the time of acquisition or formation but not entered into in contemplation thereof) from guaranteeing the Obligations, (f) any Subsidiary to the extent that a guaranty of the Obligations by such Subsidiary could reasonably be expected to result in any violation or breach of, or conflict with, fiduciary duties of such Subsidiary’s officers, directors, or managers or have the potential to result in a material risk of personal or criminal liability for any officer of any Subsidiary of the Borrower or HBC US, (g) any Unrestricted Subsidiaries, (h) any Subsidiary organized under the laws of a jurisdiction other than the United States, Canada or a state, province or territory thereof, and (i) any other Subsidiary with respect to which, as reasonably determined in writing by the Borrower in consultation with the Lender (acting reasonably), the cost or consequences (including any adverse tax consequences to the Borrower or any of its Restricted Subsidiaries) of guaranteeing the Obligations will be excessive in view of the benefits to be obtained by the Lender therefrom; provided that (x) no Loan Party existing on the Effective Date or joined as a Loan Party thereafter shall be deemed to be an Excluded Subsidiary as a result of the application of clause (b) of this definition, and (y) no Subsidiary that is not an Excluded Subsidiary under the ABL Credit Agreement shall be an Excluded Subsidiary.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to, any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by such Recipient’s net income or profits (however denominated), franchise Taxes, capital Taxes, branch profits Taxes or any similar Tax imposed on or measured by its net income or profits (however denominated), in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) Taxes attributable to such Recipient’s failure to comply with Section 3.01(e), (c) any withholding Taxes imposed pursuant to FATCA, (d) any withholding Taxes imposed on a payment by or on account of any obligation of a Canadian Loan Party hereunder: (i) to a Person with which the Canadian Loan Party does not deal at arm’s length (for the purposes of the ITA) at the time of making such payment or (ii) in respect of a debt or other obligation to pay an amount to a Person with whom the payer is not dealing at arm’s length (for the purposes of the ITA) at the time of such payment, and (e) any withholding Taxes imposed on a Recipient by reason of such Recipient: (i) being a “specified shareholder” (as defined in subsection 18(5) of the ITA) of any Canadian Loan Party, or (ii) not dealing at arm’s length (for the purposes of the ITA) with a “specified shareholder” (as defined in subsection 18(5) of the ITA) of any Canadian Loan Party.

“Executive Order” means Executive Order 13224 of September 21, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)).

“Facility Guarantee” means (a) the Guarantee of the Obligations made by the Canadian Loan Parties, (b) the Guarantee of the Obligations made by the U.S. Loan Parties, and (c) all other Guarantees of the Obligations made by a Person who becomes a Guarantor in accordance with Section 6.11 of this Agreement, in each case, in favour of the Lender in such form reasonably satisfactory to the Lender.

“FASB” means the Financial Accounting Standards Board, which promulgates accounting standards.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code.

“FCPA” has the meaning set forth in Section 5.28(a).

“FILO Collateral” has the meaning given to such term in the ABL Credit Agreement from time to time.

“FILO Term Loan” has the meaning given to such term in the ABL Credit Agreement as in effect on the Effective Date.

“FILO Term Loan Push Down Reserve” has the meaning given to such term in the ABL Credit Agreement as in effect on the Effective Date.

“Fiscal Month” means any of the monthly accounting periods of the Parent and its Subsidiaries.

“Fiscal Quarter” means any of the quarterly accounting periods of the Parent and its Subsidiaries ending on or about April 30, July 31, October 31 and January 31 of each year.

“Fiscal Year” means any of the annual accounting periods of the Parent and its Subsidiaries ending on or about January 31 of each year.

“Foreign Assets Control Regulations” means the Trading With the Enemy Act and other foreign assets control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating to any of the foregoing (which for the avoidance of doubt shall include, but shall not be limited to the Executive Order and the USA PATRIOT Act).

“Foreign Cash Equivalents” means, with respect to the Canadian Loan Parties, (a) certificates of deposit, guaranteed investment certificates, or bankers acceptances of, and bank deposits with, any bank organized under the laws of any country that is a member of the European Economic Community or of Canada or any subdivision thereof, whose short-term commercial paper rating from S&P is at least A-1 or the equivalent thereof or from Moody’s is at least P-1 or the equivalent thereof, in each case with maturities of not more than six months from the date of acquisition, (b) commercial paper maturing not more than one

year from the date of creation thereof and, at the time of acquisition, having the highest rating obtainable from either S&P's or Moody's, (c) shares of any money market mutual fund that has its assets invested continuously in the types of investments referred to in clauses (a) and (b) above, and (d) in the case of any Canadian Loan Party, such local currencies in those countries in which such Loan Party transacts business from time to time in the ordinary course of business, in each case, customarily utilized in countries in which such Loan Party operates for short term cash management purposes.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"FSCO" means the Financial Services Commission of Ontario and any Person succeeding to the functions thereof and includes the Ontario Superintendent of Financial Services and any other Governmental Authority empowered or created by the *Pension Benefits Act* (Ontario) or any Governmental Authority of any other Canadian jurisdiction exercising similar functions in respect of any Canadian Pension Plan of any Canadian Loan Party and any Governmental Authority succeeding to the functions thereof.

"GAAP" means generally accepted accounting principles in the United States set forth in pronouncements of the FASB or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied; provided that, with respect to Subsidiaries of Parent organized under the laws of Canada, or any province or territory thereof, "GAAP" shall mean principles which are consistent with those promulgated or adopted by the Canadian Institute of Chartered Accountants and its predecessors (or successors) in effect and applicable to the accounting period in respect of which reference to GAAP is being made, including IFRS.

"Governmental Authority" means the government of the United States, Canada, or any other nation, or of any political subdivision thereof, whether state, provincial, territorial, municipal, or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the FASB, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other monetary obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other monetary obligation of the payment of such Indebtedness or other monetary obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other monetary obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other monetary obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other monetary obligation of any other Person, whether or not such Indebtedness or other monetary obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in

respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof. The term “Guarantee” as a verb has a corresponding meaning.

“**Guarantor**” means (a) the Parent, (b) Canadian HoldCo, (c) U.S. HoldCo, (d) each of the Borrower’s Restricted Subsidiaries or HBC US’s Restricted Subsidiaries existing on the Effective Date and which are listed on Schedule 1.01, and (e) each other Restricted Subsidiary of the Borrower or HBC US that shall be required to execute and deliver a Facility Guarantee pursuant to Section 6.11.

“**Hazardous Materials**” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“**HBC Netherlands Liquidation**” means the voluntary liquidation, dissolution or winding up of the HBC Netherlands business and related assets.

“**HBC Netherlands SPA**” means the sale and purchase agreement dated 08/09/10 June 2019 (as amended and/or amended and restated from time to time) between, among others, HBC Europe S.à r.l. as purchaser (the “**HBC Netherlands Purchaser**”), and European Department Store Holding S.à r.l. as seller (the “**HBC Netherlands Seller**”) pursuant to which the HBC Netherlands Seller sold its shareholding in HBC Netherlands B.V. to HBC Netherlands Purchaser.

“**HBC Netherlands Transaction**” means the acquisition of all shares in HBC Netherlands B.V. by HBC Europe S.à r.l. (or any of its Affiliates) pursuant to the HBC Netherlands SPA, as a result of which the Parent became the sole indirect shareholder of HBC Netherlands B.V.

“**HBC US**” means HBC US Holdings LLC (formerly known as Lord & Taylor Acquisition Inc.), a Delaware limited liability company.

“**IFRS**” means International Financial Reporting Standards, namely the standards, interpretations and framework for the preparation and presentation of financial statements (in the absence of a standard interpretation) as adopted in Canada by the Accounting Standards Board of the Canadian Institute of Chartered Accountants.

“**Immaterial Subsidiary**” means, at any date of determination, any Restricted Subsidiary of the Parent that (a) does not have total assets or annual revenue in an amount in excess of 2.5% of the consolidated assets or annual revenues of the Parent and its Restricted Subsidiaries as of the last day of the most recently completed fiscal quarter, in each case determined in accordance with GAAP or IFRS, as applicable, for such period, individually or 5.0% of the consolidated assets in the aggregate with all other Restricted Subsidiaries excluded pursuant to this clause (a), and (b) constitutes an Immaterial Subsidiary for purposes of the ABL Credit Agreement.

“**Implementation Agreements**” means the Opco Implementation Agreement and the Propco Implementation Agreement, collectively.

“**Inactive Subsidiary**” means each Subsidiary of the Parent listed on Schedule 5.14 as an “Inactive Subsidiary”.

“Indebtedness” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP or IFRS, as applicable:

- (a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;
- (b) the maximum amount of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers’ acceptances, bank guarantees, surety bonds and similar instruments;
- (c) net obligations of such Person under any Swap Contract;
- (d) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business and, in each case, not past due for more than 180 days after the date on which such trade account payable was created);
- (e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;
- (f) all Attributable Indebtedness of such Person;
- (g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person (including, without limitation, Disqualified Stock), or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends (except to the extent that such Person has the right to satisfy its obligations with Equity Interests of such Person); and
- (h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Indemnitees” has the meaning specified in Section 9.04(b).

“Information” has the meaning specified in Section 9.07.

“Intellectual Property” has the meaning given to such term in the ABL Credit Agreement.

“Interest Payment Date” means the fifth Business Day of each month and the Maturity Date, and each date of any prepayment of the Loan (with regard to the amount so prepaid).

“Inventory” has the meaning given to such term in the ABL Credit Agreement.

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or Equity Interest in, another Person, (c) any Acquisition, or (d) any other investment of money or capital to acquire assets used or useful in such Person’s business. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“ITA” means the *Income Tax Act* (Canada).

“Joinder Agreement” means an agreement, in form satisfactory to the Lender pursuant to which, among other things, a Person becomes a party to, and bound by the terms of, this Agreement and/or the other Loan Documents in the same capacity and to the same extent as the Borrower or a Guarantor, as the Lender may determine.

“Judgment Currency” has the meaning given to such term in Section 9.21.

“Laws” means, collectively, all international, foreign, federal, state, provincial, territorial and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, licenses, authorizations and permits of, and agreements with, any Governmental Authority.

“Lease Documents” means the Lease Indemnity Agreement, the Mass Lease Amending Agreement “A”, Mass Lease Amending Agreement “B”, Mass Lease Amending Agreement “C” and the Undertaking and Agreement.

“Lease Indemnity Agreement” means the indemnity agreement dated the date hereof between certain Affiliates of the Lender, as landlords, represented by their authorized agent, Cadillac Fairview, and HBC US and the Parent, as indemnitors, with respect to the CF Leases set out in Part I of Exhibit C hereto, as amended, amended and restated, restated, modified, supplemented, or otherwise in effect from time to time.

“Lender” means 2171948 Ontario Inc. and its successors and permitted assigns.

“Lender Expenses” means all reasonable and documented out-of-pocket expenses incurred by the Lender and their respective Affiliates, in connection with this Agreement, the other Loan Documents and the Lease Documents, including without limitation (i) the reasonable and documented fees, charges and disbursements related to (A) the enforcement or protection of their rights in connection with this Agreement, the Loan Documents or the Lease Documents or in connection with any proceeding under any Debtor Relief Laws, and (B) any workout, restructuring or negotiations in respect of any Obligations. The foregoing costs and expenses shall include without limitation all reasonable search charges and fees related thereto, and other reasonable and documented out-of-pocket expenses incurred by the Lender. To the extent a Default or an Event of Default has occurred and is continuing, “Lender Expenses” shall also include the

reasonable and documented fees, charges and disbursements of (A) counsel for the Lender, including legal fees and other out-of-pocket expenses of Torys LLP, Daoust Vukovich LLP and of any special or local counsel reasonably retained by the Lender, and (B) outside consultants for the Lender, in connection with any amendments, modifications or waivers of the provisions of this Agreement, the other Loan Documents and the Lease Documents.

“Lien” means any mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), trust (deemed, statutory, constructive or otherwise), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale, Capital Lease Obligation, Synthetic Lease Obligation, or other title retention agreement, and any financing lease having substantially the same economic effect as any of the foregoing).

“Loan” has the meaning assigned to such term in Section 2.01(a).

“Loan Documents” means this Agreement, the Facility Guarantee and any other instrument or agreement now or hereafter executed and delivered in connection herewith, each as amended and in effect from time to time (other than the Lease Documents).

“Loan Parties” means, collectively, the U.S. Loan Parties, the Canadian Loan Parties and the Parent.

“Lord & Taylor Asset Purchase Agreement” means that certain Asset Purchase Agreement dated August 27, 2019 by and among Lord & Taylor Holdings LLC, HBC US and Le Tote, Inc. (as amended and/or amended and restated from time to time; provided that such amended terms shall not be materially adverse to the Lender).

“Lord & Taylor Business” means ownership and operations by Lord & Taylor Holdings LLC and its Affiliates of a national network of retail stores and an online retail platform under the “Lord & Taylor” brand and the supporting general and administrative functions related to such retail stores and platform.

“Lord & Taylor Remaining Obligations” means rent guarantees and direct rent payment obligations provided by the Borrower or a Restricted Subsidiary and other obligations of the Borrower or a Restricted Subsidiary that arose in the ordinary course of business prior to the consummation of the Lord & Taylor Sale which are payable by the Borrower or a Restricted Subsidiary following its closing date, in each case relating to the Lord & Taylor Business, including those arising in connection with the Le Tote Sale (as described in the definition of “Lord & Taylor Sale”) consistent with the forecast model provided to the ABL Agent and any material deviations from such forecast model that are approved by the ABL Agent.

“Lord & Taylor Sale” means the sale of the Purchased Assets (as defined in the Lord & Taylor Asset Purchase Agreement) to Le Tote, Inc. pursuant to and in accordance with the Lord & Taylor Asset Purchase Agreement (the **“Le Tote Sale”**).

“Mass Lease Amending Agreement “A”” means the mass lease amending agreement “A” dated the date hereof between Cadillac Fairview, in its own capacity and in its capacity as authorized agent of certain Affiliates of the Lender and authorized agent of co-owners of the property, where applicable, as landlords, and the Borrower, as tenant, with respect to the CF Leases set out in Part II of Exhibit C hereto, as amended, amended and restated, restated, modified, supplemented, or otherwise in effect from time to time.

“Mass Lease Amending Agreement “B”” means the mass lease amending agreement “B” dated the date hereof between Cadillac Fairview, in its own capacity and in its capacity as authorized agent of certain Affiliates of the Lender and authorized agent of co-owners of the property, where applicable, as landlords, and the Borrower, as tenant, with respect to the CF Leases set out in Part III of Exhibit C hereto, as amended, amended and restated, restated, modified, supplemented, or otherwise in effect from time to time.

“Mass Lease Amending Agreement “C”” means the mass lease amending agreement “C” dated the date hereof between Cadillac Fairview, in its own capacity and in its capacity as authorized agent of certain Affiliates of the Lender and authorized agent of co-owners of the property, where applicable, as landlords, and the Borrower, as tenant, with respect to the CF Leases set out in Part IV of Exhibit C hereto, as amended, amended and restated, restated, modified, supplemented, or otherwise in effect from time to time.

“Master Agreement” has the meaning set forth in the definition of “Swap Contract.”

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect upon, the results of operations, business, properties, or financial condition of the Loan Parties taken as a whole; (b) a material impairment of the ability of the Loan Parties, taken as a whole, to perform their obligations under the Loan Documents or the Lease Documents; or (c) a material impairment of the rights and remedies of the Lender under the Loan Documents or the Lease Documents, or a material adverse effect upon the legality, validity, binding effect or enforceability against the Loan Parties of the Loan Documents or the Lease Documents.

“Material Contract” means, with respect to any Person, each contract to which such Person is a party which, if (a) breached or contravened by any Loan Party or (b) terminated, in each case could reasonably be expected to have a Material Adverse Effect.

“Material Debt Documents” means (a) the ABL Credit Agreement, (b) the Pathlight Term Loan Credit Agreement to the extent the Pathlight Term Loan Credit Agreement has not been “Paid in Full” (as defined therein) and (c) any other debt instrument or agreement governing Material Indebtedness from time to time.

“Material Indebtedness” means (a) Indebtedness under the ABL Credit Agreement, (b) Indebtedness under the Pathlight Term Loan Credit Agreement, and (c) all other Indebtedness (other than the Obligations) of the Loan Parties in an aggregate principal amount exceeding \$75,000,000. For purposes of determining the amount of Material Indebtedness at any time, (i) the amount of the obligations in respect of any Swap Contract at such time shall be calculated at the Swap Termination Value thereof, (ii) undrawn committed or available amounts shall be included, and (iii) all amounts owing to all creditors under any combined or syndicated credit arrangement shall be included. For clarity, all Permitted Senior Secured Debt shall at all times constitute Material Indebtedness at any time while the Permitted Senior Secured Debt is in effect.

“Maturity Date” means the earlier to occur of (a) December 31, 2026 and (b) the date that is ninety-one (91) days after the Term Loan Maturity Date, provided that such date shall be no earlier than the third (3rd) anniversary of the Effective Date.

“Maximum Rate” has the meaning provided therefor in Section 9.09.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“**Multiemployer Plan**” means a Plan of the type described in and subject to Section 4001(a)(3) of ERISA, to which HBC US or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

“**NPL**” means the National Priorities List under CERCLA.

“**Obligations**” means (a) all advances to, and debts (including principal, interest, fees, and reasonable costs and expenses), liabilities, obligations, covenants, indemnities, and duties of, any Loan Party arising under any Loan Document with respect to the Loan (including payments in respect of reimbursement of disbursements and interest thereon), whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest, fees, reasonable costs and expenses and indemnities that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, (b) without duplication of the amounts provided for in clause (a), (i) the obligations under the Facility Guarantee executed by the Canadian Loan Parties, and (ii) the obligations under the Facility Guarantee executed by the U.S. Loan Parties.

“**OFAC**” has the meaning set forth in the definition of “Embargoed Person”.

“**Opco Implementation Agreement**” means the Opco Implementation Agreement entered into by Signa Holding GmbH and its Subsidiaries that are party thereto and Hudson’s Bay Company (as predecessor of the Borrower) and its Subsidiaries that are party thereto.

“**Opco SPA**” means the sale and purchase agreement dated 8/9/10 June 2019 (as amended and / or amended and restated from time to time) between, among others, Signa Holding and certain of its Affiliates as purchaser (collectively the “**Opco Purchasers**”), and Hudson’s Bay Company (as predecessor of the Borrower) and certain of its Affiliates as sellers (collectively the “**Opco Sellers**”) pursuant to which the Opco Sellers sold their respective shareholding in the Signa Opco Joint Venture and certain receivables that Hudson’s Bay Company (as predecessor of the Borrower) and HBC Europe Holdco LLC and their Affiliates had against the Signa Opco Joint Venture existing on or prior to the Opco Closing Date (as defined in the Opco SPA) to the Opco Purchasers.

“**Organization Documents**” means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity, and (d) in each case, all shareholder or other equity holder agreements, voting trusts and similar arrangements to which such Person is a party or which is applicable to its Equity Interests and all other arrangements relating to the Control or management of such Person.

“**Other Connection Taxes**” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any

other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

“Parent” means HBC L.P., an exempted limited partnership formed and existing under the laws of Bermuda.

“Pathlight Intercreditor Agreement” means the Intercreditor Agreement, dated as of November 25, 2020 between the ABL Agent, Pathlight Term Agent and the Loan Parties and each additional party thereto from time to time (as acknowledged by the Consent and Acknowledgement to Intercreditor Agreement, dated as of November 25, 2020, between the ABL Agent, Pathlight Term Agent and the Loan Parties and each additional party thereto from time to time), as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof and any replacement intercreditor agreement entered into in connection with any replacement of the Pathlight Term Loan Credit Agreement approved by the ABL Agent.

“Pathlight Mortgaged Loan Party” means a Mortgaged Loan Party under the Pathlight Term Loan Credit Agreement so long as the Pathlight Term Loan Credit Agreement has not been “Paid in Full” (as defined in the Pathlight Term Loan Credit Agreement on the Effective Date).

“Pathlight Term Agent” means Pathlight Capital LP, in its capacity as administrative agent and collateral agent under the Pathlight Term Loan Credit Agreement.

“Pathlight Term Loan Credit Agreement” means a term loan credit agreement dated as of November 25, 2020, among, *inter alios*, the Borrower, HBC US, the guarantors party thereto, Pathlight Term Agent and the lenders party thereto from time to time, as amended, amended and restated, supplemented, or otherwise modified from time to time in accordance with this Agreement.

“Payment Conditions” means, at the time of determination with respect to any specified transaction or payment, that (a) no Default or Event of Default, or Default or Event of Default (as therein defined) under the ABL Credit Agreement or, so long as the Pathlight Term Loan Credit Agreement is not “Paid in Full” (as defined in the Pathlight Term Loan Credit Agreement on the Effective Date), the Pathlight Term Loan Credit Agreement, then exists or would arise as a result of entering into such transaction or the making of such payment, and (b) after giving effect to such transaction or payment, (i) the Pro Forma Availability Condition has been satisfied and (ii) the Consolidated Fixed Charge Coverage Ratio, as calculated on a pro-forma basis for the four Fiscal Quarters preceding such transaction or payment for which financial statements have been, or were required to be, delivered to the Lender, is equal to or greater than 1.00:1.00; provided that the provisions of this clause (b)(ii) shall not be applicable if, after giving effect to such transaction or payment, Pro Forma Excess Availability is, and is projected to be, greater than twenty percent (20%) of the Revolving Loan Cap (calculated without giving effect to the FILO Term Loan Push Down Reserve or the Term Loan Reserve, in each case, if applicable). Prior to undertaking any transaction or payment which is subject to the Payment Conditions, the Borrower shall deliver to the Lender evidence of satisfaction of the conditions contained in clause (b) above on a basis (including, without limitation, giving due consideration to results for prior periods) reasonably satisfactory to the Lender.

“Payment in Full” or **“Paid in Full”** means (x) the repayment in Dollars in full in cash or immediately available funds of all of the Obligations, other than unasserted contingent indemnification Obligations, and (y) the termination of the Loan Documents (other than terms thereof which expressly survive termination).

“PBGC” means the Pension Benefit Guaranty Corporation.

“PCAOB” means the Public Company Accounting Oversight Board.

“PCTFA” means the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada).

“Pension Act” means the Pension Protection Act of 2006.

“Pension Funding Rules” means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

“Pension Plan” means a Plan (other than a Multiemployer Plan) that is maintained or is contributed to by HBC US and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

“Pension Plan Unfunded Liability” shall mean an unfunded liability in respect of any Canadian Pension Plan, including a going concern unfunded liability, a solvency deficiency or wind-up deficiency, in each case, as reported in the most recent valuation delivered in respect of such Canadian Pension Plan.

“Permitted Acquisition” means an Acquisition in which all of the following conditions are satisfied:

(a) Such Acquisition shall have been approved by the Board of Directors of the Person (or similar governing body if such Person is not a corporation) which is the subject of such Acquisition and such Person shall not have announced that it will oppose such Acquisition or shall not have commenced any action which alleges that such Acquisition shall violate applicable Laws;

(b) Within ten (10) days after the Acquisition shall have been publicly announced, the Borrower shall have furnished the Lender with a current draft of the Acquisition documents (and final copies thereof as and when executed) and financial statements of the Person which is the subject of such Acquisition (but only to the extent received by the Borrower from such Person or are publicly available);

(c) After giving effect to the Acquisition, if the Acquisition is an Acquisition of Equity Interests, a Loan Party shall acquire and own, directly or indirectly, a majority of the Equity Interests in the Person being acquired and shall Control a majority of any voting interests or shall otherwise Control the governance of the Person being acquired;

(d) Any assets acquired shall be utilized in, and if the Acquisition involves a merger, consolidation or acquisition of Equity Interests, the Person which is the subject of such Acquisition

shall be engaged in, a business otherwise permitted to be engaged in by the Borrower under this Agreement;

(e) If the Person which is the subject of such Acquisition will be maintained as a Restricted Subsidiary of a Loan Party, or if the assets acquired in an Acquisition will be transferred to a Restricted Subsidiary which is not then a Loan Party, such Restricted Subsidiary (other than an Excluded Subsidiary) shall have been joined as a Loan Party hereunder within the time required under Section 6.11 hereof;

(f) The Payment Conditions shall have been satisfied;

(g) Prior to the consummation of such Acquisition, a Responsible Officer of the Borrower shall provide a certificate, in form and substance reasonably satisfactory to the Lender, affirming compliance with each of the items set forth in clauses (a) through (d) and (f) hereof; and

(h) If such Acquisition is by a Canadian Loan Party, the Acquisition Consideration is less than \$15,000,000 (unless otherwise approved by the Lender, such approval not to be unreasonably withheld), and the seller thereunder is not an Affiliate of the Parent.

“Permitted Disposition” means any of the following:

(a) Dispositions of Inventory in the ordinary course of business;

(b) as long as no Default or Event of Default then exists or would arise therefrom, bulk sales or other Dispositions of the Inventory of a Loan Party not in the ordinary course of business at arm’s length in connection with Permitted Store Closings;

(c) non-exclusive licenses of Intellectual Property of a Loan Party or any of its Subsidiaries in the ordinary course of business;

(d) licenses for the conduct of licensed departments within the Loan Parties’ Stores in the ordinary course of business;

(e) Dispositions of Equipment and other property in the ordinary course of business that is worn, damaged, obsolete or, in the judgment of a Loan Party, no longer useful or necessary in its business or that of any Subsidiary;

(f) sales, transfers and other Dispositions among the Loan Parties or among the Pathlight Mortgaged Loan Parties or by any Subsidiary which is not a Loan Party to a Loan Party;

(g) sales, transfers and other Dispositions by any Subsidiary which is not a Loan Party to any other Subsidiary that is not a Loan Party;

(h) as long as no Default or Event of Default then exists or would arise therefrom, any Dispositions of Real Estate (including RE Sale-Leaseback transactions) and the assignment, surrender, transfer or other Disposition of leases constituting Real Estate;

(i) Dispositions listed on Schedule 7.05;

(j) Dispositions of defaulted receivables in the ordinary course of business for collection;

(k) unwinding of any Swap Contract;

(l) Dispositions of Equity Interests of a Real Estate Subsidiary or Real Estate Venture;

(m) the sale of the Equity Interests of an Unrestricted Subsidiary;

(n) Dispositions of property by any Loan Party (other than a Canadian Loan Party) to Immaterial Subsidiaries, which when combined with Investments made pursuant to clause (s) of the definition of Permitted Investments in, and Indebtedness pursuant to clause (m) of the definition of Permitted Indebtedness to, such Immaterial Subsidiaries, shall not exceed \$50,000,000 in the aggregate amount at any time outstanding;

(o) other Dispositions by the Parent or any Restricted Subsidiary to any Person other than an Affiliate of assets not constituting Collateral (other than FILO Collateral unless the FILO Term Loan is outstanding), or, if the FILO Term Loan is outstanding, FILO Collateral, provided that (i) at the time of such Disposition, no Default or Event of Default shall exist or would result from such Disposition, (ii) the aggregate book value of all property disposed of in reliance on this clause (n) in any Fiscal Year shall not exceed an amount equal to ten percent (10%) of the aggregate book value of the assets of the Parent and its Restricted Subsidiaries on the last day of the immediately preceding Fiscal Year, (iii) with respect to any Disposition or series of related Dispositions pursuant to this clause (n) for aggregate consideration in excess of \$20,000,000, the Parent or any of its Restricted Subsidiaries shall receive consideration of at least 75% cash or cash equivalents; provided, however, that for the purposes of this clause (iii), each of the following shall be deemed to be cash: (A) any liabilities (as shown on the Parent's most recent consolidated balance sheet provided hereunder or in the footnotes thereto) of the Parent or such Restricted Subsidiary, other than liabilities that are by their terms subordinated to the payment in cash of the Obligations, that are assumed by the transferee with respect to the applicable Disposition and for which the Parent and all of its Subsidiaries shall have been validly released by all applicable creditors in writing, (B) any securities received by the Parent or the applicable Restricted Subsidiary from such transferee that are converted by the Parent or such Restricted Subsidiary into cash or cash equivalents (to the extent of the cash or cash equivalents received) within 180 days following the closing of the applicable Disposition, and (C) aggregate non-cash consideration received by the Parent or the applicable Restricted Subsidiary having an aggregate fair market value (determined as of the closing of the applicable Disposition for which such non-cash consideration is received) not to exceed \$40,000,000 at any time (net of any cash and cash equivalents received upon conversion of non-cash consideration converted into cash and cash equivalents), (iv) such Disposition shall be for at least the fair market value (as determined by the Parent or the applicable Restricted Subsidiary in good faith) of the assets or property subject to such Disposition, and (v) if such Disposition includes a sale, issuance or other disposition of Equity Interests of a Restricted Subsidiary, then so long as after giving pro forma effect to any such any sale, issuance or other disposition, no Overadvance (as defined in the ABL Credit Agreement) would exist or would result therefrom;

(p) [reserved];

(q) [reserved];

(r) Dispositions contemplated by the Saks.com Transactions (as defined in the ABL Credit Agreement as in effect on the Effective Date);

(s) Dispositions contemplated by the Off Fifth.com Transactions (as defined in the ABL Credit Agreement as in effect on the Effective Date); and

(t) the HBC Netherlands Liquidation.

“Permitted Encumbrances” means:

(a) Liens imposed by law for Taxes that are not yet due or are being contested in compliance with Section 6.04;

(b) (i) Carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by applicable Laws, arising in the ordinary course of business and securing obligations that are not overdue by more than thirty (30) days or are being contested in compliance with Section 6.04, and (ii) inchoate and unperfected workers’, mechanics’, construction or similar Liens arising in the ordinary course of business attaching only to Equipment, fixtures and/or Real Estate interests or, if perfected, such Liens are being contested in good faith by appropriate proceedings diligently contested; provided, that adequate reserves with respect thereto are being maintained in accordance with GAAP or IFRS, as applicable, and such Liens could not reasonably be expected to have a Material Adverse Effect;

(c) Pledges and deposits made in the ordinary course of business in compliance with workers’ compensation, unemployment insurance and other social security laws or regulations, other than any Lien imposed by ERISA or by applicable Laws relating to Canadian Pension Plans;

(d) Pledges and deposits to secure the performance of bids, tenders, trade contracts and leases and subleases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(e) Liens in respect of judgments that would not constitute an Event of Default hereunder or securing appeal or other surety bonds related to such judgment;

(f) Easements, reciprocal easements agreements, construction operating reciprocal easement agreements, covenants, conditions, restrictions, building code laws, zoning restrictions, rights-of-way and similar encumbrances or other defects or irregularities in or reservations from title on real property arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the properties of the Loan Parties taken as a whole as of the date hereof or materially interfere with the ordinary conduct of business of a Loan Party on the property subject thereto taken as a whole as such business is conducted on the date hereof and such other minor title defects or survey matters that are disclosed by surveys or title reports that, in each case, do not materially interfere with the current use of the real property on the property subject thereto taken as a whole;

(g) Liens existing on the Effective Date listed on Schedule 7.01 and Liens to secure any Permitted Refinancings of the Indebtedness with respect thereto;

(h) Liens on fixed or capital assets (including software) or on Real Estate of any Loan Party which secure Indebtedness permitted under clause (c) of the definition of Permitted Indebtedness so long as (i) such Liens and the Indebtedness secured thereby are incurred prior to or within 270 days after such acquisition, construction, installation, repair, lease or improvement, (ii) the Indebtedness secured thereby does not exceed the cost of the property being acquired on the date of acquisition, plus any installation and construction costs, if any, that are capitalized, and (iii) such Liens shall attach only to the assets or Real Estate acquired or improved and the proceeds thereof or refinanced with such Indebtedness and shall not extend to any other property or assets of the Loan Parties;

(i) Liens in favour of the ABL Agent granted pursuant to any of the Loan Documents (as defined in the ABL Credit Agreement);

(j) (i) Landlords' and lessors' statutory Liens in respect of rent not in default (after the expiration of all grace or cure periods with respect thereto and excluding any such defaults which are being contested in good faith by the Loan Parties), and (ii) Liens of landlords on fixtures, Equipment and personal property located on premises leased by any Loan Party or any Subsidiary in the ordinary course of business;

(k) Possessory Liens in favour of brokers and dealers arising in connection with the acquisition or disposition of Investments owned as of the Effective Date and other Permitted Investments, provided that such liens (a) attach only to such Investments and (b) secure only obligations incurred in the ordinary course and arising in connection with the acquisition or disposition of such Investments and not any obligation in connection with margin financing;

(l) Liens (i) arising solely by virtue of any statutory or common law provisions relating to banker's Liens, (ii) in favour of securities intermediaries, rights of setoff or similar rights and remedies as to deposit accounts or securities accounts or other funds maintained with depository institutions or securities intermediaries and (iii) in favour of a banking institution arising as a matter of applicable Laws encumbering deposits, securities and movables, and which are within the general parameters customary in the banking industry;

(m) Liens arising from precautionary UCC, RDPRM and PPSA filings regarding "true" operating leases or operating leases with a term of more than one (1) year;

(n) voluntary Liens on property (other than property of the type included in the Revolving Borrowing Base, and, if the FILO Term Loan is outstanding, the Combined Borrowing Base (as defined in the ABL Credit Agreement in effect as of the Effective Date) in existence at the time such property is acquired pursuant to a Permitted Acquisition or on such property of a Subsidiary of a Loan Party in existence at the time such Subsidiary is acquired pursuant to a Permitted Acquisition; provided, that such Liens are not incurred in connection with or in anticipation of such Permitted Acquisition and do not attach to any other assets of any Loan Party or any Subsidiary;

(o) (i) Liens to secure Permitted Senior Secured Debt (other than the Pathlight Term Loan Credit Agreement) as described in the definition thereof, and (ii) Liens to secure Indebtedness under the Pathlight Term Loan Credit Agreement, so long as such Liens are subject to the Pathlight Intercreditor Agreement;

(p) Liens in favour of customs and revenues authorities imposed by applicable Laws arising in the ordinary course of business in connection with the importation of goods and securing obligations (i) that are not overdue by more than thirty (30) days, or (ii)(A) that are being contested in good faith by appropriate proceedings, (B) the applicable Loan Party or Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP or IFRS, as applicable, and (C) such contest effectively suspends collection of the contested obligation and enforcement of any Lien securing such obligation;

(q) Liens arising under or in connection with Consignment Arrangements and limited to the inventory subject to such Consignment Arrangements and proceeds thereof;

(r) Inchoate or statutory Liens that are related to obligations not due or delinquent;

(s) deposits of cash or the issuance of a letter of credit made to secure a liability to insurance carriers under insurance or self-insurance arrangements;

(t) Liens on cash securing or supporting bank Indebtedness guarantees permitted by clause (p) of the definition of Permitted Indebtedness;

(u) Liens securing Indebtedness permitted under clause (r) of the definition of Permitted Indebtedness up to an amount not to exceed \$40,000,000 in the aggregate;

(v) [reserved];

(w) leases and subleases granted to others in the ordinary course of business which do not (i) interfere in any material respect with the business of a Loan Party or (ii) secure any Indebtedness;

(x) [reserved]; and

(y) additional Liens (other than any Lien imposed by ERISA, applicable Laws relating to Canadian Pension Plans or any Lien on the Collateral) so long as the aggregate principal amount of the obligations secured by such Liens does not exceed \$100,000,000 at any time outstanding.

“Permitted Holders” means (a) any or all of the Persons described on Schedule 1.06, (b) the respective Affiliates of the Persons described in clause (a)(other than, in each case, the Parent and its Subsidiaries or any portfolio company) and (c) any group members of a group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the *Exchange Act* as in effect on the date hereof) of which the Persons described in clauses (a) and (b) are members; provided that the Persons described in clauses (a) and (b) beneficially own a majority of the Equity Interests beneficially owned by such group.

“Permitted Indebtedness” means each of the following:

(a) Indebtedness outstanding on the Effective Date listed on Schedule 7.03 and any Permitted Refinancing thereof;

(b) Indebtedness of any Loan Party to any other Loan Party;

(c) Purchase money Indebtedness of any Loan Party to finance the construction, installation or acquisition of any personal property consisting solely of fixed or capital assets,

(including software) and Capital Lease Obligations relating to such personal property, and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the construction, installation or acquisition thereof, and Permitted Refinancings thereof;

(d) Indebtedness incurred for the construction, installation, acquisition or improvement of, or to finance or to refinance, any Real Estate owned by any Loan Party (including therein any Indebtedness incurred in connection with RE Sale-Leaseback transactions permitted hereunder and any Synthetic Lease Obligations);

(e) Contingent liabilities under surety bonds or similar instruments incurred in the ordinary course of business;

(f) obligations (contingent or otherwise) of any Loan Party or any Restricted Subsidiary thereof existing or arising under any Swap Contract, provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or foreign exchange rates, liabilities, commitments, investments, assets or property held or reasonably anticipated by such Person, and not for purposes of speculation or taking a “market view” and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

(g) Indebtedness with respect to the deferred purchase price for any Permitted Acquisition, provided that such Indebtedness does not require the payment in cash of principal (other than in respect of working capital adjustments) prior to the Maturity Date, has a final maturity which extends beyond the Maturity Date, and is subordinated to the Obligations on terms reasonably acceptable to the Lender;

(h) Indebtedness of any Person that becomes a Subsidiary of the Parent in a Permitted Acquisition, which Indebtedness is existing at the time such Person becomes a Restricted Subsidiary of the Parent (other than Indebtedness incurred solely in contemplation of such Person’s becoming a Restricted Subsidiary of the Parent); provided that, after giving pro forma effect to such Permitted Acquisition and the assumption of such Indebtedness, the aggregate amount of such Indebtedness does not exceed \$100,000,000 at any time outstanding;

(i) the Obligations;

(j) Indebtedness under the ABL Credit Agreement;

(k) Permitted Senior Secured Debt;

(l) Indebtedness under the Pathlight Term Loan Credit Agreement, provided that the aggregate principal amount of such Indebtedness collectively with the aggregate principal amount of Indebtedness under Permitted Senior Secured Debt, does not exceed \$650,000,000 at any time outstanding;

(m) Indebtedness consisting of intercompany loans and advances made by any Loan Party (other than a Canadian Loan Party) to Immaterial Subsidiaries, which when combined with Investments made pursuant to clause (s) of the definition of Permitted Investments in, and dispositions of assets pursuant to clause (n) of the definition of Permitted Dispositions to, such

Immaterial Subsidiaries, shall not exceed \$50,000,000 in the aggregate amount at any time outstanding;

(n) Indebtedness consisting of (i) the financing of insurance premiums, or (ii) take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business;

(o) Subordinated Indebtedness;

(p) obligations in respect of performance, bid, appeal and surety bonds and performance and completion guarantees and similar obligations provided by a Loan Party or any of its Restricted Subsidiaries, or bank guarantees or similar investments related thereto, in each case in the ordinary course of business or consistent with past practice;

(q) Indebtedness of a Loan Party in favour of employees of a Loan Party on an arm's length basis in the ordinary course of business and consistent with past practice in connection with amounts due from such Loan Party representing deferred cash compensation or similar arrangements, up to a maximum of \$15,000,000 for all such transactions in the aggregate;

(r) Indebtedness created under long-term vendor financing arrangements for the purpose of purchasing inventory;

(s) (x) other unsecured Indebtedness of any Loan Party or any Restricted Subsidiary to any Person other than an Affiliate; provided that (i) no Event of Default shall exist immediately before or immediately after giving effect thereto on a pro forma basis, (ii) the final maturity date of any such Indebtedness shall be no earlier than ninety-one (91) days following the Maturity Date and (iii) the terms of such Indebtedness shall not provide for any scheduled repayment, mandatory redemption, sinking fund obligations or other payment (other than periodic interest payments) prior to the date that is 91 days following the Maturity Date, other than customary offers to purchase upon a change of control, asset sale or casualty or condemnation event and customary acceleration rights upon an event of default; and (y) any Permitted Refinancing thereof;

(t) obligations under any agreement governing the provision of treasury or cash management services, including deposit accounts, overnight draft, credit cards, debit cards, p-cards (including purchasing cards and commercial cards), funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, cash pooling arrangements within the country of the Borrower, intra-day credit limits, lockbox, account reconciliation and reporting and trade finance services and other cash management services;

(u) Indebtedness incurred under leases of real property in respect of tenant improvements;

(v) Indebtedness incurred by a Loan Party or any of its Restricted Subsidiaries in a Permitted Acquisition, any other Investment expressly permitted hereunder or any Disposition, in each case, constituting indemnification obligations or obligations in respect of purchase price (including earn outs) or other similar adjustments;

(w) Indebtedness incurred by a Loan Party or any of its Restricted Subsidiaries in respect of letters of credit, bank guarantees, bankers' acceptances or similar instruments issued or created in the ordinary course of business, in respect of workers' compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance

or other Indebtedness with respect to reimbursement-type obligations regarding workers compensation claims; provided that any reimbursement obligations in respect thereof are reimbursed within 30 days following the incurrence thereof; and

(x) [reserved];

(y) Guarantees by any Loan Party of Indebtedness of any other Loan Party (other than Indebtedness owing to an Affiliate) permitted hereunder;

(z) Guarantees by any Loan Party of Indebtedness of any of the Restricted Subsidiaries that are not Loan Parties to the extent that the Investment corresponding thereto constitutes a Permitted Investment (other than pursuant to clause (j) thereof);

(aa) Guarantees of any Loan Party in respect of any financing by a Real Estate Subsidiary in respect of customary “bad boy” obligations and similar recourse provisions which Guarantees, in the good faith judgment of the Parent and such Loan Party, are not reasonably expected to result in the lenders under such financing actually having recourse to the Parent or any Loan Party with respect to the monetary obligations owing under such financing incurred by such Real Estate Subsidiary;

(bb) Indebtedness consisting of Specified Debt;

(cc) unsecured Indebtedness of the Borrower consisting of the Simon JVCo Lease Guaranties;

(dd) Indebtedness incurred by any Loan Party or any Subsidiary in respect of letters of credit, bank guarantees, bankers’ acceptances, or similar instruments issued or created in the ordinary course of business in an aggregate principal amount not to exceed \$75,000,000 at any time outstanding;

(ee) Indebtedness (other than Indebtedness owing by a Loan Party to an Affiliate) not otherwise specifically described herein in an aggregate principal amount not to exceed \$150,000,000 at any time outstanding;

(ff) Guarantees of rent payments by the Borrower or any Restricted Subsidiary in respect of HBC Netherlands B.V., as contemplated by clause 10 of the Opco Implementation Agreement, as amended, restated, modified, supplemented or refinanced from time to time including as modified by the Signa Disposition Transaction and the HBC Netherlands Transaction, the whole in a manner that does not increase the Borrower’s or such Restricted Subsidiary’s monetary obligations thereunder in the aggregate; and

(gg) the Lord & Taylor Remaining Obligations.

“Permitted Investments” means each of the following:

(a) readily marketable obligations issued or directly and fully guaranteed or insured by the United States of America or any agency or instrumentality thereof having maturities of not more than 360 days from the date of acquisition thereof; provided that the full faith and credit of the United States of America is pledged in support thereof;

(b) commercial paper issued by any Person organized under the laws of any state of the United States of America, and rated at least “Prime-1” (or the then equivalent grade) by Moody’s or at least “A-1” (or the then equivalent grade) by S&P, in each case with maturities of not more than 360 days from the date of acquisition thereof;

(c) time deposits with, or insured certificates of deposit or bankers’ acceptances of, any commercial bank that (i) (A) is a Lender or (B) is organized under the laws of the United States of America, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States of America, any state thereof or the District of Columbia and is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (b) of this definition and (iii) has combined capital and surplus of at least \$300,000,000, in each case with maturities of not more than 360 days from the date of acquisition thereof;

(d) Foreign Cash Equivalents;

(e) Fully collateralized repurchase agreements with a term of not more than thirty (30) days for securities described in clause (a) above (without regard to the limitation on maturity contained in such clause) and entered into with a financial institution satisfying the criteria described in clause (c) above or with any primary dealer and having a market value at the time that such repurchase agreement is entered into of not less than 100% of the repurchase obligation of such counterparty entity with whom such repurchase agreement has been entered into;

(f) Investments, classified in accordance with GAAP or IFRS, as applicable, as current assets of the Loan Parties, in any money market fund, mutual fund, or other investment companies that are registered under the Investment Company Act of 1940, as amended, which are administered by financial institutions that have the highest rating obtainable from either Moody’s or S&P, and which invest solely in one or more of the types of securities described in clauses (a) through (c) and (e) above;

(g) Investments existing on the Effective Date or committed to be made pursuant to an agreement existing on the Effective Date in each case set forth on Schedule 7.02 and any modification, renewal or extension thereof, but not any increase in the amount thereof except by the terms of such Investment as of the Effective Date;

(h) (i) Investments by any Loan Party and its Subsidiaries in their respective Subsidiaries outstanding on the Effective Date, (ii) additional Investments by the Loan Parties in other Loan Parties or Pathlight Mortgaged Loan Parties, (iii) additional Investments by Subsidiaries of the Loan Parties that are not Loan Parties in other Subsidiaries that are not Loan Parties, and (iv) so long as no Default or Event of Default has occurred and is continuing or would result from such Investment, additional Investments by the Loan Parties in Subsidiaries that are not Loan Parties in an aggregate amount invested after the Effective Date not to exceed \$125,000,000 and additional amounts in excess thereof if the Payment Conditions are satisfied at the time of such Investment;

(i) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(j) Guarantees constituting Permitted Indebtedness (other than pursuant to clause (z) thereof);

(k) so long as no Default or Event of Default has occurred and is continuing or would result from such Investment, Investments by any Loan Party in Swap Contracts permitted hereunder;

(l) Investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business;

(m) (i) to the extent not prohibited by applicable Laws, advances to officers, directors and employees of the Parent and its Restricted Subsidiaries in the ordinary course of business in accordance with past practice in an aggregate amount not to exceed \$5,000,000 in the aggregate at any time outstanding, for travel, entertainment, relocation and analogous ordinary business purposes, and (ii) loans and advances to officers, directors and employees of the Parent or any of its Restricted Subsidiaries to finance (x) the usual and customary purchase of Equity Interests of the Parent or any of its Restricted Subsidiaries or (y) payment of taxes associated with such purchase of Equity Interests not to exceed \$10,000,000 in the aggregate;

(n) Investments constituting Permitted Acquisitions and Investments made by a Person that becomes a Restricted Subsidiary after the Effective Date, provided that such Investment exists at the time such Person became a Restricted Subsidiary and was not made in contemplation of such Person becoming a Restricted Subsidiary;

(o) Investments to the extent that payment for such Investments is made solely with the Equity Interests (other than Disqualified Stock) of the Parent;

(p) Investments in a Real Estate Subsidiary or Real Estate Venture consisting of contributions or other transfers of Real Estate owned or leased by the Parent and its Subsidiaries or resulting from any Disposition of the Equity Interests of a Real Estate Subsidiary or Real Estate Venture permitted hereunder or owned or leased by a Restricted Subsidiary which Restricted Subsidiary is acquired in a Permitted Acquisition;

(q) [reserved];

(r) each of Parent's Subsidiaries that operates as an insurance company may hold Investments consisting of securities accounts that are required to be maintained by it pursuant to applicable Laws for the purpose of satisfying specified capital requirements thereunder;

(s) subject to Section 7.17 hereof, so long as no Default or Event of Default exists or would arise therefrom, the Loan Parties (other than Canadian Loan Parties) may make other Investments in Immaterial Subsidiaries, which when combined with intercompany loans pursuant to clause (m) of the definition of Permitted Indebtedness and dispositions of assets to such Immaterial Subsidiaries pursuant to clause (n) of the definition of Permitted Dispositions, do not exceed the aggregate amount of \$35,000,000 (determined at the time of such Investment);

(t) subject to Section 7.17 hereof, Immaterial Subsidiaries may make or hold other Investments in an aggregate amount not to exceed \$50,000,000 (determined at the time of such investment);

(u) so long as no Default or Event of Default exists or would arise therefrom, Investments using proceeds consisting of distributions and dividends received by the Parent or any of its Restricted Subsidiaries from Simon JVCo (including, for purposes hereof, amounts receivable by the Parent or any of its Restricted Subsidiaries therefrom and which, rather than directly receiving such amounts, the Parent or its Restricted Subsidiary direct Simon JVCo or RioCan JVCo to make the payment to another Person as an Investment in such Person), provided that, pending the making of any such investment, such proceeds shall be deposited in a segregated deposit account;

(v) other Investments not otherwise specifically described herein and not exceeding \$50,000,000 in the aggregate at any time outstanding;

(w) Investments of the Parent or any Restricted Subsidiary (it being understood that any Investment by the Parent or any other Loan Party made through one or more Restricted Subsidiaries shall, for purposes of this clause (x), constitute a single Investment) in the Signa Joint Ventures made in connection with the Signa Joint Venture Transactions or in HBC Netherlands, as contemplated by the applicable Implementation Agreement, the Signa Disposition Agreement and the HBC Netherlands SPA;

(x) to the extent constituting Investments, loans contemplated by Section 7.06(g), which loans may be made directly from any Loan Party to its direct or indirect shareholders subject to the limitations contained therein;

(y) the Lord & Taylor Remaining Obligations and the Investment by the Parent, directly or indirectly, in Lord & Taylor LLC and LT Card Company LLC following the Lord & Taylor Sale as contemplated by the Lord & Taylor Sale;

(z) other Investments (not made by a Canadian Loan Party) not otherwise specifically described herein as long as the Payment Conditions are satisfied at the time of such Investment;

(aa) Investments contemplated by the Saks.com Transactions (as defined in the ABL Credit Agreement as in effect on the Effective Date); and

(bb) Investments contemplated by the Off Fifth.com Transactions (as defined in the ABL Credit Agreement as in effect on the Effective Date).

“Permitted Refinancing” means, with respect to any Person, any modification, refinancing, refunding, renewal or extension of any Indebtedness of such Person (without duplication of any replacement or refinancing permitted in the definition of “Permitted Senior Secured Debt”); provided that (i) the principal amount (or accreted value, if applicable) thereof does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness so modified, refinanced, refunded, renewed or extended except by an amount equal to any unpaid accrued interest, premium or other reasonable amount paid, mortgage recording taxes, title insurance premiums and fees and expenses reasonably incurred, in connection with such modification, refinancing, refunding, renewal or extension; (ii) except in the case of Indebtedness permitted by clause (c) of Permitted Indebtedness, such modification, refinancing, refunding, renewal or extension has a final maturity date equal to or later than the final maturity date of, and has a weighted average life to maturity equal to or longer than the weighted average life to maturity of, the Indebtedness being modified, refinanced, refunded, renewed or extended; (iii) if the Indebtedness being modified, refinanced, refunded, renewed or extended is subordinated in right of payment to the Obligations, such modification, refinancing, refunding, renewal or extension is subordinated in right of payment to the

Obligations on terms at least as favourable, taken as a whole, to the Lender as those contained in the documentation governing the Indebtedness being modified, refinanced, refunded, renewed or extended; (iv) at the time thereof, no Default or Event of Default shall have occurred and be continuing; (v) if such Indebtedness being modified, refinanced, refunded, renewed or extended is secured, except in the case of Indebtedness permitted by clause (c) of Permitted Indebtedness, the terms and conditions relating to collateral of any such modified, refinanced, refunded, renewed or extended Indebtedness, taken as a whole, are not materially less favourable to the Loan Parties or the Lender than the terms and conditions with respect to the collateral for the Indebtedness being modified, refinanced, refunded, renewed or extended, taken as a whole and the Liens on any Collateral securing any such modified, refinanced, refunded, renewed or extended Indebtedness shall have the same (or lesser) priority as the Indebtedness being modified, refinanced, refunded, renewed or extended; (vi) the terms and conditions (excluding any pricing, fees, rate floors, discounts, premiums and optional prepayment or redemption terms) of any such modified, refinanced, refunded, renewed or extended Indebtedness, taken as a whole, shall not be materially less favourable to the Loan Parties than the Indebtedness being modified, refinanced, refunded, renewed or extended, except for covenants or other provisions applicable only to periods after the Maturity Date and (vii) such modification, refinancing, refunding, renewal or extension is incurred by the Person who is the obligor on the Indebtedness being modified, refinanced, refunded, renewed or extended and one or more Loan Parties (to the extent that the obligations of such Loan Party would otherwise constitute Permitted Indebtedness).

“Permitted Senior Secured Debt” means Indebtedness of the Loan Parties not owing to an Affiliate in the form of term loans under credit agreements, notes issued under an indenture or Indebtedness under other similar agreements or instruments, as the same may be amended, restated, modified, supplemented, extended, renewed, refunded, replaced or refinanced from time to time in one or more agreements (in each case with the same or new lenders, holders, institutional investors or agents) including any agreements extending the maturity thereof or otherwise restructuring all or any portion of the Indebtedness thereunder or increasing the amount loaned or issued thereunder or altering the maturity thereof; provided that:

(a) no portion of the principal of such Indebtedness shall be required to be paid, whether by stated maturity, mandatory or scheduled prepayment or redemption or otherwise, prior to the date that is 90 days after the Maturity Date, other than (i) a customary excess cash flow sweep so long as the applicable excess cash flow definition and prepayment provisions in the agreements governing such Indebtedness shall be in form and substance reasonably satisfactory to the ABL Agent, (ii) customary offers to purchase upon a change of control, asset sales or casualty or condemnation events and acceleration rights after an event of default and (iii) to the extent such Indebtedness is amortizing, regularly scheduled principal payments in an amount of not exceed two percent (2%) of the total principal amount of such Indebtedness per annum;

(b) none of the obligors or guarantors with respect to such Indebtedness shall be a Person that is not a Loan Party, other than (i) any Subsidiary so long as such Subsidiary holds no assets of the type that constitutes Collateral or (ii) a Real Estate Subsidiary;

(c) such Indebtedness may be secured;

(d) the covenants, events of default, guarantees, collateral and other terms of such Indebtedness are customary for similar debt facilities in light of the prevailing market conditions (it being understood that such Indebtedness shall not include any affirmative or negative covenants that are more restrictive, than those contained in this Agreement (subject to any additional or modified covenants relating primarily to the security granted, which shall be permitted), but may

contain financial covenants approved in writing by the ABL Agent and the documentation pursuant to which such Indebtedness shall be issued, modified, refinanced, refunded, renewed or extended (including, if such Indebtedness is secured, the security documents), shall be approved by the ABL Agent;

(e) the aggregate principal amount of all such Indebtedness, collectively with Indebtedness under the Pathlight Term Loan Credit Agreement, if applicable, does not exceed \$650,000,000 at any time outstanding; and

(f) immediately before and immediately after giving effect to the incurrence of such Indebtedness, no Default or Event of Default shall have occurred and be continuing.

“Permitted Store Closings” has the meaning given to such term in the ABL Credit Agreement in effect as of the Effective Date; provided that in no case shall the closure or related Inventory dispositions of a store subject to a Specified CF Lease constitute a Permitted Store Closing.

“Person” means any natural person, corporation, limited liability company, unlimited liability company, unincorporated organization, trust, joint venture, association, company, partnership, limited partnership, Governmental Authority or other entity.

“Plan” means any employee benefit plan within the meaning of and subject to Section 3(3) of ERISA (including a Pension Plan but excluding a Multiemployer Plan), maintained for employees of HBC US or any ERISA Affiliate or any such Plan to which HBC US or any ERISA Affiliate is required to contribute on behalf of any of its employees.

“PPSA” means the *Personal Property Security Act* (Ontario) and the regulations thereunder, as from time to time in effect.

“Pro Forma Excess Availability” has the meaning given to such term in the ABL Credit Agreement as in effect on the Effective Date.

“Pro Forma Availability Condition” has the meaning given to such term in the ABL Credit Agreement as in effect on the Effective Date.

“Propco Implementation Agreement” means the Propco Implementation Agreement entered into by Signa Holding GmbH and its Subsidiaries that are party thereto and the Parent and its Subsidiaries that are party thereto, dated as of August 7/8/9/10, 2018, as amended, modified or supplemented prior to the date hereof.

“Propco SPA” means the share purchase agreement dated May 7/8, 2019, as amended June 9/10, 2019 (as amended and / or amended and restated from time to time) between, among others, Signa Holding and certain of its Affiliates as purchaser (collectively the “Propco Purchasers”), and Hudson’s Bay Company (as predecessor of the Borrower) and certain of its Affiliates as sellers (collectively the “Propco Sellers”) pursuant to which the Propco Sellers sold, *inter alia*, their respective shareholding, as applicable, in the Signa Propco Joint Ventures and certain intercompany receivables to the Propco Purchasers.

“Qualifying Judgment” has the meaning specified in Section 8.01(i).

“Quarterly Financial Statements” means, collectively, the unaudited consolidated balance sheet and related statements of operations and cash flows of the Parent and its Subsidiaries for each Fiscal Quarter

following the date of the Audited Financial Statements for the Fiscal Year ended of the Parent and its Subsidiaries ended at least forty-five (45) days before the Effective Date.

“RDPRM” means the Register of Personal and Moveable Real Rights of Quebec (Registre des Droits Personnels et Réels Mobiliers).

“RE Sale-Leaseback” means any sale of Real Estate owned by the Loan Parties to one or more Real Estate Subsidiaries and the leasing by the Loan Parties of such Real Estate from such Real Estate Subsidiaries.

“Real Estate” means all land, together with the buildings, structures, parking areas, and other improvements thereon, now or hereafter owned or leased by any Loan Party, including all easements, rights-of-way, and similar rights relating thereto and all leases, tenancies, and occupancies thereof.

“Real Estate Subsidiary” means any Subsidiary of the Parent (including each of RioCan JVCo and Simon JVCo and their respective Subsidiaries) substantially all of the assets of which (other than cash and cash equivalents) consist of rights, title and interest in and to parcels of or interests in Real Estate (or ownership of the Equity Interests of a Subsidiary owning solely such interests in Real Estate or a Subsidiary that solely owns such a Subsidiary) and that has been designated to the Lender as a “Real Estate Subsidiary” in a certificate of a Responsible Officer of the Borrower.

“Real Estate Venture” means any investment of the Parent in the equity of another Person substantially all of the assets of which Person (other than cash and cash equivalents) consist of rights, title and interest in and to parcels of or interests in Real Estate (or ownership of the Equity Interests of a Person owning solely such interests in Real Estate or a Subsidiary that solely owns such a Person) and that has been designated to the Lender as a “Real Estate Venture” in a certificate of a Responsible Officer of the Borrower.

“Real Property Lease” means any agreement no matter how styled or structured, pursuant to which a Loan Party is entitled to the use or occupancy of any real property for any period of time.

“Recipient” means the Lender or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

“Reclassification Notice” has the meaning specified in Section 6.11(c).

“Registered Public Accounting Firm” has the meaning specified by the Securities Laws and shall be independent of the Parent and its Subsidiaries as prescribed by the Securities Laws and includes an independent Canadian chartered accounting firm of national standing.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, attorneys, advisors and representatives of such Person and of such Person’s Affiliates, and **“Related Party”** means any such Person.

“Release” means any release, threatened release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of Hazardous Material in the indoor or outdoor environment, including the movement of Hazardous Material through or in the air, soil, surface water, ground water or property.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

“Responsible Officer” means the chairman of the board, chief executive officer, chief operating officer, chief accounting officer, president, chief financial officer, senior vice president-finance, treasurer or assistant treasurer, controller, secretary, general counsel or associate general counsel of a Loan Party or any of the other individuals designated in writing to the Lender by an existing Responsible Officer of a Loan Party as an authorized signatory of any certificate or other document to be delivered hereunder. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of any Person or any of its Subsidiaries, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, defeasance, acquisition, cancellation or termination of any such capital stock or other Equity Interest, or on account of any return of capital to such Person’s stockholders, partners or members (or the equivalent of any thereof), or any option, warrant or other right to acquire any such dividend or other distribution or payment. Without limiting the foregoing, **“Restricted Payments”** with respect to any Person shall also include all payments made by such Person with any proceeds of a dissolution or liquidation of such Person.

“Restricted Subsidiary” means any Subsidiary of the Parent (including any Excluded Subsidiary) which is not an Unrestricted Subsidiary.

“Revolving Borrowing Base” has the meaning given to such term in the ABL Credit Agreement as in effect on the Effective Date.

“Revolving Loan Cap” has the meaning given to such term in the ABL Credit Agreement as in effect on the Effective Date.

“Revolving Maturity Date” has the meaning specified in the ABL Credit Agreement as in effect on the Effective Date, as such date may be extended from time to time.

“Ringfencing Consequences” means that, following the occurrence of a Ringfencing Triggering Event:

(a) no Loan Party will make a payment (whether on account of principal, interest, fees or otherwise) on Indebtedness for borrowed money owing to any Affiliate that is not a Loan Party or a Pathlight Mortgaged Loan Party;

(b) no Loan Party will incur additional Indebtedness under clauses (k), (s), (bb) or (ee) of the definition of Permitted Indebtedness;

(c) no Loan Party will make an Investment in any Affiliate that is not a Loan Party or a Pathlight Mortgaged Loan Party (in each case, other than (i) an Investment pursuant to clause (o) of the definition of "Permitted Investments", (ii) Guarantees of lease obligations of a Loan Party, and (iii) Guarantees provided under clause (aa) of “Permitted Indebtedness”);

(d) no Loan Party will make any Restricted Payment other than to another Loan Party or a Pathlight Mortgaged Loan Party (other than a Restricted Payment pursuant to Section 7.06(c)); and

(e) no Loan Party will make a Disposition of assets to an Affiliate (other than to another Loan Party or a Pathlight Mortgaged Loan Party) other than sales of Inventory in the ordinary course of business in a manner consistent with past practice and in compliance with Section 7.09 and Section 7.23.

“Ringfencing Triggering Event” means the occurrence of any of the following:

(a) any payment (on account of principal, interest, fees or otherwise) by any Canadian Loan Party on Indebtedness owing by it to another Loan Party (other than another Canadian Loan Party) or a Pathlight Mortgaged Loan Party;

(b) any Investment by a Canadian Loan Party in a Loan Party (other than another Canadian Loan Party) or a Pathlight Mortgaged Loan Party;

(c) any Restricted Payment by a Canadian Loan Party to a Loan Party (other than another Canadian Loan Party) or a Pathlight Mortgaged Loan Party; and

(d) any Disposition of assets by a Canadian Loan Party to a Loan Party (other than a Canadian Loan Party) or a Pathlight Mortgaged Loan Party.

“RioCan JVCo” means RioCan-HBC Limited Partnership (f/k/a HBC JV Limited Partnership), an Ontario limited partnership.

“RP Conditions” means, at the time of determination with respect to any specified Restricted Payment, that (a) no Default or Event of Default then exists or would arise as a result of the making of such Restricted Payment, (b) after giving effect to such Restricted Payment, (i) the Pro Forma Availability Condition has been satisfied and (ii) the Consolidated Fixed Charge Coverage Ratio, as projected on a pro-forma basis for the twelve Fiscal Months preceding such Restricted Payment, is equal to or greater than 1.00:1.00; provided that the provisions of this clause (b)(ii) shall not be applicable if, after giving effect to such Restricted Payment, Pro Forma Excess Availability is, and is projected to be, greater than or equal to twenty percent (20%) of the Revolving Loan Cap (calculated without giving effect to the FILO Term Loan Push Down Reserve or the Term Loan Reserve, in each case, if applicable). Prior to making any Restricted Payment which is subject to the RP Conditions, the Loan Parties shall deliver to the Lender evidence of satisfaction of the conditions contained in clause (b) above on a basis (including, without limitation, giving due consideration to results for prior periods) reasonably satisfactory to the Lender.

“S&P” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

“Sale and Leaseback Transaction” has the meaning provided in Section 7.20.

“Sanctions” has the meaning provided in Section 5.28(b).

“Sarbanes-Oxley” means the Sarbanes-Oxley Act of 2002.

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Securities Laws” means the Securities Act of 1933, the Securities Exchange Act of 1934, Sarbanes-Oxley, and the applicable accounting and auditing principles, rules, standards and practices promulgated, approved or incorporated by the SEC or the PCAOB and all applicable securities laws in each province and territory of Canada and the respective regulations, rules regulations, blanket orders and blanket rulings under such laws together with applicable published policy statements and notices of the securities regulator of each such province and territory.

“Shareholders’ Equity” means, as of any date of determination, consolidated shareholders’ equity of the Parent and its Subsidiaries as of that date determined in accordance with GAAP or IFRS, as applicable.

“Signa Disposition Agreement” means the Opco SPA and the Propco SPA, collectively.

“Signa Disposition Transaction” means the sale and transfer of shares and certain receivables held by Hudson’s Bay Company (as predecessor of the Borrower) or any of its Affiliates in the Signa Propco Joint Ventures and the Signa Opco Joint Venture to Signa Holding or any of its Affiliates as a result of which Hudson’s Bay Company (as predecessor of the Borrower) and its Affiliates ceased to have any investment in the Signa Joint Ventures.

“Signa Holding” means Signa Holding GmbH.

“Signa Joint Ventures” means the Signa Opco Joint Venture and the Signa Propco Joint Ventures, collectively.

“Signa Joint Venture Transactions” means the Signa Opco Joint Venture Transaction and the Signa Propco Joint Venture Transaction, collectively.

“Signa Opco Joint Venture” means European Department Store Holding S.à.r.l., a limited liability company under the laws of the Grand Duchy of Luxembourg.

“Signa Opco Joint Venture Transaction” means the contribution by Hudson’s Bay Company (as predecessor of the Borrower) of the Contributed Assets (Europe) and the Equity Interests of certain Real Estate Subsidiaries to the Signa Opco Joint Venture, a joint venture with Signa Holding GmbH, with the Parent retaining, directly or indirectly, approximately 49.99% of the Equity Interests of the Signa Opco Joint Venture, and Guarantees in connection therewith as contemplated by, or necessary to effect, the Opco Implementation Agreement in an amount not to exceed the amount of Guarantees as of the date of the consummation of the Signa Opco Joint Venture Transaction.

“Signa Propco Joint Ventures” means, each of (a) HBS Global Properties Luxembourg S.à.r.l., a limited liability company under the laws of the Grand Duchy of Luxembourg, and its Subsidiaries and (b) HBC Luxembourg German Holding Company II S.à r.l., a limited liability company under the laws of the Grand Duchy of Luxembourg, and its Subsidiaries.

“Signa Propco Joint Venture Transaction” means the Share Split (as defined in the Propco Implementation Agreement), the creation of the Company EGA Shares (as defined in the Propco Implementation Agreement) (or other actions in accordance with the Propco Implementation Agreement to create the same economic result), the other steps contemplated by the Propco Implementation Agreement

in connection with the Reorganization (as defined in the Propco Implementation Agreement) and the transfer of the Sold Shares (as defined in the Propco Implementation Agreement), and other dispositions or reorganizations as contemplated by the Propco Implementation Agreement.

“Simon Joint Venture” shall mean that certain joint venture arrangement by and among LT PropCo LLC, Saks & Company LLC and Simon Property Group, L.P., with respect to contribution of certain Real Estate to Simon JVCo and the conduct of certain business relating to the ownership and management of Real Estate.

“Simon JVCo” shall mean HBS Global Properties LLC, a Delaware limited liability company.

“Simon JVCo Lease Guaranties” shall mean the guaranty by the Borrower (as successor of Hudson’s Bay Company) of the obligations of a tenant under one or more and leases of Real Estate pursuant to which Simon JVCo (or a Subsidiary thereof) or a Real Estate Subsidiary is landlord.

“Sold Entity or Business” has the meaning set forth in the definition of “Consolidated EBITDA.”

“Solvent” and **“Solvency”** means, with respect to any Person after giving effect to the incurrence of the Loan under this Agreement, (i) the fair value of the assets of the such Person and its Subsidiaries, taken as a whole, is not less than the amount that will be required to pay the total liabilities on existing debts, including contingent liabilities, of such Person and its Subsidiaries, taken as a whole, as they become absolute and matured, (ii) the present fair salable value of the assets of such Person and its Subsidiaries, taken as a whole, is not less than the amount that will be required to pay the probable liability on existing debts of such Person and its Subsidiaries, taken as a whole, as they become absolute and matured, (iii) such Person and its Subsidiaries are able to meet their obligations as they generally become due, (iv) such Person and its Subsidiaries have not ceased payment of their current obligations in the ordinary course of business as they generally become due, (v) the aggregate property of such Person and its Subsidiaries, at a fair valuation, is sufficient, or if disposed of at a fairly conducted sale under legal process, would be, sufficient to enable payment of all obligations of such Person and its Subsidiaries, due and accruing due, (vi) such Person and its Subsidiaries, taken as a whole, are able to pay their debts as they become absolute and mature, (vii) such Person and its Subsidiaries are not engaged in a business or a transaction, and are not about to engage in a business or transaction, for which their properties and assets, taken as a whole, would constitute unreasonably small capital, and (viii) such Person is not “insolvent” within the meaning of Section 101(32) of the Bankruptcy Code and, in the case of any Canadian Loan Party, is not an “insolvent person” within the meaning of such term in the BIA, as applicable (it being understood and agreed that (x) the term “debts” as used in this definition includes any legal liability, whether matured or unmatured, liquidated or unliquidated, absolute, fixed or contingent and (y) “values of assets” shall mean the amount of which the assets (both tangible and intangible) in their entirety would change hands between a willing buyer and a willing seller, with a commercially reasonable period of time, each having reasonable knowledge of the relevant facts, with neither being under compulsion to act). The amount of all guarantees at any time shall be computed as the amount that, in light of all the facts and circumstances existing at the time, can reasonably be expected to become an actual or matured liability.

“Special Waiver Notice” has the meaning provided in Section 8.02(c) hereof.

“Specified CF Leases” means the CF Lease in respect of the Queen Street (Toronto), CF Sherway Gardens and CF Chinook Centre Hudson’s Bay and Saks Fifth Avenue Store locations, as applicable, including the CF Lease in respect of 401 Bay Street, Toronto, Ontario.

“Specified Debt” means Indebtedness (not owing to an Affiliate) in the form of notes issued under an indenture, or loans under credit agreements, indentures or other similar agreements or instruments, that is unsecured, and the aggregate principal amount of which does not exceed \$700,000,000; provided that (A) (1) the terms of such Indebtedness do not provide for any mandatory prepayment or redemption or sinking fund obligations prior to the Maturity Date unless the making of such prepayments or other obligations are subject to the satisfaction of the Payment Conditions (other than customary acceleration rights after an event of default and, to the extent such Indebtedness is amortizing, regularly scheduled principal payments in an amount not to exceed two percent (2%) of the total principal amount of such Indebtedness per annum), and (2) the covenants, events of default, guarantees, collateral and other terms of such Indebtedness are customary for similar facilities in light of then-prevailing market conditions (it being understood that such Indebtedness shall not include any affirmative or negative covenants that are more restrictive than those contained in this Agreement, but may contain financial covenants approved in writing by the Lender acting reasonably); (B) immediately before and immediately after giving effect to the incurrence of such Indebtedness, no Default or Event of Default shall have occurred and be continuing.

“Specified Equity Contribution” has the meaning provided in Section 8.04 hereof.

“Store” means any retail store (which may include any Real Estate, fixtures, Equipment, Inventory and other property related thereto) operated, or to be operated, by any Loan Party.

“Subordinated Indebtedness” means Indebtedness which is expressly subordinated in right of payment to the prior Payment in Full of the Obligations and which is in form and on terms (including, but not limited to, a prohibition on payment of principal and interest while the Loan is outstanding and terms restricting the exercise of rights by the holders of such Indebtedness) approved in writing by the Lender.

“Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the Equity Interests having ordinary voting power for the election of directors or other governing body are at the time beneficially owned, or the management of which is otherwise Controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a **“Subsidiary”** or to **“Subsidiaries”** shall refer to a Subsidiary or Subsidiaries of a Loan Party, but shall exclude all Excluded Subsidiaries.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a **“Master Agreement”**), including any such obligations or liabilities under any Master Agreement.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause

(a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon quotations provided by any nationally recognized dealer in such Swap Contracts (which may include a lender under the ABL Credit Agreement).

“Synthetic Lease Obligation” means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property (including sale and leaseback transactions), in each case, creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any Debtor Relief Laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

“Taxes” means all present or future taxes, charges, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including all income, sales, use, goods and services, harmonized sales, value-added, capital, capital gains, alternative, net worth, transfer, profits, withholding (including backup withholding), payroll, employer health, excise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments, or similar charges in the nature of a tax, including Canada Pension Plan and provincial pension plan contributions, employment insurance payments and workers’ compensation premiums, together with any instalments with respect thereto, and any interest, additions to tax and penalties with respect thereto, imposed by any Governmental Authority (including federal, state, provincial, municipal and foreign Governmental Authorities), and whether disputed or not, and **“Tax”** and **“Taxation”** shall be construed accordingly.

“Termination Date” means the earliest to *occur* of (i) the Maturity Date, or (ii) the date on which the maturity of the Obligations is accelerated (or deemed accelerated) and the Loan is irrevocably terminated (or deemed terminated) in accordance with ARTICLE VIII.

“Term Loan Maturity Date” is the Maturity Date as defined in the Pathlight Term Loan Credit Agreement, as in effect on the Effective Date, as such date may be extended from time to time.

“Term Loan Obligations” means the “Obligations” under and as defined in the Pathlight Term Loan Credit Agreement, as in effect on the Effective Date.

“Term Loan Reserve” has the meaning given to such term in the ABL Credit Agreement as in effect on the Effective Date.

“Trading with the Enemy Act” means the Trading With the Enemy Act (50 U.S.C. § 1 et seq., as amended).

“UCC” has the meaning given to such term in the ABL Credit Agreement.

“Undertaking and Agreement” means the undertaking and agreement dated the date hereof between Cadillac Fairview, in its own capacity and in its capacity as authorized agent of certain Affiliates of the Lender, as landlords, and the Borrower, as tenant, with respect to the CF Leases set out in Part V of Exhibit C hereto, as amended, amended and restated, supplemented, or otherwise modified from time to time.

“United States” and **“U.S.”** mean the United States of America.

“Unrestricted Subsidiary” means any Subsidiary of the Parent (other than the Borrower), designated by the board of directors of the Borrower as an Unrestricted Subsidiary pursuant to Section 6.17

subsequent to the date hereof, in each case, until such Person ceases to be an Unrestricted Subsidiary in accordance with Section 6.17 or ceases to be a Subsidiary of the Parent; provided that (i) no Subsidiary may be designated as an Unrestricted Subsidiary (x) unless it is also so designated under the ABL Credit Agreement, and (y) if any of its assets are of the type included in the calculation of the Revolving Borrowing Base immediately prior to such Subsidiary's being designated as an Unrestricted Subsidiary, unless the Payment Conditions are satisfied after giving effect to such Subsidiary's being designated as an Unrestricted Subsidiary, (ii) at no time shall any creditor of any such Subsidiary have any claim (whether pursuant to a guarantee or otherwise) against any Loan Party or any of its other Subsidiaries (other than another Unrestricted Subsidiary) in respect of any Indebtedness or other obligation of any such Person (provided that the provisions of this clause (ii) shall not prohibit any Permitted Indebtedness of a Loan Party under clause (aa) of the definition thereof); (iii) no Loan Party or any of its Subsidiaries (other than another Unrestricted Subsidiary) shall become a general partner of any such Subsidiary; (iv) no such Subsidiary shall own any Equity Interests of, or own or hold any Lien on any property of, any Loan Party or any other Subsidiary of any Loan Party (other than another Unrestricted Subsidiary), (v) no Unrestricted Subsidiary shall be a party to any transaction or arrangement with any Loan Party or such Loan Party's Subsidiaries (other than its other Unrestricted Subsidiaries) that would not be permitted by Section 7.09, and (vi) no Loan Party nor such Loan Party's Subsidiaries (other than its other Unrestricted Subsidiaries) shall have any obligation to subscribe for additional Equity Interests of any Unrestricted Subsidiary or to preserve or maintain the financial condition of any Unrestricted Subsidiary (provided that the provisions of this clause (vi) shall not prohibit any Investments in any Unrestricted Subsidiary to the extent expressly permitted in this Agreement). Without limiting the foregoing, the following shall constitute Unrestricted Subsidiaries (a) each Subsidiary of the Parent that is identified on Schedule 5.14 as of the Effective Date as an Unrestricted Subsidiary, (b) each Real Estate Subsidiary, (c) each of the Saks.com Entities (as defined in the ABL Credit Agreement), and (d) each of the Off Fifth.com Entities (as defined in the ABL Credit Agreement); provided that no Subsidiary may be designated as an Unrestricted Subsidiary if it is not also an "Unrestricted Subsidiary" for the purposes of the ABL Credit Agreement, the Pathlight Term Loan Credit Agreement while the Term Loan Obligations have not been "Paid in Full" (as defined in the Pathlight Term Loan Credit Agreement) and/or any other Indebtedness of the Loan Parties, unless such Subsidiary (i) has no assets of the type that constitutes Collateral or (ii) is a Real Estate Subsidiary.

"USA PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"U.S. HoldCo" means HBC US Parent Holdings LLC, a Delaware limited liability company.

"U.S. Loan Parties" means, collectively, HBC US and all other Guarantors organized under the laws of the United States or any state thereof. **"U.S. Loan Party"** means any one of such Persons.

"U.S. Subsidiary" means any direct or indirect Restricted Subsidiary organized under the laws of United States, any state thereof or the District of Columbia (including Puerto Rico but excluding, for the avoidance of doubt, any other Subsidiary organized under the laws of any other territory) other than (i) a U.S. Subsidiary of a foreign Subsidiary that is a CFC or (ii) any U.S. Subsidiary that has no material assets other than the Equity Interests of one or more CFCs.

"WURA" means the *Winding-up and Restructuring Act* (Canada), as amended.

1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document and including, for the avoidance of doubt, any terms that are defined in this Agreement or any other Loan Document by cross reference to such other agreement, instrument or other document shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (except as expressly provided for and subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document); provided, however, that any terms used herein and defined herein by reference to the ABL Credit Agreement shall continue to be defined by reference to such documents notwithstanding that such agreements may cease to be in effect or have been terminated), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns; provided that for the avoidance of doubt such construction shall not apply for purposes of determining whether a Change of Control has occurred, (iii) the words “herein,” “hereof” and “hereunder,” and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including,” the words “to” and “until” each mean “to but excluding,” and the word “through” means “to and including.”

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(d) Any reference herein to a, transfer, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company, as if it were a transfer, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

(e) Where any provision of this Agreement or any other Loan Document, Compliance Certificate or Lease Document is expressly qualified by reference to the knowledge of a Person, such Person shall be deemed to have knowledge if (i) they have actual knowledge, or (ii) they ought to have had actual knowledge after reasonable inquiry.

1.03 Accounting Terms

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP or IFRS, as applicable, applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein.

(b) Changes in GAAP or IFRS. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP or IFRS, as applicable, as in effect from time to time; provided that if the Borrower notifies the Lender that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in GAAP or IFRS or in the application thereof (including through adoption of IFRS) on the operation of such provision (or if the Lender notifies the Borrower that the Lender requests an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or IFRS or in the application thereof (including through the adoption of IFRS), then until such notice shall have been withdrawn or such provision is amended in accordance herewith, (i) such provision shall be interpreted on the basis of GAAP or IFRS as in effect and applied immediately before such change shall have become effective, and (ii) the Borrower shall include with the financial statements and other financial information and calculations required to be delivered to the Lender hereunder a reconciliation of such financial statements, information and calculations before and after giving effect to such change in GAAP or IFRS. Upon the adoption of IFRS by the Borrower, all references to GAAP herein shall be deemed references to IFRS.

(c) Treatment of Leases. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any change in accounting for leases pursuant to GAAP resulting from the implementation of FASB ASU No. 2016-02, Leases (Topic 842), to the extent such adoption would require treating any lease (or similar arrangement conveying the right to use) as a Capital Lease Obligation where such lease (or similar arrangement) would not have been required to be so treated under GAAP prior to adoption.

1.04 Rounding. Any financial ratios required to be maintained by any Loan Party pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to two places more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

1.06 Currency. Unless otherwise specified, all references to “\$” herein shall be to lawful currency of the United States. For purposes of this Agreement and the other Loan Documents, (i) where the permissibility of a transaction or determinations of required actions or circumstances depend upon compliance with, or are determined by reference to, amounts stated in dollars, such amounts shall be deemed to refer to Dollars or the equivalent amount thereof in other currencies, and any requisite currency translation shall be based on the Equivalent Amount on the date of such transaction or determination and

the permissibility of actions taken hereunder shall not be affected by subsequent fluctuations in exchange rates.

ARTICLE II TERM LOAN

2.01 Term Loan.

(a) Subject to the terms and conditions set forth herein, the Lender agrees to make a term loan (the "Loan") to the Borrower on the Effective Date in Canadian Dollars, in an aggregate amount of Cdn.\$200,000,000.

(b) The Loan is not revolving and to the extent the Loan is repaid or prepaid (to the extent permitted hereunder), it may not be reborrowed.

2.02 Voluntary Prepayments.

The Borrower may, upon irrevocable notice to the Lender, at any time or from time to time voluntarily prepay the Loan in whole or in part without premium or penalty; provided that such notice must be received by the Lender not later than 11:00 a.m. three (3) Business Days prior to any date of prepayment and provided that any prepayment of the Loan shall be in a minimum principal amount of Cdn.\$500,000. Such notice shall specify the date and amount of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to this Agreement.

2.03 Repayment of Obligations.

The Borrower shall repay to the Lender on the Termination Date all Obligations outstanding on such date (other than contingent indemnification claims for which a claim has not been asserted). There shall be no principal or other amortization payments required to be paid by the Borrower in respect of the Loan prior to the Termination Date.

2.04 Interest.

(a) The Loan shall bear interest on the outstanding principal amount at a rate per annum equal to 10%.

(b) (i) If any amount payable under any Loan Document is not paid when due, whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at an interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Law until such amount is paid in full.

(ii) If any other Event of Default occurs and is continuing, then the Lender may notify the Borrower that all outstanding Obligations shall thereafter bear interest at an interest rate per annum at all times equal to the Default Rate and thereafter such Obligations shall bear interest at the Default Rate to the fullest extent permitted by applicable Law.

(c) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(d) Except as provided in Section 2.04(c), interest on the Loan shall be due and payable in cash in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.05 Computation of Interest

(a) All computations of interest shall be made on the basis of a 365 or 366-day year, as applicable, and actual days elapsed. Interest shall accrue on the Loan, for the day on which the Loan is made, and shall not accrue on the Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall bear interest for one day. Each determination by the Lender of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) If any provision of this Agreement or of any of the other Loan Documents would obligate a Loan Party to make any payment of interest or other amount payable to the Lender under this Agreement or any other Loan Document in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Lender of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)) then, notwithstanding such provisions, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Lender of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows: (1) firstly, by reducing the amount or rate of interest required to be paid to the Lender under this Section 2.05, and (2) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to the Lender which would constitute "interest" for purposes of Section 347 of the *Criminal Code* (Canada). Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if the Lender shall have received an amount in excess of the maximum permitted by that Section of the *Criminal Code* (Canada), the Loan Parties shall be entitled, by notice in writing to the Lender, to obtain reimbursement from the Lender in an amount equal to such excess and, pending such reimbursement, such amount shall be deemed to be an amount payable by the Lender to the Borrower. Any amount or rate of interest referred to in this Section 2.05(b) shall be determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term that the applicable loan remains outstanding with the assumption that any charges, fees or expenses that fall within the meaning of "interest" (as defined in the *Criminal Code* (Canada)) shall be included in the calculation of such effective rate and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Lender shall be conclusive for the purposes of such determination.

2.06 Evidence of Debt.

The Loan shall be evidenced by one or more accounts or records maintained by the Lender evidencing the date and amount of the Loan, each payment and prepayment of principal of the Loan, and each payment of interest and other amounts due in connection with the Obligations due to the Lender. The accounts or records maintained by the Lender shall be conclusive absent manifest error of the amount of the Loan and the interest and amounts owing thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations.

2.07 Commitment Fee.

The Borrower shall on or prior to the Effective Date pay to the Lender a commitment fee in respect of the Loan, which shall be payable by way of the entering into of lease amendments contemplated pursuant to Mass Lease Amending Agreement “A” and Mass Lease Amending Agreement B”, and the Lender hereby directs the Borrower to pay in kind to the landlord under each CF Lease referenced therein, such landlord’s applicable portion of the benefits under the Mass Lease Amending Agreement “A” and Mass Lease Amending Agreement “B”.

2.08 Payments Generally.

All payments to be made by the Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Lender, in Canadian Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. All payments received by the Lender in Canadian Dollars after 2:00 p.m., shall, at the option of the Lender, be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

ARTICLE III TAXES

3.01 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Lender regarding Taxes to be withheld or deducted by the Lender) require the deduction or withholding of any Tax from any such payment by the Lender or a Loan Party, then the Lender or such Loan Party shall be entitled to make such deduction or withholding.

(ii) If any Loan Party or the Lender shall be required by any applicable Laws to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Lender, as required by such Laws, shall withhold or make such deductions as are determined by it to be required, (B) such Loan Party or the Lender, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Borrower. Without limiting the provisions of subsection (a) above, the Borrower shall timely pay to the relevant Governmental Authority in

accordance with applicable Law, or at the option of the Lender timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications. Without duplication of any amounts paid under subsections (a) or (b), above, the Loan Parties shall, and each Loan Party does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within 30 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01(c)) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, in each case, on or with respect to any obligation of any Loan Party under any Loan Document, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority; provided that a certificate as to the amount of such payment or liability was delivered to the Borrower by the Lender, which certificate shall be conclusive absent manifest error.

(d) Evidence of Payments. As soon as practicable after any payment of Taxes by the Loan Parties or by the Lender to a Governmental Authority as provided in this Section 3.01, the Borrower shall deliver to the Lender or the Lender shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by applicable Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Lender, as the case may be.

(e) Status of Lender; Tax Documentation. The Lender, to the extent it may be entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower, at the time or times reasonably requested by the Borrower, such properly completed and executed documentation as reasonably requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate of withholding (the "Documentation"). In addition, the Lender, if reasonably requested by the Borrower, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower as will enable the Borrower (and any other withholding agent) to determine whether or not the Lender is subject to backup withholding or information reporting requirements and to comply with any obligation under FATCA. The Lender shall, whenever a lapse in time or change in circumstances renders such documentation expired, obsolete or inaccurate in any material respect, deliver promptly to the Borrower updated or other appropriate documentation (including any new documentation reasonably requested by the applicable withholding agent) or promptly notify the Borrower of its inability to do so. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject the Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of the Lender; provided that the Lender acknowledges that such Lender's completion, execution or submission of the Documentation that is required as of the date hereof in order for payments made under any Loan Document to be without withholding or at a reduced rate of withholding shall not subject the Lender to any material unreimbursed cost or expense and will not materially prejudice the legal or commercial position of the Lender.

(f) Treatment of Certain Refunds. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been

indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01 or that, because of the payment of such Taxes, it has benefited from a reduction in Excluded Taxes otherwise payable by it, it shall pay to the Loan Party an amount equal to such refund or reduction (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund or reduction), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to the Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund or reduction to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to the Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to any Loan Party or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall the repayment, satisfaction or discharge of all other Obligations.

ARTICLE IV CONDITIONS PRECEDENT

4.01 Conditions of Loan. The effectiveness of this Agreement and the other Loan Documents on the Effective Date is subject to satisfaction of the following conditions precedent:

(a) The Lender's receipt of the following, each of which shall be originals or other electronic image scan transmission (e.g., "pdf" or "tif" via e-mail) (followed promptly by originals) unless otherwise specified, each dated the Effective Date and each in form and substance satisfactory to the Lender:

(i) counterparts of this Agreement duly executed by all parties hereto;

(ii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Lender may reasonably require evidencing (A) the authority of each Loan Party to enter into this Agreement, the other Loan Documents and the Lease Documents to which such Loan Party is a party or is to become a party and (B) the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement, the other Loan Documents and the Lease Documents to which such Loan Party is a party;

(iii) copies of each Loan Party's Organization Documents as of the Effective Date, certified by a secretary or assistant secretary of such Loan Party to be true and correct as of the Effective Date, and (b) good standing certificates (or equivalent) for each Loan Party as of a recent date prior to the Effective Date in its state, province or federal jurisdiction of organization or formation;

(iv) an opinion of (i) Stikeman Elliott LLP, Canadian counsel to the Canadian Loan Parties, (ii) Willkie Farr & Gallagher LLP, counsel to the U.S. Loan Parties, and (iv) such other counsel as the Lender may reasonably require, in each case, addressed to the Lender, as to such matters concerning the Loan Parties, the Loan Documents and the Lease Indemnity Agreement as the Lender may reasonably request;

(v) a certificate of a Responsible Officer of the Borrower certifying (A) that the conditions specified in clauses (d), (e), (f), (g) and (j) of Section 4.01 have been satisfied, (B) as to the Solvency of the Loan Parties, and (C) either that (1) no consents, licenses or approvals are required in connection with the execution, delivery and performance by such Loan Party and the validity against such Loan Party of the Loan Documents and Lease Documents to which it is a party (including consent under the Material Debt Documents and the CF Leases referenced in the Mass Lease Amending Agreement “A”, the Mass Lease Amending Agreement “B” and Mass Lease Amending Agreement “C”), or (2) that all such consents, licenses and approvals have been obtained and are in full force and effect;

(vi) each Lease Document duly executed by the applicable parties thereto;

(vii) Subordination agreements in form and substance satisfactory to the Lender in respect of all Indebtedness owing by the (i) Loan Parties to Affiliates other than Loan Parties, and (ii) Canadian Loan Parties to Affiliates other than Canadian Loan Parties; and

(viii) all other Loan Documents and the Lease Documents, each duly executed by the applicable Loan Parties;

(b) the Lender shall have received an executed loan notice addressed to the Lender in the form of Exhibit A;

(c) The Lender shall have received a copy of the Borrowing Base Certificate most recently delivered to the ABL Agent under the ABL Credit Agreement, and a copy of the Compliance Certificate most recently delivered to the ABL Agent and the Pathlight Term Agent under the ABL Credit Agreement and the Pathlight Term Loan Credit Agreement, respectively.

(d) The representations and warranties of each Loan Party contained in Article V or in any other Loan Document, or which are contained in any document furnished under or in connection herewith or therewith, shall be true and correct in all material respects on and as of the Effective Date, except that, in the case of any representation and warranty qualified by materiality or Material Adverse Effect, they shall be true and correct in all respects;

(e) No Default or Event of Default shall exist, or would result from funding of the Loan or from the application of the proceeds thereof on the Effective Date;

(f) After giving effect to the Loan on the Effective Date, and the repayment of any loans under the ABL Credit Agreement with the proceeds thereof on the Effective Date, Availability shall be not less than \$320,000,000.

(g) Since January 28, 2023, there shall not have occurred any event or effect that has had or would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(h) The Lender shall have received (A) the Audited Financial Statements, (B) the Quarterly Financial Statements, and (C) a pro forma calculation of each of the Consolidated EBITDA and the Consolidated Fixed Charge Coverage Ratio of the Parent and its Subsidiaries as of and for the twelve-month period ending with the latest quarterly period of the Parent and its Subsidiaries covered by the Quarterly Financial Statements, in each case after giving effect to this Agreement, prepared in conformity with GAAP and consistent with the Loan Parties' then current practices.

(i) The Lender shall have received and be reasonably satisfied with (x) a detailed forecast for the 2023 Fiscal Year, which shall include a liquidity and Availability model, by month, and (y) management reporting that is prepared in connection with Quarterly Financial Statements and (z) such other information (financial or otherwise) reasonably requested by the Lender.

(j) No default or breach by any tenant under a CF Lease shall exist, or would result from funding of the Loan or from the application of the proceeds thereof on the Effective Date.

The terms and conditions of Section 4.01 are inserted for the sole benefit of the Lender and the Lender may waive them, in whole or in part, in its sole discretion.

ARTICLE V REPRESENTATIONS AND WARRANTIES

To induce the Lender to enter into this Agreement and to make the Loan hereunder, each Loan Party represents and warrants to the Lender that:

5.01 Existence, Qualification and Power. Each Loan Party and each Subsidiary thereof (a) is a corporation, limited liability company, partnership or limited partnership, duly incorporated, organized or formed, validly existing and, where applicable, in good standing under the Laws of the jurisdiction of its incorporation, organization or formation, (b) has all requisite power and authority and all requisite governmental licenses, permits, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents and Lease Documents to which it is a party, and (c) is duly qualified and is licensed and, where applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clauses (b)(i) and (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect. Schedule 5.01 annexed hereto sets forth, as of the Effective Date, each Loan Party's name as it appears in official filings in its jurisdiction of incorporation or organization, its jurisdiction of incorporation or organization, organization type, organization number, if any, issued by its jurisdiction of incorporation or organization, and its federal employer identification number (if organized in the United States or similar numbers assigned by any other jurisdiction or Governmental Authority for other Loan Parties).

5.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document and Lease Document to which such Person is or is to be a party, has been duly authorized by all necessary corporate or other organizational action, and does not and will not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach, termination, or contravention of, or constitute a default under, or require any payment to be made under (i) any Material Contract or any Material Indebtedness to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any material order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is

subject; (c) result in or require the creation of any Lien upon any asset of any Loan Party or any of its Subsidiaries; or (d) violate any material Laws applicable to the Loan Parties.

5.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement, any Loan Document or any Lease Document.

5.04 Binding Effect. This Agreement has been, and each other Loan Document and Lease Document, when delivered, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document and Lease Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, subject to Debtor Relief Laws or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

5.05 Financial Statements

(a) The audited financial statements of the Parent delivered pursuant to Section 4.01(h) and 6.01(a) (i) were prepared in accordance with IFRS or GAAP, as the case may be, consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (ii) fairly present in all material respects, the financial condition of the Parent and its Subsidiaries, as of the date thereof and their respective results of operations for the period covered thereby in accordance with GAAP or IFRS consistently applied throughout the period covered thereby, except as otherwise expressly noted therein.

(b) The unaudited Consolidated balance sheet of the Parent and its Subsidiaries delivered pursuant to Section 4.01(h) and 6.01(b), and the related Consolidated statements of income or operations, and cash flows for the Fiscal Quarter ended on that date, (i) were prepared in accordance with IFRS or GAAP, as the case may be, consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present in all material respects the financial condition of the Parent and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) Since the date of the most recent audited financial statements delivered pursuant to Section 6.01(a), there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

(d) The Consolidated and consolidating forecasted balance sheet and statements of income and cash flows of the Parent and its Subsidiaries delivered pursuant to Section 6.01(d) were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair in light of the conditions existing at the time of delivery of such forecasts, and represented, at the time of delivery, the Loan Parties' best estimate of its future financial performance.

5.06 Litigation. Except as set forth on Schedule 5.06, there are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any of its Subsidiaries or against any of its properties or revenues that (a) purport to affect or pertain to this Agreement, any other Loan Document or any Lease Document or any of the transactions contemplated hereby, or (b) except as

specifically disclosed in Schedule 5.06, either individually or in the aggregate, if determined adversely, would reasonably be expected to have a Material Adverse Effect.

5.07 No Default.

(a) No Default or Event of Default has occurred and is continuing or would result from the consummation of any transactions contemplated by this Agreement, any other Loan Document or any Lease Document.

(b) No “event of default” (or equivalent term) as defined in a Material Debt Document has occurred and is continuing or would result from the consummation of any transactions contemplated by this Agreement or any other Loan Document.

(c) To the best of the knowledge of the Borrower, no default or event of default under a CF Lease has occurred and is continuing or would result from the consummation of any transactions contemplated by this Agreement, any other Loan Document or any Lease Document.

5.08 Ownership of Property; Liens. Each of the Loan Parties and each Subsidiary thereof has valid title in all Real Estate or valid leasehold interests in all Real Property Leases, in each case necessary or used in the ordinary conduct of its business, except for as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each of the Loan Parties and each Subsidiary thereof has valid title to, valid leasehold interests in, or valid licenses to use all personal property and assets material to the ordinary conduct of its business, except for as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.09 [Reserved]

5.10 Environmental Compliance.

(a) Except as specifically disclosed in Schedule 5.10, no Loan Party or any Subsidiary thereof (i) has failed to comply in any material respect, with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) to the knowledge of the Loan Parties, has become subject to any Environmental Liability, or (iii) has received notice of any claim with respect to any Environmental Liability, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Except as otherwise set forth in Schedule 5.10, to the knowledge of the Loan Parties, none of the properties currently or, to their knowledge, formerly owned or operated by any Loan Party or any Subsidiary thereof is listed or proposed for listing on the NPL or on the CERCLIS or any analogous foreign, state or local list or is adjacent to any such property; there are no and never have been any underground or above-ground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed on any property currently owned or operated by any Loan Party or any Subsidiary thereof or, to the best of the knowledge of the Loan Parties, on any property formerly owned or operated by any Loan Party or Subsidiary thereof; there is no asbestos or asbestos-containing material on any property currently owned or operated by any Loan Party or Subsidiary thereof; and Hazardous Materials have not been released, discharged or disposed of on any property currently or formerly owned or operated by any Loan Party or any Subsidiary thereof, except in each case as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(c) Except as otherwise set forth on Schedule 5.10 and except in each case as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, no Loan Party or any Subsidiary thereof is undertaking, and no Loan Party or any Subsidiary thereof has completed, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened release, discharge or disposal of Hazardous Materials at any site, location or operation, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law; and all Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or, to their knowledge, formerly owned or operated by any Loan Party or any Subsidiary thereof have been disposed of in a manner not reasonably expected to result in material liability to any Loan Party or any Subsidiary thereof.

5.11 Insurance. The properties of the Loan Parties and their Subsidiaries that are necessary for the operation of their business are insured with financially sound and reputable insurance companies which are not affiliates of the Loan Parties, in such amounts, with such deductibles and covering such risks (including, without limitation, workmen's compensation, public liability, business interruption, property damage and directors and officers liability insurance) as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the Loan Parties or the applicable Subsidiary operates; provided that the Loan Parties may self-insure to the extent customary among companies engaged in similar businesses and operating in similar localities.

5.12 Taxes. The Loan Parties and their Subsidiaries have filed all federal, state, provincial, territorial and other material tax returns and reports required to be filed, and have paid all federal, state, provincial, territorial and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which (i) are being contested in good faith by appropriate proceedings being diligently conducted, for which adequate reserves have been provided in accordance with GAAP or IFRS, as to which Taxes no Lien has been filed and which contest effectively suspends the collection of the contested obligation and the enforcement of any Lien securing such obligation, or (ii) individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect. There is no proposed tax assessment against any Loan Party or any Subsidiary that would, if made, result in a liability, taking into account any payment made in relation to such assessment, which would be reasonably expected to have a Material Adverse Effect. Schedule 5.12 sets forth as of the Effective Date for each Loan Party in respect of (i) those taxation years or other relevant periods with respect to any charges that have not yet been assessed by the CRA or the applicable provincial, territorial, local or foreign Governmental Authorities, (ii) the taxation years or other relevant periods with respect to any charges that are currently being audited by the CRA or any other applicable Governmental Authority, (iii) any assessments or threatened assessments in connection with such audit, or otherwise currently outstanding and (iv) the most recent taxation year or other relevant periods with respect to any charges that an audit by CRA or the applicable provincial, territorial, local or foreign Governmental Authorities has been completed. Except as described in Schedule 5.12, as of the Effective Date, no Loan Party has executed or filed with the CRA or any other Governmental Authority any agreement or other document extending, or having the effect of extending, the period for assessment or collection of any charges. Except for failures that could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, each Loan Party has duly and timely collected all amounts on account of any sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Law to be collected by it and has duly and timely remitted to the appropriate Governmental Authority any such amounts required by Law to be remitted by it.

5.13 ERISA; Canadian Pension Plans.

(a) Except as would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal, or state Laws and HBC US and each ERISA Affiliate is in compliance with ERISA, the Code and other United States federal or United States state Laws with respect to each Multiemployer Plan.

(b) There are no pending or, to the best knowledge of the U.S. Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) Except as would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (i) no ERISA Event has occurred, and neither HBC US nor any ERISA Affiliate is aware of any fact, event or circumstance that would reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) HBC US and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is 80% or higher and neither HBC US nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 80% as of the most recent valuation date; (iv) neither HBC US nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) neither HBC US nor any ERISA Affiliate has engaged in a transaction that is subject to Section 4069 or Section 4212(c) of ERISA; and (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that would reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) As of the Effective Date, Schedule 5.13 lists all Canadian Pension Plans and identifies those which have a “defined benefit provision” as such term is defined in the ITA. Except as would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, each Canadian Loan Party is in compliance with all of their obligations under and in respect of the Canadian Pension Plans and Canadian Benefit Plans under the terms thereof, any funding agreements and all applicable laws (including any fiduciary, funding, investment and administration obligations). All employer and employee payments, contributions or premiums to be remitted, paid to or in respect of each Canadian Pension Plan or Canadian Benefit Plan have been paid in a timely fashion in accordance with the terms thereof, any funding agreement and all applicable Laws. Except as set forth on Schedule 5.13, as of the Effective Date, none of the Canadian Pension Plans, other than any union sponsored multi-employer pension plans in respect of which the Canadian Loan Parties’ obligations are limited to an amount set out in the applicable collective agreement or participation agreement or a fixed percentage of the payroll thereof, has a Pension Plan Unfunded Liability. All Pension Plan Unfunded Liabilities have been properly accrued in accordance with IFRS and are fully and accurately disclosed in the Parent’s consolidated financial statements delivered under Section 6.01 in accordance with IFRS. No Canadian Pension Plan Termination Event has occurred for which liabilities exceed Cdn\$2,500,000. Except as would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, there is no investigation by a Governmental Authority or claim (other than routine claims for

payment of benefits) pending or, to the knowledge of any Loan Party, threatened involving any Canadian Pension Plan or their assets, and no facts exist which could reasonably be expected to give rise to any such investigation or claim (other than routine claims for payment of benefits).

5.14 Subsidiaries; Equity Interests. As of the Effective Date, the Loan Parties have no Subsidiaries other than those specifically disclosed in Part (a) of Schedule 5.14, which Schedule sets forth the legal name, jurisdiction of incorporation or formation. Schedule 5.14 also sets forth each Loan Party (under the heading “Loan Parties”), each Immaterial Subsidiary (under the heading “Immaterial Subsidiaries”), each Inactive Subsidiary (under the heading “Inactive Subsidiaries”), each Unrestricted Subsidiary (under the heading “Unrestricted Subsidiary”), each Real Estate Subsidiary (under the heading “Real Estate Subsidiary”) and any other Excluded Subsidiary (under the heading “Other Excluded Subsidiary”) as of the Effective Date, and such designations are the same designations of such Subsidiaries under the ABL Credit Agreement. All of the outstanding Equity Interests in such Subsidiaries have been validly issued, are fully paid and non-assessable and are owned by a Loan Party (or a Subsidiary of a Loan Party) free and clear of all Liens except for Permitted Encumbrances. Except as set forth in Schedule 5.14, there are no outstanding rights to purchase any Equity Interests in any Subsidiary of a Loan Party. As of the Effective Date, the Loan Parties have no equity investments in any other corporation or entity other than those specifically disclosed in Part (b) of Schedule 5.14. The copies of the Organization Documents of each Loan Party and each amendment thereto provided pursuant to Section 4.01 are true and correct copies of each such document as of the Effective Date, each of which is valid and in full force and effect.

5.15 Margin Regulations; Investment Company Act.

(a) No Loan Party is engaged or will be engaged, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. None of the proceeds of the Loan shall be used directly or indirectly for the purpose of purchasing or carrying any margin stock, for the purpose of reducing or retiring any Indebtedness that was originally incurred to purchase or carry any margin stock or for any other purpose that might cause the Loan to be considered a “purpose credit” within the meaning of Regulations T, U, or X issued by the FRB.

(b) None of the Loan Parties is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

5.16 Disclosure. Each Loan Party has disclosed to the Lender all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. No report, financial statement, certificate or other written information furnished by or on behalf of any Loan Party to the Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder, under any other Loan Document or any Lease Document (in each case, as modified or supplemented by other information so furnished), taken as a whole, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, the Loan Parties represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood that such projected financial information is not a guarantee of future performance and actual results may differ from those set forth in such projected financial information).

5.17 Compliance with Laws. Each of the Loan Parties and each Subsidiary thereof is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and

decrees binding on it or its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.18 Intellectual Property; Licenses, Etc. Except as would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, the Loan Parties and their Subsidiaries own, or, to their knowledge possess the right to use, all of the Intellectual Property that is reasonably necessary for the operation of their respective businesses, without conflict with the rights of any other Person. Except as specifically disclosed in Schedule 5.18, no claim or litigation regarding any of the foregoing is pending or, to the best knowledge of the Loan Parties, threatened, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.19 Labour Matters.

Except as would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect (i) there are no strikes, lockouts, slowdowns or other material labour disputes against any Loan Party or any Subsidiary thereof pending or, to the knowledge of any Loan Party, threatened, (ii) the hours worked by and payments made to employees of the Loan Parties comply with the Fair Labor Standards Act and any other applicable federal, state, local or foreign Law dealing with such matters, (iii) no Loan Party or any of its Subsidiaries has incurred any liability or obligation under the Worker Adjustment and Retraining Act or similar state Law, (iv) all payments due from any Loan Party and its Subsidiaries, or for which any claim may be made against any Loan Party or any of its Subsidiaries, on account of wages and employee health and welfare insurance and other benefits, have been paid or properly accrued in accordance with GAAP or IFRS as a liability on the books of such Loan Party, (v) each Loan Party has withheld all employee withholdings and has made all employer contributions to be withheld and made by it pursuant to applicable Laws on account of the Canada Pension Plan and Quebec Pension Plan as maintained by the Government of Canada and the Province of Quebec, respectively, employment insurance and employee income taxes; (vi) except as set forth on Schedule 5.19, as of the Effective Date, no Loan Party or any Subsidiary is a party to or bound by any collective bargaining agreement, any management, consulting or employment agreement providing for annual compensation of greater than Cdn\$5,000,000, including any bonus, restricted stock, stock option, or stock appreciation plan or agreement or any similar plan, agreement or arrangement (excluding any phantom share plan), (vii) there are no representation proceedings pending or, to any Loan Party's knowledge, threatened to be filed with the National Labor Relations Board, and no labor organization or group of employees of any Loan Party or any Subsidiary has made a pending demand for recognition, (viii) there are no complaints, unfair labor practice charges, grievances, arbitrations, unfair employment practices charges or any other claims or complaints against any Loan Party or any Subsidiary pending or, to the knowledge of any Loan Party, threatened to be filed with any Governmental Authority or arbitrator based on, arising out of, in connection with, or otherwise relating to the employment or termination of employment of any employee of any Loan Party or any of its Subsidiaries, or (ix) the consummation of the transactions contemplated by the Loan Documents and the Lease Documents will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which any Loan Party or any of its Subsidiaries is bound. As of the Effective Date, the Canadian Loan Parties have no current plans for group termination or mass termination of employees of the Canadian Retail Business.

5.20 [Reserved]

5.21 Solvency

After giving effect to the transactions contemplated by this Agreement, and before and after giving effect to the Loan, the Loan Parties, on a Consolidated basis, are and will be Solvent. No transfer of property has been or will be made by any Loan Party and no obligation has been or will be incurred by any Loan Party in connection with the transactions contemplated by this Agreement, the other Loan Documents or the Lease Documents with the intent to hinder, delay, or defraud either present or future creditors of any Loan Party.

5.22 [Reserved]

5.23 Brokers. No broker or finder brought about the obtaining, making or closing of the Loan, the transactions contemplated by the Loan Documents, and no Loan Party or Affiliate thereof has any obligation to any Person in respect of any finder's or brokerage fees in connection therewith.

5.24 Material Contracts. Schedule 5.24 sets forth all Material Contracts to which any Loan Party is a party or is bound as of the Effective Date. The Loan Parties are not in breach or in default in any material respect of or under any Material Contract and have not received any notice of default under, or of the intention of any other party thereto to terminate, any Material Contract.

5.25 Casualty. Neither the businesses nor the properties of any Loan Party or any of its Subsidiaries are affected by any fire, explosion, accident, strike, lockout or other labour dispute, drought, storm, hail, earthquake, embargo, act of God or of the public enemy or other casualty (whether or not covered by insurance) that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.26 [Reserved]

5.27 Inactive Subsidiaries. As of the Effective Date, no Inactive Subsidiary (a) is engaged in any business or has any Indebtedness or any other material liabilities (except in connection with its corporate formation) or (b) owns or holds any interest, direct or indirect, in any property or asset (other than its name).

5.28 USA PATRIOT Act; Sanctioned Persons

(a) To the extent applicable, each Loan Party is in compliance, in all material respects, with (i) the United States Trading with the Enemy Act and each of the other Foreign Assets Control Regulations (including, without limitation, the Executive Order and the USA PATRIOT Act), (ii) the United States Foreign Corrupt Practices Act of 1977, (iii) *the Corruption of Foreign Public Officials Act* (Canada), as amended (the "FCPA"), (iv) the UK Bribery Act 2010 and (v) other applicable anti-corruption Laws, and the Loan Parties have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws and applicable Sanctions, and to the knowledge of the Loan Parties and their Subsidiaries are in compliance with such anti-corruption Laws in all material respects and applicable Sanctions in all respects. No part of the proceeds of the Loan will be used, directly or, to the Loan Parties' knowledge, indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain

or direct business or obtain any improper advantage, in violation of the FCPA, each of the other Foreign Assets Control Regulations or other applicable anti-corruption Laws.

(b) Neither the Parent, nor any of its Subsidiaries, nor, to the knowledge of the Loan Parties, any director, officer, employee, agent or affiliate of HBC US is an individual or entity (for purposes of this Section 5.28(b), a “Person”) that is, or is owned or controlled by Persons that are (x) an Embargoed Person or (y) the subject of any sanctions (A) administered or enforced by OFAC, the United States, the Government of Canada, the United Nations Security Council, the European Union, Her Majesty’s Treasury or other applicable sanctions authority, (B) pursuant to the U.S. Iran Sanctions Act, as amended, or Executive Order 13590 (collectively, “Sanctions”) or (C) located, organized or resident in a Designated Jurisdiction (including, without limitation, Russia, Burma/Myanmar, Iran, North Korea, Sudan, Crimea, Cuba and Syria). The Loan Parties will not, directly or, to their knowledge, indirectly, use the proceeds of the Loan, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loan, whether as lender, underwriter, advisor, investor or otherwise).

(c) The Parent and each of its Restricted Subsidiaries, to the extent applicable, (a) are in compliance in all material respects with the *Criminal Code* (Canada) and the PCTFA, and (b) are in compliance in all material respects with all other AML Legislation and the Canadian Economic Sanctions and Export Control Laws. Furthermore, no Loan Party nor any Subsidiary thereof is a Canadian Blocked Person. No part of the proceeds of the Loan will be used, directly or, to the Loan Parties’ knowledge, indirectly, in violation of AML Legislation or the Canadian Economic Sanctions and Export Control Laws.

5.29 Loan Parties. No Subsidiary of the Parent is a Loan Party under and as defined in the ABL Credit Agreement that is not also a Loan Party under this Agreement.

5.30 Canadian Loan Party Affiliate Transactions. Schedule 5.30 sets forth a true and complete list of the transactions and arrangements in effect on the Effective Date between any Canadian Loan Party and any Affiliate that is not a Canadian Loan Party that are expected to involve payment or delivery of consideration (whether or not in cash) in excess of C\$100,000 in any year following January 28, 2023 either by, or to, a Canadian Loan Party.

5.31 Canadian Retail Business Assets. The Canadian Retail Business is operated exclusively by the Canadian Loan Parties. All assets comprising or used to operate the Canadian Retail Business (including without limitation all Intellectual Property required for the operation thereof) are owned, held, leased or licensed to the Canadian Loan Parties. All trademarks, tradenames and website domains relating to the Canadian retail business of The Bay, including Hudson’s Bay, The Bay, hbc.com and TheBay.com, are owned by a Canadian Loan Party.

5.32 [Reserved]

5.33 [Reserved]

5.34 [Reserved]

ARTICLE VI AFFIRMATIVE COVENANTS

So long as the Loan or other Obligation hereunder shall remain unpaid or unsatisfied (other than contingent indemnification claims for which a claim has not been asserted), the Loan Parties shall, and shall (except in the case of the covenants set forth in Sections 6.01, 6.02, and 6.03) cause each Restricted Subsidiary of the Parent to:

6.01 Financial Statements. Deliver to the Lender, in form and detail reasonably satisfactory to the Lender:

(a) as soon as available, but in any event within 120 days after the end of each Fiscal Year of the Parent, (i) a Consolidated balance sheet of the Parent and its Subsidiaries as at the end of such Fiscal Year, and the related consolidated statements of income or operations, Shareholders' Equity and cash flows for such Fiscal Year, setting forth in each case in comparative form the figures for the previous Fiscal Year, all in reasonable detail and prepared in accordance with GAAP, and (ii) a consolidating balance sheet of the Parent and its Subsidiaries (including, as one of its components, a consolidated balance sheet of the Borrower and its Subsidiaries) as at the end of such Fiscal Year, and the related consolidating statements of income or operations, Shareholders' Equity and cash flows for such Fiscal Year (all such consolidating statements to be presented by the Borrower and its Subsidiaries on a consolidated basis), setting forth in each case in comparative form the figures for the previous Fiscal Year, all in reasonable detail and prepared in accordance with GAAP or IFRS, each such consolidated statements to be audited and accompanied by the report of a Registered Public Accounting Firm of nationally recognized standing approved by the ABL Agent (or otherwise satisfactory to the Lender), which report shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit; and such consolidating statements to be certified by a Responsible Officer of the Borrower to the effect that such statements are fairly stated in all material respects when considered in relation to the consolidated financial statements of the Parent and its Subsidiaries;

(b) as soon as available, but in any event (i) within 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year of the Parent, and (ii) within 120 days after the end of the fourth Fiscal Quarter of the Parent, an unaudited Consolidated and consolidating balance sheet of the Parent and its Subsidiaries as at the end of such Fiscal Quarter (including, as one of its components, a consolidated balance sheet of the Borrower and its Subsidiaries), and the related unaudited consolidated and consolidating statements of income or operations, and cash flows for such Fiscal Quarter and for the portion of the Parent's Fiscal Year then ended (all such consolidating statements to be presented by the Borrower and its Subsidiaries on a consolidated basis), setting forth in each case in comparative form the figures for (A) the corresponding Fiscal Quarter of the previous Fiscal Year and (B) the corresponding portion of the previous Fiscal Year, all in reasonable detail, such Consolidated statements to be certified by a Responsible Officer of the Borrower as fairly presenting in all material respects the financial condition, results of operations, and cash flows of the Parent and its Subsidiaries as of the end of such Fiscal Quarter in accordance with GAAP or IFRS, as applicable, subject only to normal year-end audit adjustments and the absence of footnotes and such consolidating statements to be certified by a Responsible Officer of the Borrower to the effect that such statements are fairly stated in all material respects when considered in relation to the consolidated financial statements of the Parent and its Subsidiaries;

(c) simultaneously with the delivery of each set of Consolidated financial statements referred to in Sections 6.01(a) and 6.01(b), above, (i) a detailed calculation of the Consolidated Fixed Charge Coverage Ratio for such period, reflecting the adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such Consolidated Fixed Charge Coverage Ratio, and (ii) a current schedule of all Unrestricted Subsidiaries, accompanied by the certification of a Responsible Officer of the Borrower certifying that such financial information presents fairly in accordance with GAAP or IFRS, as applicable, the exclusion of the financial position and results of operations of all Unrestricted Subsidiaries;

(d) as soon as available, but in any event no more than 90 days after the end of each Fiscal Year of the Parent, forecasts prepared by management of the Borrower, in a form satisfactory to the Lender, of the consolidated balance sheets and statements of income or operations and cash flows of (x) the Parent and its Subsidiaries, and (y) the Borrower and its Subsidiaries (including, in the case of (y), such information by banner), in each case on a quarterly basis for the immediately following Fiscal Year (including the Fiscal Year in which the Maturity Date occurs), and as soon as available, any significant revisions to such forecasts with respect to such Fiscal Year, together with a copy of the forecast provided by the Loan Parties to the ABL Agent of Availability, Canadian Availability (as defined in the ABL Credit Agreement) and U.S. Availability (as defined in the ABL Credit Agreement), prepared on a monthly basis for the immediately following Fiscal Year (including the Fiscal Year in which the Revolving Maturity Date occurs);

(e) as soon as available, but in any event within thirty (30) days after the end of each Fiscal Month of each Fiscal Quarter of the Parent, management reporting that is prepared on a monthly basis, including (i) profit and loss to Consolidated EBITDA, (ii) consolidated comparative store sales data, (iii) an Availability schedule in the same form as those provided to the Pathlight Term Agent or otherwise in form satisfactory to the Lender, (iv) a comparison of actual results to the forecasts provided pursuant to clause (d) above, (v) updated versions of the forecasts provided pursuant to clause (d) above on a rolling 12-month basis, (vi) a copy the related board presentation provided by management to the Parent's board of directors, and (vii) except to the extent already included in the board presentation referred to in clause (vi), progress reporting on key initiatives (including cost containment and real estate monetization), liquidity and Inventory, in a form reasonably requested by the Lender;

(f) as soon as available, real estate valuation reports prepared for the Parent or its Subsidiaries in relation to any owned or leased real estate located in Canada including real estate held by the RioCan JVCo; and

(g) as soon as available, to the extent available, valuation reports prepared for the Parent or its Subsidiaries in relation to the Intellectual Property used in the Canadian Retail Business including TheBay.com.

6.02 Certificates; Other Information. Deliver to the Lender, in form and detail reasonably satisfactory to the Lender:

(a) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (b):

(i) a duly completed Compliance Certificate signed by a Responsible Officer of the Borrower, and in the event of any material change in GAAP or IFRS used in the

preparation of such financial statements, the Borrower shall also provide a statement of reconciliation conforming such financial statements to GAAP or IFRS, as applicable (which shall, among other things, contain a certification from such Responsible Officer (I) stating that to the knowledge of the Loan Parties, there exists no event of default or other material default by any one or more Loan Parties under any Material Debt Document or any CF Lease, nor have any notices of default been received by any Loan Parties relating to any default under any Material Debt Documents which remains uncured or has not been expressly waived in writing, and (II) as to (A) the incurrence of any Indebtedness for borrowed money in an aggregate principal amount in excess of C\$1,000,000 (not previously reported on and other than drawings under the ABL Credit Agreement) by a Canadian Loan Party, (B) the entering into by a Canadian Loan Party of Guarantees of any obligations (other than obligations of another Canadian Loan Party), (C) any Restricted Payment by a Canadian Loan Party to any Person other than another Canadian Loan Party, and (D) any Investment by a Canadian Loan Party in any Person other than another Canadian Loan Party;

(ii) a copy of management's discussion and analysis with respect to such financial statements;

(b) promptly after the same are available, to the extent any of the Loan Parties is a "reporting issuer" under applicable Securities Laws, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of the Loan Parties, and copies of all annual, regular, periodic and special reports and registration statements which any Loan Party may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, with any national securities exchange or with any similar Canadian Governmental Authority or exchange;

(c) promptly, and in any event within five (5) Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of each notice or other correspondence received from any Governmental Authority (including, without limitation, the SEC (or comparable agency in any applicable non-U.S. jurisdiction)) concerning any proceeding with, or investigation or possible investigation or other inquiry by such Governmental Authority regarding financial or other operational results of any Loan Party or any Subsidiary thereof or any other matter which, if adversely determined, could reasonably be expected to have a Material Adverse Effect;

(d) promptly, such additional information regarding the business affairs, financial condition or operations of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents and the Lease Documents, as the Lender may from time to time reasonably request;

Documents required to be delivered pursuant to Section 6.01(a), (b), or (c) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which the Lender has access (whether a commercial, third-party website or whether sponsored by the Lender); provided that the Borrower shall notify the Lender (by electronic mail) of the posting of any such documents and provide to the Lender by electronic mail electronic versions (i.e., soft copies) of such documents. The Lender shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Loan Parties with any such request for delivery.

6.03 Notices. Promptly after any Responsible Officer of the Loan Parties has actual knowledge thereof, notify the Lender:

- (a) of the occurrence of any Default or Event of Default or Ringfencing Triggering Event;
- (b) of any dispute, litigation, investigation, proceeding or suspension between any Loan Party or any Subsidiary thereof and any Governmental Authority (other than customary tax certiorari proceedings); or the commencement of, or any material development in, any litigation or proceeding affecting any Loan Party or any Subsidiary thereof, including pursuant to any applicable Environmental Laws, in each case, to the extent that such matter has resulted or would reasonably be expected to result in a Material Adverse Effect;
- (c) of (i) the occurrence of any ERISA Event which would reasonably be expected to result in a Material Adverse Effect, or (ii) a failure to make any required contribution to a Canadian Pension Plan, the creation of any Lien in favour of the PBGC or FSCO, or a Canadian Pension Plan, or (iii) the occurrence of a Canadian Pension Plan Termination Event, which would reasonably be expected to result in a Material Adverse Effect;
- (d) of any material change in accounting policies or financial reporting practices by any Loan Party or any Subsidiary thereof;
- (e) of any change in the Borrower's chief executive officer or chief financial officer;
- (f) of the discharge by any Loan Party of its present Registered Public Accounting Firm or any withdrawal or resignation by such Registered Public Accounting Firm;
- (g) of the filing of any Lien for unpaid Taxes against any Loan Party in excess of \$5,000,000;
- (h) of any planned or actual Disposition of Equity Interests of any Loan Party (other than of the Parent or between Loan Parties) which would result (or has resulted) in a Change of Control with respect to such Loan Party;
- (i) of any notice of default received by a Canadian Loan Party from a landlord under a lease or of any failure by any Canadian Loan Party to pay rent under a lease for any of the Loan Parties' distribution centres or warehouses in a Canadian location which, in each case, if terminated, could have a material adverse effect on the operation, business, properties or financial conditions of the Canadian Loan Parties, taken as a whole;
- (j) of any failure by any Loan Party to pay rent at (i) any of the Loan Parties' distribution centres or warehouses, or (ii) ten percent (10%) or more of such Loan Party's Store locations if, in each case, such failure continues for more than ten (10) days following the day on which a Loan Party received notice of such failure and such failure would be reasonably likely to result in a Material Adverse Effect;
- (k) the occurrence of an "event of default" (or equivalent term) as defined under any Material Debt Document; and

(l) any default, breach or other violation by the Borrower or any Subsidiary or Affiliate thereof (including the RioCan JVCo) of any term or provision of any CF Lease.

Each notice pursuant to this Section shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower has taken and proposes to take with respect thereto.

6.04 Payment of Obligations. Pay and discharge as the same shall become due and payable, all its obligations and liabilities (beyond any applicable grace or cure period), including (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, and (b) all lawful claims (including, without limitation, claims of landlords, warehousemen, customs brokers, freight forwarders, consolidators, and carriers) which, if unpaid, would by Law become a Lien upon its property; except, in each case, where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) such Loan Party has set aside on its books adequate reserves with respect thereto in accordance with GAAP or IFRS, as applicable, (c) such contest effectively suspends collection of the contested obligation and enforcement of any Lien securing such obligation, (d) no Lien has been filed with respect thereto and (e) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect. Each Loan Party shall also duly and timely collect all amounts on account of any sales or transfer taxes required by law to be collected by it, and shall duly and timely remit to the appropriate Governmental Authority any such amounts required by law to be remitted by it except, in each case, where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) such Loan Party has set aside on its books adequate reserves with respect thereto in accordance with GAAP or IFRS, as applicable, (c) such contest effectively suspends collection of the contested obligation and enforcement of any Lien securing such obligation, (d) no Lien has been filed with respect thereto and (e) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

6.05 Preservation of Existence, Etc. (a) Preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization or formation except in a transaction permitted by Section 7.04 or 7.05; (b) take all reasonable action to maintain all material rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and (c) preserve or renew all of its material Intellectual Property, except to the extent such Intellectual Property is no longer used or useful in the conduct of the business of the Loan Parties.

6.06 Maintenance of Properties. (a) Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, in all material respects, ordinary wear and tear excepted and casualty and condemnation excepted and in accordance with industry practices; and (b) make all necessary repairs thereto and renewals and replacements thereof in accordance with customary industry practice except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.07 Maintenance of Insurance. Maintain with financially sound and reputable insurance companies approved by the ABL Agent that are not affiliates of the Loan Parties, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business and operating in the same or similar locations or as is required by Law, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons and as are approved by the ABL Agent or otherwise acceptable to the Lender, acting reasonably.

6.08 Compliance with Laws; Compliance with ERISA and Canadian Pension Plans

(a) Comply in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (i) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been set aside and maintained by the Loan Parties in accordance with GAAP or IFRS, as applicable, (ii) such contest effectively suspends enforcement of the contested Laws, and (iii) the failure to comply therewith would not reasonably be expected to have a Material Adverse Effect.

(b) With respect to the U.S. Loan Parties, do, and cause each of its ERISA Affiliates to do, each of the following:

(i) maintain each Plan in compliance with the applicable provisions of ERISA, the Internal Revenue Code and other applicable Law;

(ii) cause each Plan that is qualified under Section 401(a) of the Internal Revenue Code to maintain such qualification; and

(iii) make all required contributions to any Plan or Multiemployer Plan subject to Section 412 of the Internal Revenue Code, except with respect to each of the foregoing clauses of this Section 6.08(b), where the failure to comply would not reasonably be expected to have a Material Adverse Effect.

(c) With respect to Canadian Loan Parties, cause each of its Canadian Pension Plans (other than any Canadian Pension Plan which is a “multi-employer pension plan”, as defined under the *Pension Benefits Act* (Ontario) or any similar type of plan subject to pension benefits standards legislation of another jurisdiction in Canada) to be duly registered and administered in all material respects in compliance with the *Pension Benefits Act* (Ontario) or other applicable pension benefits standards legislation and all other applicable laws (including regulations, orders and directives), and the terms of the Canadian Pension Plans and any agreements relating thereto. Each Canadian Loan Party shall ensure:

(i) that no Lien arises on any of its assets in respect of any Canadian Pension Plan (other than Liens in respect of employee contributions withheld from pay but not yet due to be remitted to any Canadian Pension Plan);

(ii) it makes all required contributions to any Canadian Pension Plan when due; and

(d) Comply in all material respects with the requirements of all Canadian Economic Sanctions and Export Control Laws.

6.09 Books and Records; Accountants.

(a) Maintain proper books of record and account, in which full, true and correct entries in conformity in all material respects with GAAP or IFRS, as the case may be, consistently applied shall be made of all financial transactions and matters involving the assets and business of the Loan Parties or such Subsidiary, as the case may be.

(b) at all times retain a Registered Public Accounting Firm of national recognized standing and which is approved by the ABL Agent or otherwise acceptable to the Lender, acting reasonably.

6.10 Inspection Rights. Permit representatives, advisors and independent contractors of the Lender to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and Registered Public Accounting Firm, all at the expense of the Lender and at such reasonable times during normal business hours one time each Fiscal Year, upon reasonable advance notice to the Borrower; provided, however, that when a Default or an Event of Default exists the Lender (or any of its representatives, advisors or independent contractors) may do any of the foregoing at the expense of the Loan Parties at any time during normal business hours and without advance notice. Unless an Event of Default has occurred and is continuing, the Borrower shall have the right to have a representative at any and all inspections conducted at the Borrower's headquarters.

6.11 Additional Loan Parties.

(a) Notify the Lender at the time that any Person becomes, after the Effective Date, a Restricted Subsidiary of the Parent or a Subsidiary of any of its Restricted Subsidiaries (which, for purposes of this Section, shall include any Excluded Subsidiary which no longer qualifies as an Excluded Subsidiary and any Person which is required to become either a borrower or a guarantor under the ABL Credit Agreement, the Pathlight Term Loan Credit Agreement (other than, in the latter case, a Real Estate Subsidiary) for so long as the Term Loan Obligations have not been "Paid in Full" (as defined in the Pathlight Term Loan Credit Agreement) or any other Material Debt Document, and promptly thereafter (and in any event within ninety (90) days or such longer period as the Lender agrees in its direction), cause any such Person which is not an Excluded Subsidiary to (i) become a Loan Party by executing and delivering to the Lender a Joinder Agreement or such other documents as the Lender shall deem appropriate for such purpose, and (ii) deliver to the Lender documents of the types referred to in clauses (ii) and (iii) of Section 4.01(a), as appropriate, and opinions of counsel to such Person (which shall cover, among other things, the legality, validity, binding effect and enforceability of the documentation referred to in this Section 6.11). In no event shall compliance with this Section 6.11 waive or be deemed a waiver or consent to any transaction giving rise to the need to comply with this Section 6.11 if such transaction was not otherwise expressly permitted by this Agreement or constitute or be deemed to constitute, with respect to any Subsidiary, an approval of such Person as a Guarantor hereunder.

(b) In no event shall compliance with this Section 6.11 waive or be deemed a waiver or consent to any transaction giving rise to the need to comply with this Section 6.11 if such transaction was not otherwise expressly permitted by this Agreement or constitute or be deemed to constitute, with respect to any Subsidiary, an approval of such Person as a Guarantor hereunder.

(c) The Parent may, at its option, provide notice to the Lender if a Restricted Subsidiary that is a Loan Party becomes or qualifies as an Immaterial Subsidiary or other Excluded Subsidiary under the ABL Credit Agreement (a "Reclassification Notice"). Upon delivery of a certificate demonstrating the basis upon which a Reclassification Notice is being delivered and certifying that no Default or Event of Default exists or would arise as a result of such designation, such certificate in form satisfactory to the Lender, acting reasonably, upon request of the Parent, so long as no Default or Event of Default shall then exist or would result therefrom, the Lender shall take such actions as may be requested by the Parent to release such Excluded Subsidiary from its Facility Guarantee at such time as it is concurrently released by the ABL Agent under the ABL Credit Agreement.

6.12 [Reserved]

6.13 [Reserved]

6.14 [Reserved]

6.15 Environmental Laws.

(a) Conduct its operations and keep and maintain its Real Estate in material compliance with all Environmental Laws;

(b) obtain and renew all material environmental permits necessary for its operations and properties; and

(c) implement any and all investigation, remediation, removal and response actions that are appropriate or necessary to maintain the value and marketability of the Real Estate or to otherwise comply with Environmental Laws pertaining to the presence, generation, treatment, storage, use, disposal, transportation or release of any Hazardous Materials on, at, in, under, above, to, from or about any of its Real Estate, provided, however, that neither a Loan Party nor any of its Subsidiaries shall be required to undertake any such clean-up, removal, remedial or other action to the extent that its obligation to do so is being contested in good faith and by proper proceedings and adequate reserves have been set aside and are being maintained by the Loan Parties with respect to such circumstances in accordance with GAAP or IFRS, as applicable.

6.16 Further Assurances. Execute any and all further documents, agreements and instruments, and take all such further actions that may be required under any Law, or which the Lender may reasonably request, to effectuate the transactions contemplated by the Loan Documents or the Lease Documents, all at the expense of the Loan Parties; provided however, that such documentation shall not increase the duties, liabilities or obligations of any Loan Party hereunder or reduce the rights of any Loan Party hereunder.

6.17 Designation of Subsidiaries. The board of directors of the Borrower may at any time designate any Subsidiary (other than a Canadian Loan Party) as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary; provided that (a) immediately before and after such designation, no Default shall have occurred and be continuing, and (b) no Subsidiary may be designated as an Unrestricted Subsidiary if, after such designation, it would be a “Restricted Subsidiary” for the purpose of the ABL Credit Agreement, the Pathlight Term Loan Credit Agreement for so long as the Term Loan Obligations have not been “Paid in Full” (as defined in the Pathlight Term Loan Credit Agreement), Permitted Senior Secured Debt or any other Indebtedness of any Loan Party, unless such Subsidiary (i) has no assets of the type that constitutes Collateral, or (ii) is a Real Estate Subsidiary. The designation of any Subsidiary as an Unrestricted Subsidiary shall constitute an Investment by the applicable Borrower therein at the date of designation in an amount equal to the fair market value of such Borrower’s or its Subsidiary’s (as applicable) Investment therein. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute the incurrence at the time of designation of any Indebtedness or Liens of such Restricted Subsidiary existing at such time and a return on any Investment by the applicable Borrower in Unrestricted Subsidiaries pursuant to the preceding sentence in an amount equal to the fair market value at the date of such designation of the applicable Borrower’s or its Subsidiary’s (as applicable) Investment in such Subsidiary.

6.18 [Reserved]

6.19 Material Debt Documents. Deliver copies of each amendment, modification or supplement (or waiver) entered into in connection with any Material Debt Document to the Lender as soon as practicable and in any event within two (2) Business Days after such document is executed and delivered.

6.20 Most Favoured Nation

If, following the Effective Date, the ABL Credit Agreement is amended, amended and restated, supplemented or otherwise modified, or is replaced by a replacement credit facility, and in any such case, the definitive documentation in respect thereof amends any of the provisions thereof which are substantially replicated in this Agreement in a manner which is more restrictive on the Borrower or its Affiliate or more favourable to the lenders thereunder, or adds a new provision to such agreements that is favourable to the lenders thereunder that is not included in this Agreement (in each case, other than any term or provision which is specific to the Collateral arrangements under such agreements), then such provision shall be deemed to be incorporated by reference into this Agreement, without the need for any further notice to or approval or agreement by the parties. The Borrower agrees to provide prompt notice to the Lender of the entering into of any such amendment, amendment or restatement, supplement or other agreement giving rise to any such amendment to this Agreement, and upon request of the Lender, to enter into any amending agreement reasonably required by the Lender with respect of this Agreement in order to reflect herein any such provisions amended therein. For certainty, the provisions of this Section shall not apply to interest rates, amortization and payment terms and similar economic terms.

6.21 Canadian Borrowings.

The Borrower shall use proceeds of drawdowns of Canadian Revolving Loans (as defined in the ABL Credit Agreement) under the ABL Credit Agreement solely to fund the Canadian Retail Business of the Canadian Loan Parties.

**ARTICLE VII
NEGATIVE COVENANTS**

So long as any Loan or other Obligation hereunder shall remain unpaid or unsatisfied (other than contingent indemnification claims for which a claim has not been asserted), no Loan Party shall, nor shall it permit any Restricted Subsidiary, to, directly or indirectly:

7.01 Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired or sign or file or suffer to exist under the UCC, PPSA or any similar Law or statute of any jurisdiction a financing statement or registration that names any Loan Party or any Subsidiary thereof as debtor; sign or suffer to exist any security agreement authorizing any Person thereunder to file such financing statement or registration; or collaterally assign or otherwise transfer as collateral security any accounts or other rights to receive income, other than, as to all of the above, Permitted Encumbrances.

7.02 Investments. Make any Investments, except Permitted Investments.

7.03 Indebtedness; Disqualified Stock; Equity Issuances

(a) Create, incur, assume, guarantee, suffer to exist or otherwise become or remain liable with respect to, any Indebtedness, except Permitted Indebtedness; or (b) issue Disqualified Stock.

7.04 Fundamental Changes. Merge, dissolve, wind up into, liquidate, amalgamate, consolidate with or into another Person, (or agree to do any of the foregoing) (including, in each case, pursuant to a Delaware LLC Division), except that so long as no Default or Event of Default shall have occurred and be continuing prior to or immediately after giving effect to any action described below or would result therefrom:

(a) any Subsidiary which is not a Loan Party may merge or amalgamate with or dissolve into (i) a Loan Party, provided that the Loan Party shall be the continuing or surviving Person, or (ii) any one or more other Subsidiaries which are not Loan Parties, provided that when any wholly-owned Subsidiary that is a Loan Party is merging or amalgamating with another Subsidiary, the wholly-owned Subsidiary shall be the continuing or surviving Person;

(b) any Subsidiary which is a Loan Party may merge or amalgamate or dissolve into any Subsidiary which is a Loan Party or into the Borrower, provided that in any merger, amalgamation or dissolution involving the Borrower, such Borrower shall be the continuing or surviving Person; and

(c) in connection with a Permitted Acquisition, any Subsidiary of a Loan Party may merge or amalgamate with or into or consolidate with any other Person or permit any other Person to merge or amalgamate with or into or consolidate with it; provided that (i) the Person surviving such merger or amalgamation shall be a wholly-owned Restricted Subsidiary of a Loan Party and such Person shall become a Loan Party to the extent required in accordance with the provisions of Section 6.11 hereof, and (ii) in the case of any such merger or amalgamation to which any Loan Party is a party, such Loan Party is the surviving Person.

7.05 Dispositions. Make any Disposition except Permitted Dispositions. Notwithstanding anything in this Section 7.05 to the contrary, no Disposition shall be permitted if after giving effect to any Disposition, any Default or Event of Default shall exist or result therefrom.

7.06 Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that each of the following shall be permitted so long as no Default or Event of Default shall have occurred and be continuing prior, or immediately after giving effect, to the following, or would result therefrom provided that no Restricted Payment shall be made by any Loan Party to any Unrestricted Subsidiary or, except pursuant to clause (g) of this Section 7.06, to any Person that is not a Subsidiary of the Parent:

(a) each Subsidiary may make Restricted Payments to any Loan Party or to a Pathlight Mortgaged Loan Party;

(b) each Loan Party may make Restricted Payments to any other Loan Party or to a Pathlight Mortgaged Loan Party;

(c) the Loan Parties and each Restricted Subsidiary may declare and make dividend payments or other distributions payable solely in the common stock or other common Equity Interests of such Person;

(d) **[Reserved];**

(e) **[Reserved];**

(f) the Restricted Subsidiaries of the Parent may make a Restricted Payment to the extent such payment is funded solely with amounts received by the Restricted Subsidiaries, directly or indirectly, from an Excluded Subsidiary consisting of either (i) proceeds of Indebtedness incurred by such Excluded Subsidiary under a financing arrangement or (ii) proceeds of dividends and distributions received directly or indirectly from Simon JVCo; and

(g) the Parent may make Restricted Payments in the form of loans to its shareholders in an aggregate amount of up to \$12,500,000 per year (provided that all of the Restricted Payments permitted under this clause (g) shall not exceed \$100,000,000 in the aggregate at any time outstanding), and subject to compliance with the conditions applicable thereto in the ABL Credit Agreement and the Pathlight Term Loan Credit Agreement and provided that the sole source of funding for the making of such Restricted Payments is distributions to the Parent from Subsidiaries of the Parent who are not Canadian Loan Parties.

Notwithstanding anything in this Section 7.06 to the contrary, no Restricted Payment shall be permitted if after giving effect to any Restricted Payment, any Default or Event of Default shall exist or result therefrom.

7.07 Prepayments of Indebtedness. Prepay, redeem, purchase, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner any Indebtedness, or make any payment in violation of any subordination terms of any Subordinated Indebtedness, except (a) as long as no Default or Event of Default then exists, regularly scheduled or mandatory repayments, repurchases, redemptions or defeasances of (i) Permitted Indebtedness (other than Subordinated Indebtedness) and (ii) Subordinated Indebtedness in accordance with the subordination terms thereof, (b) voluntary prepayments, repurchases, redemptions or defeasances of (i) Permitted Indebtedness (but excluding on account of any Subordinated Indebtedness) as long as the Payment Conditions are satisfied, (ii) Subordinated Indebtedness in accordance with the subordination terms thereof and as long as the Payment Conditions are satisfied, and (iii) [reserved], (iv) Indebtedness of any Loan Party to another Loan Party or a Pathlight Mortgaged Loan Party in accordance with the terms of this Agreement, (c) payments, purchases, redemptions or defeasances of Specified Debt solely to the extent made with proceeds of other Specified Debt in connection with a refinancing thereof, (d) payment of the Term Loan Obligations that are permitted or required to be made pursuant to the Pathlight Term Loan Credit Agreement, (e) payment of the ABL Obligations that are permitted or required to be made pursuant to the ABL Credit Agreement and (f) Permitted Refinancings of any such Indebtedness. Notwithstanding the foregoing, the Canadian Loan Parties shall not make any payments (on account of principal, interest, fees or otherwise) on any Indebtedness owing to any Affiliates which are not Loan Parties.

7.08 Change in Nature of Business. Engage in any line of business substantially different from those lines of business conducted by the Loan Parties and their Subsidiaries on the Effective Date or any business reasonably related, complimentary or incidental thereto (it being understood that the ownership of Equity Interests in any real estate investment trust and property development activities shall be deemed to be a related business).

7.09 Transactions with Affiliates. Enter into, renew, extend or be a party to any transaction of any kind with any Affiliate of any Loan Party, whether or not in the ordinary course of business, other than on fair and reasonable terms substantially as favourable to the Loan Parties or such Subsidiary as would be obtainable by the Loan Parties or such Subsidiary at the time in a comparable arm's length transaction with a Person other than an Affiliate, provided that the foregoing restriction shall not apply to (a) a transaction between or among the Loan Parties, or a transaction permitted by Section 7.04, (b) transactions described on Schedule 7.09 hereto, (c) advances or reimbursements for commissions, travel

and other similar purposes in the ordinary course of business to directors, officers and employees, consistent with past practice, (d) the payment of reasonable fees and out-of-pocket costs to directors, and compensation, bonuses, employee benefit arrangements and stock option plans paid to, and indemnities provided for the benefit of, directors, officers or employees of the Parent or any of its Restricted Subsidiaries; provided that, in the case of each of compensation, bonuses, employee benefit arrangements and stock option plans, all such amounts after the Effective Date shall be consistent, taken as a whole, as to amount and the payment thereof, with past practice, (e) aircraft use benefits provided to senior executives for personal use to be reimbursed at cost; (f) as long as no Change of Control results therefrom, any issuances of securities of the any Loan Party (other than Disqualified Stock) or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment agreements, stock options and stock ownership or equity incentive plans of the Parent or any of its Restricted Subsidiaries, provided that any issuance, payment, award or grant under this clause after the Effective Date shall be consistent, taken as a whole, as to amount and the payment thereof, with past practice, (g) as long as no Default or Event of Default then exists or would arise therefrom, and clause (h) of the definition of “Permitted Disposition” and Section 7.23(i) are otherwise complied with, a RE Sale-Leaseback and the performance of its obligations thereunder, (h) Restricted Payments permitted pursuant to Section 7.06, (i) Investments permitted pursuant to clauses (g), (h), (m), (x) and (y) of the definition of “Permitted Investments”, (j) Indebtedness permitted pursuant to clauses (b), (m), (q), (z) and (aa) of the definition of “Permitted Indebtedness”, (k) Dispositions permitted pursuant to clauses (f) and (g) of the definition of “Permitted Dispositions” and (l) reimbursement of reasonable expenses of up to \$1,600,000 in the aggregate per annum incurred for the sole benefit of one or more of the Loan Parties in amounts consistent with past practice.

7.10 Burdensome Agreements. Enter into or permit to exist any Contractual Obligation (other than this Agreement or any other Loan Document, the ABL Credit Agreement, the Pathlight Term Loan Credit Agreement or any other agreement governing Permitted Senior Secured Debt) that (a) limits the ability (i) of any Subsidiary to make Restricted Payments or other distributions to any Loan Party or to otherwise transfer property to or invest in a Loan Party, (ii) of any Subsidiary to Guarantee the Obligations, or (iii) of any Subsidiary to make or repay loans to a Loan Party; or (b) requires the grant of a Lien to secure an obligation of such Person if a Lien is granted to secure another obligation of such Person; provided that the Permitted Senior Secured Debt shall not restrict the Indebtedness and Guarantees contemplated by this Agreement, the other Loan Documents or the Lease Documents.

7.11 Use of Proceeds. Use the proceeds of the Loan, whether directly or indirectly, and whether immediately, incidentally or ultimately, (a) to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund Indebtedness originally incurred for such purpose, (b) to fund any activities of or business with any Person, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions or for any purpose which would violate the Sanctions or any anti-corruption Laws, or (c) for any purpose other than the repayment of Canadian Loans (as defined in the ABL Credit Agreement as in effect as of the Effective Date) together with accrued and unpaid interest thereon under and pursuant to the ABL Credit Agreement and the payment of trade payables of the Canadian Retail Business.

7.12 Amendment of Material Documents.

(a) Change or amend the terms of any Subordinated Indebtedness (or any indenture or agreement in connection therewith) if the effect of such amendment is to: (i) increase the interest rate on such Subordinated Indebtedness; (ii) change the dates upon which payments of principal or interest are due on such Subordinated Indebtedness other than to extend such dates; (iii) change any default or event of default other than to delete or make less restrictive any default provision therein, or add any covenant with respect to such Subordinated Indebtedness; (iv) change the

redemption or prepayment provisions of such Subordinated Indebtedness other than to extend the dates therefor or to reduce the premiums payable in connection therewith; (v) grant any security or collateral to secure payment of such Subordinated Indebtedness; or (vi) change or amend any other term if such change or amendment would materially increase the obligations of the Loan Party thereunder or confer additional material rights on the holder of such Subordinated Indebtedness in a manner adverse to any Loan Party or the Lender, in each case, without the prior consent of the Lender.

(b) Amend, modify or waive any of a Loan Party's rights under (a) its Organization Documents in a manner materially adverse to the Lender, (b) any Material Contract or Material Indebtedness (other than on account of any Permitted Refinancing thereof or Subordinated Indebtedness which is provided for in clause (a) of this Section), including without limitation, any instruments, documents or agreements governing Permitted Senior Secured Debt, in each case to the extent that such amendment, modification or waiver would result in an Event of Default under any of the Loan Documents or would be materially adverse to the Lender, or otherwise would be reasonably likely to have a Material Adverse Effect, (c) the ABL Credit Agreement to the extent that such amendment, modification or waiver is prohibited under the Pathlight Intercreditor Agreement, or (d) the Pathlight Term Loan Credit Agreement to the extent that such amendment, modification or waiver is prohibited under the Pathlight Intercreditor Agreement.

(c) **[Reserved]**

(d) **[Reserved]**

(e) **[Reserved]**

7.13 Fiscal Year. Change the Fiscal Year of any Loan Party, or the accounting policies or reporting practices of the Loan Parties, except as required by GAAP or IFRS, as applicable.

7.14 No Specified CF Lease Closures. Cease to continuously operate a Store located on premises subject to a Specified CF Lease in accordance with the requirements of such Specified CF Lease.

7.15 Consolidated Fixed Charge Coverage Ratio. During the continuance of a Covenant Compliance Event, permit the Consolidated Fixed Charge Coverage Ratio, calculated as of the last day of each Fiscal Quarter on a trailing four quarters basis (commencing with the Fiscal Quarter immediately prior to the date that the Covenant Compliance Event occurs), to be less than 1.00:1.00.

7.16 Inactive Subsidiaries. Notwithstanding any other term or provision in this Agreement or any other Loan Document, in the case of an Inactive Subsidiary (i) engage in any trade or business, (ii) own any assets (other than its name) or (iii) create, incur, assume or permit to exist any Indebtedness.

7.17 Immaterial Subsidiaries Covenant Baskets. Notwithstanding any term or provision in this Agreement, (i) Permitted Acquisitions, (ii) intercompany loans and advances made to any Immaterial Subsidiary pursuant to clause (m) of the definition of "Permitted Indebtedness", (iii) Guarantees by any Loan Party of any Permitted Indebtedness in favour of any Immaterial Subsidiary, (iv) sales, transfers, conveyances, assignments or other dispositions of the properties or assets of any Loan Party to any Immaterial Subsidiary made pursuant to clauses (b) and (f) of the definition of "Permitted Dispositions", and (v) Restricted Payments made by any Loan Party to any Immaterial Subsidiary shall not, collectively, exceed \$50,000,000 in the aggregate; provided, that for purposes of any determination made with respect to this Section 7.17, the amount of Indebtedness outstanding from any Immaterial Subsidiary pursuant to

clause (m) of the definition of “Permitted Indebtedness” shall be the amount of such Indebtedness outstanding at such time of determination.

7.18 Pensions and Benefit Plans.

Permit any Pension Plan Unfunded Liability to exist other than in accordance with applicable Laws, and other than where same could not reasonably be expected to have a Material Adverse Effect, terminate or wind-up a defined benefit Canadian Pension Plan unless (A) there are no Pension Plan Unfunded Liabilities in respect of or resulting from such termination or wind-up, or (B) upon such termination or wind-up, the Loan Parties would be able to meet the Payment Conditions on a pro form basis assuming payment of all of the Pension Plan Unfunded Liabilities in respect of or resulting from such termination or wind-up on the date of such termination or wind-up as if the payment were made under Section 7.07(b)(i).

7.19 Hazardous Materials.

Cause or permit a Release of any Hazardous Material on, at, in, under, above, to or from any of the Real Estate where such Release would (a) violate in any respect, or form the basis for any Environmental Liabilities under, any Environmental Laws, or (b) otherwise adversely impact the value or marketability of any of the Real Estate, other than such violations or Environmental Liabilities that could not reasonably be expected to have a Material Adverse Effect.

7.20 Sale Leasebacks.

Enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred (a “Sale and Leaseback Transaction”); provided that (a) a RE Sale-Leaseback shall be permitted to the extent permitted by clause (h) of the definition of “Permitted Disposition” and Section 7.23(i), and (b) a Sale and Leaseback Transaction shall be permitted so long as (i) no Default or Event of Default has occurred and is continuing or would result after giving effect to any such Sale and Leaseback Transaction, (ii) if such Sale and Leaseback Transaction relates to personal property, it (A) is made for cash consideration in an amount not less than the fair value of such property, and (B) is pursuant to a lease on market terms, and (iii) if such Sale and Leaseback Transaction relates to real property, (A) it is on reasonable terms and will not adversely affect the business or operations of any Loan Party, and (B) the Lender is provided with the reasonable details of such proposed Sale and Leaseback Transaction in advance thereof, along with any agreement, document or other information relating thereto as the Lender may request, acting reasonably.

7.21 Bank Products.

Permit the aggregate amount of Other Liabilities in respect of Bank Products (as each such term is defined in the ABL Credit Agreement as in effect on the date hereof) to exceed \$60,000,000 at any time.

7.22 [Reserved]

7.23 Supplemental Canadian Ringfencing Covenants.

Notwithstanding any of the other provisions of this Agreement, including Article VII (including any exceptions to the covenants included therein):

(a) No Loan Party will amend the ABL Credit Agreement in a manner that directly or indirectly changes the allocation of payments and repayments thereunder as between the Canadian Borrower and the U.S. Borrower under Sections 2.05(j) and (k) of the ABL Credit Agreement;

(b) No Canadian Loan Party will make any payment or repayment of (i) Indebtedness owing by any U.S. Loan Party under the ABL Credit Agreement or the Pathlight Term Loan Credit Agreement other than as required by the terms thereof as in effect on the Effective Date, or (ii) except as required by a Guarantee thereof to which it is a party, any other Indebtedness or other obligation owing by an Affiliate other than a Canadian Loan Party;

(c) No Canadian Loan Party will make any payment (on account of principal, interest, fees or otherwise) on any Indebtedness for borrowed money owing to any Affiliate of the Borrower other than a Loan Party or a Pathlight Mortgaged Loan Party;

(d) No Canadian Loan Party will Guarantee any obligations of any Affiliate other than a Canadian Loan Party, other than (i) Guarantees of the ABL Credit Agreement and the Pathlight Term Loan Credit Agreement (ii) any such other Guarantees that exist on the Effective Date, (iii) Guarantees of Permitted Indebtedness pursuant to clauses (k), (s), (bb) or (ee) of the definition thereof, provided in each such case under this clause (iii) that (A) no Default or Event of Default shall exist immediately before or immediately after giving effect to the granting of such Guarantee on a *pro forma* basis, (B) the final maturity date of any such Indebtedness shall be no earlier than ninety-one (91) days following the Maturity Date, (C) the terms of such Indebtedness shall not provide for any scheduled repayment, mandatory redemption, sinking fund obligations or other payment (other than periodic interest payments) prior to the date that is ninety-one (91) days following the Maturity Date, other than customary acceleration rights upon an event of default, (D) any such Indebtedness may be cross-accelerated, but shall not be cross-defaulted, to the Loan or any other Indebtedness of the Loan Parties, (E) the interest on such Indebtedness shall not be paid by a Canadian Loan Party; and (F) any borrower and (other than in the case of Permitted Senior Secured Debt) any guarantor of such Indebtedness shall be a Loan Party; and (iv) Guarantees of lease obligations of a Loan Party and Guarantees provided under clause (aa) of the definition of Permitted Indebtedness;

(e) No Canadian Loan Party will incur additional Indebtedness after the Effective Date except if the proceeds of such Indebtedness are used solely to support the Canadian Retail Business;

(f) No Canadian Loan Party will incur Indebtedness owing to another Loan Party (other than a Canadian Loan Party) after the Effective Date unless it is Subordinated Indebtedness, and no Loan Party will incur Indebtedness owing to an Affiliate that is not a Loan Party after the Effective Date unless it is Subordinated Indebtedness;

(g) No Canadian Loan Parties will make any Investment in any Affiliates that are not Loan Parties or Pathlight Mortgaged Loan Parties (including the RioCan JVCo and the Simon JVCo) other than Guarantees of lease obligations of a Loan Party and Guarantees provided under clause (aa) of Permitted Indebtedness;

(h) Any (i) net proceeds generated by Dispositions of assets located in Canada or used primarily for the Canadian Retail Business, or Equity Interests of Subsidiaries the assets of which are located in Canada or used primarily in the Canadian Retail Business, and (ii) distributions from any Subsidiaries, the assets of which are located in Canada or used primarily in the Canadian

Retail Business, and which, in each case of clause (i) and (ii), are not applied to repay the ABL Credit Agreement or the Pathlight Term Loan Credit Agreement, shall remain in and be applied to the Canadian Retail Business;

(i) No Canadian Loan Parties shall make Dispositions of assets to Affiliates that are not Loan Parties or Pathlight Mortgaged Loan Parties other than (i) sales of Inventory in the ordinary course of business consistent with past practice not in excess of C\$250,000 per transaction or series of transactions that comply with Section 7.23(j), or (ii) otherwise (A) in compliance with Sections 7.09 and 7.23(j), and (B) with the prior written consent of the Lender, not to be unreasonably withheld.

(j) All payments for goods and services, and all other dealings, between Canadian Loan Parties and any Affiliates that are not Canadian Loan Parties must be on fair and reasonable terms and no less favourable to Canadian Loan Parties as would be obtained in a comparable arm's length transaction. Any such arrangements in place as of the Effective Date will not be modified in a manner that is adverse in any material respect to the Canadian Loan Parties. With respect to the purchase of inventory, the price will not exceed the lower of cost or market. Any new transactions or other new arrangements entered into after the Effective Date by the Canadian Loan Parties with Affiliates that are not Canadian Loan Parties and that provide for consideration of C\$250,000 or more (including per transaction or series of related transactions) will be subject to the prior written approval of the Lender, not to be unreasonably withheld (which, for certainty, will exclude transactions that are pursuant to arrangements existing and in effect as of the Effective Date and disclosed in Schedule 5.30, provided such transactions are carried out in a manner consistent with past practice); and

(k) No Canadian Loan Party will continue into a jurisdiction outside of Canada and/or merge with a non-Canadian Loan Party.

7.24 Ringfencing Consequences. Immediately upon the earliest to occur of (i) any Loan Party having knowledge of the occurrence of a Ringfencing Triggering Event and (ii) the Lender providing written notice to the Borrower of the occurrence of a Ringfencing Triggering Event, the Loan Parties will (without limiting the foregoing provisions of this Article VII) thereafter be subject to the Ringfencing Consequences.

ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. The Borrower or any other Loan Party fails to pay when and as required to be paid, (i) any amount of principal of the Loan, or (ii) any interest, fee or other amount payable hereunder, which failure continues for five (5) days; or

(b) Specific Covenants. (i) Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Sections 6.02(a), 6.03(a), 6.03(k), 6.05(a), 6.10, 6.11 or Article VII; or

(c) Limited Grace. Any Loan Party fails to perform or observe any term, covenant or agreement contained in Section 6.01 and such failure continues for ten (10) Business Days; or

(d) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a), (b) or (c) above) contained in any Loan Document or any Lease Document on its part to be performed or observed and such failure continues for thirty (30) days; or

(e) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Loan Party herein, in any other Loan Document or any Lease Document, or in any document delivered in connection herewith or therewith by the Borrower or any other Loan Party shall be false or misleading in any material respect (or in the case of any representation and warranty qualified by materiality, in any respect) when made or deemed made; or

(f) Cross-Acceleration. Any Loan Party or any Subsidiary thereof (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise but after giving effect to any applicable grace period) in respect of any Material Indebtedness, or (B) fails to observe or perform any other agreement or condition relating to any such Material Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto (in each case, after giving effect to any applicable grace period), or any other event occurs, and in each case, the effect of which default or other event is to cause the holder or holders of such Material Indebtedness or the beneficiary or beneficiaries of any Guarantee thereof (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be accelerated and payable in full or to become due or to be repurchased, prepaid, defeased or redeemed in full (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity or such Guarantee to become payable or cash collateral in respect thereof to be demanded; or

(g) Insolvency Proceedings, Etc. Any Loan Party or any of its Subsidiaries institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, interim receiver, receiver and manager, monitor, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or a proceeding shall be commenced or a petition filed, without the application or consent of such Person, seeking or requesting the appointment of any receiver, interim receiver, receiver and manager, monitor, trustee, custodian, conservator, examiner, liquidator, rehabilitator or similar officer is appointed and the appointment continues undischarged, undismissed or unstayed for 60 calendar days or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for 60 calendar days, or an order for relief is entered in any such proceeding; or

(h) Inability to Pay Debts; Attachment. (i) Any Loan Party or any Subsidiary thereof becomes unable or admits in writing its inability or fails generally to pay its debts as they become due in the ordinary course of business, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within 10 days after its issuance or levy; or

(i) Judgments. There is entered against any Loan Party or any Subsidiary thereof (i) in the case of any judgment or order for the payment of money relating to or arising out of Dutch leases and/or related lease guarantees entered into by Parent and its Subsidiaries one or

more judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding \$100,000,000 (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage), (ii) in the case of any of any judgments or order for the payment of money not described in preceding clause (i), one or more judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding \$50,000,000 (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage), or (iii) any one or more non-monetary judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect (each of the proceeding clauses (i) through (iii) individually, a “Qualifying Judgment”) and, in each case, (A) enforcement proceedings are commenced in the United States or Canada against assets of any Loan Party by any creditor or creditors upon such Qualifying Judgment, or (B) other than a Qualifying Judgment arising out of Dutch leases and/or related lease guarantees entered into by Parent and its Subsidiaries, there is a period of thirty (30) consecutive days during which (1) a stay of enforcement of such Qualifying Judgment, by reason of a pending appeal or otherwise, is not in effect, or (2) the same is not discharged, satisfied or vacated; or

(j) ERISA. (i) An ERISA Event occurs which has resulted or would reasonably be expected to result in liability of any U.S. Loan Party in an aggregate amount which would reasonably be expected to have a Material Adverse Effect, or (ii) a U.S. Loan Party or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount which would reasonably be expected to have a Material Adverse Effect; or

(k) Canadian Pension Plan. Any event or condition shall occur or exist with respect to a Canadian Pension Plan that would reasonably be expected to subject any Canadian Loan Party to any tax, penalty or other liabilities under the *Pension Benefits Act* (Ontario) or any other applicable pension benefits standards legislation or other applicable Laws, or if a Canadian Loan Party is in default with respect to required payments to a Canadian Pension Plan or any Lien arises on the assets of a Canadian Loan Party (save for contribution amounts not yet due) in connection with any Canadian Pension Plan or if a Canadian Pension Plan is partially or fully terminated or a trustee or other similar official is appointed to monitor, run, or unwind a Canadian Pension Plan, where any of the foregoing events, conditions, defaults or Liens would reasonably be expected to result in a Material Adverse Effect; or

(l) Invalidity of Loan or Lease Documents. Any material provision of any Loan Document or Lease Document, at any time after its execution and delivery and for any reason, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any material provision of any Loan Document or Lease Document; or any Loan Party denies that it has any or further liability or obligation under any material provision of any Loan Document or Lease Document, or purports to revoke, terminate or rescind any provision of any Loan Document or Lease Document; or

(m) Change of Control. There occurs any Change of Control;

(n) Cessation of Business. Except as otherwise expressly permitted hereunder, either (i) the Loan Parties, taken as a whole, or (ii) the Canadian Loan Parties, taken as a whole, shall take any action to suspend the operation of their business in the ordinary course, liquidate all or a material portion of their assets or Store locations or any Store subject to a Specified CF Lease, or

employ an agent or other third party to conduct a program of closings, liquidations or “Going-Out-Of-Business” sales of any material portion of their business or any Store subject to a Specified CF Lease; or

(o) Subordination Agreements. (i) The subordination provisions of the documents evidencing or governing the subordination of any Subordinated Indebtedness (the “Subordination Provisions”) shall, in whole or in part, terminate, cease to be effective or cease to be legally valid, binding and enforceable against any holder of the applicable Subordinated Indebtedness or such holder shall fail to comply with such Subordination Provisions; or (ii) the Borrower or any other Loan Party shall, directly or indirectly, disavow or contest in any manner (A) the effectiveness, validity or enforceability of any of the Subordination Provisions, (B) that the Subordination Provisions exist for the benefit of the Lender, or (C) that all payments of principal of or premium and interest on the applicable Subordinated Indebtedness, or realized from the liquidation of any property of any Loan Party, shall be subject to any of the Subordination Provisions; or

(p) CF Lease Defaults. The Borrower or any Affiliate thereof (i) fails to pay any amount when due under a CF Lease and such failure continues for five (5) Business Days, or (ii) otherwise defaults under, breaches or violates any term or condition of any CF Lease and, in the case of this clause (ii), such failure continues for ten (10) Business Days after the earlier to occur of (A) any Loan Party having knowledge of the occurrence of the default and (B) the Lender providing written notice to the Borrower of the occurrence of the default.

(q) Guarantee Payments. Payment of any amounts by a Canadian Loan Party on any Guarantee of Indebtedness, lease obligations or any other obligations of a Person that is not a Canadian Loan Party.

8.02 Remedies Upon Event of Default.

(a) If any Event of Default occurs and is continuing, the Lender may take any or all of the following actions:

(i) declare the unpaid principal amount of the outstanding Loan, all interest accrued and unpaid thereon, and all other Obligations to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Loan Parties;

(ii) whether or not the maturity of the Obligations shall have been accelerated pursuant hereto, proceed to protect, enforce and exercise all rights and remedies of the Lender under this Agreement, any of the other Loan Documents or Lease Documents or applicable Laws, including, but not limited to, by suit in equity, action at law or other appropriate proceeding, whether for the specific performance of any covenant or agreement contained in this Agreement, the other Loan Documents or any Lease Documents or any instrument pursuant to which the Obligations are evidenced, and, if such amount shall have become due, by declaration or otherwise, proceed to enforce the payment thereof or any other legal or equitable right of the Lender;

provided, however, that upon the occurrence of any Default or Event of Default with respect to any Loan Party or any Subsidiary thereof under Section 8.01(f), (g) or (h) the unpaid principal amount of the outstanding Loan, all interest accrued thereon and all other Obligations shall automatically become due and payable.

(b) No remedy herein is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or any other provision of Law.

(c) Notwithstanding the foregoing, the Lender may at its sole option elect to deliver a notice (a “**Special Waiver Notice**”) to the Borrower pursuant to this Section 8.02(c), in which case, immediately upon delivery of such Special Waiver Notice (i) the Lender will be deemed to have permanently waived such Event of Default, and (ii) in consideration for such permanent waiver, Section 3 of the Undertaking and Agreement will terminate. For greater certainty, upon the Lender’s delivery of a Special Waiver Notice, the Event of Default which is the subject of such waiver shall, on a permanent basis, no longer have any effect for purposes of this Agreement (and for greater certainty, such waiver shall not limit any rights or remedies of the Lender under this Agreement in respect of any other Event of Default hereunder).

8.03 Application of Funds.

(a) After the exercise of remedies provided for in Section 8.02 (or after the Loan has automatically become immediately due and payable), any amounts received by the Lender from any Loan Party, whether on account of the Obligations or otherwise, shall be applied by the Lender in the following order:

First, to payment of any amounts then due and owing by the Borrower or any Affiliate thereof under a CF Lease;

Second, to payment of the Obligations constituting reasonable and documented fees, indemnities, expenses and other amounts (including reasonable and documented fees, charges and disbursements of counsel to the Lender and amounts payable under Article III) payable to the Lender;

Third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loan;

Fourth, to payment of that portion of the Obligations constituting unpaid principal;

Fifth, to the payment of all other Obligations of the Borrower that are due and payable to the Lender; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by applicable Laws.

8.04 Financial Covenant Cure.

In the event that the Borrower fails to comply with the financial covenant set forth in Section 7.15 as of the end of any Fiscal Quarter, then it shall be deemed to be a Default, and the parties agree that such failure shall only constitute an Event of Default if, and only if, the Consolidated Fixed Charge Coverage Ratio set forth in a Compliance Certificate delivered for such fiscal quarter pursuant to Section 6.01(a) or (b), as applicable, fails to comply with the financial covenant set forth in Section 7.15, after giving effect to any cash equity contribution made to the Parent during the period up to and including the date of such Compliance Certificate, which equity contributions will be included in the calculation of Consolidated EBITDA for the purposes of determining compliance with such financial covenant at the end of the relevant

period and applicable subsequent periods which include such period (any such equity contribution so included in the calculation of Consolidated EBITDA, a “Specified Equity Contribution”), provided that (a) in each four consecutive fiscal quarter period, there shall be at least two fiscal quarters in respect of which no Specified Equity Contribution is made, (b) the amount of any Specified Equity Contribution shall be no greater than 100% of the amount required to cause the Borrower to be in compliance with the financial covenant set forth in Section 7.15, (c) no more than five (5) Specified Equity Contributions may be made from and after the Effective Date, and (d) all Specified Equity Contributions shall be disregarded for purposes of determining Payment Conditions, RP Conditions, Section 7.06(g), or any financial ratio-based conditions or other baskets with respect to the covenants contained in this Agreement or any other Loan Document.

8.05 Separate Classes.

It is the intention of the parties hereto that (and to the maximum extent permitted by Law the parties hereto agree that) the Obligations constitute a separate and distinct class of creditor claims (and separate and distinct claims) from the ABL Obligations, the Term Loan Obligations and any other secured Indebtedness of the Loan Parties in any proceeding under any Debtor Relief Laws, and, as such, will have separate and distinct voting rights in such proceedings.

ARTICLE IX MISCELLANEOUS

9.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement, any other Loan Document or Lease Document, and no consent to any departure by any Loan Party therefrom, shall be effective unless in writing signed by the Lender, and the Borrower or the applicable Loan Party, as the case may be, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

9.02 Notices; Effectiveness; Electronic Communications.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by electronic mail as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Loan Parties, to the address, electronic mail address or telephone number specified for the Borrower on Schedule 9.02; and

(ii) if to the Lender, to the address, electronic mail address or telephone number specified for it on Schedule 9.02.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. The Lender or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Lender otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) Change of Address, Etc. Each of the Loan Parties and the Lender may change its address, electronic mail address or telephone number for notices and other communications hereunder by notice to the other parties hereto.

(d) Reliance by Lender. The Lender shall be entitled to rely and act upon any notices purportedly given by or on behalf of the Loan Parties even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties shall indemnify the Lender and the Lender's Related Parties from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower. All telephonic notices to and other telephonic communications with the Lender may be recorded by the Lender, and each of the parties hereto hereby consents to such recording.

9.03 No Waiver; Cumulative Remedies. No failure by the Lender to exercise, and no delay by the Lender in exercising any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder, under any other Loan Document or Lease Document preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges provided herein, in the other Loan Documents and the Lease Documents are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default or Event of Default, regardless of whether the Lender may have had notice or knowledge of such Default or Event of Default at the time.

9.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrower shall pay all Lender Expenses.

(b) Indemnification by the Loan Parties. The Loan Parties shall indemnify the Lender, and each Related Party of the Lender (each such Person being called an "Indemnatee") against, and hold each Indemnatee harmless (on an after tax basis) from, any and all losses, claims, causes of action, damages, liabilities, settlement payments, costs, and related expenses (including the reasonable and documented fees, charges and disbursements of counsel for the Indemnitees) and without duplication of amounts payable under Section 9.04(a), incurred by any Indemnatee or asserted against any Indemnatee by any third party arising out of, in connection with, or as a result of (i) the execution or delivery of this

Agreement, any other Loan Document, any Lease Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or the administration of this Agreement, the other Loan Documents and the Lease Documents, (ii) the Loan or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party or any of the Loan Parties' directors, shareholders or creditors, and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence, bad faith, or willful misconduct of such Indemnitee, or (y) arise from disputes solely among the Indemnitees, and in such event solely to the extent that the underlying dispute does not (1) arise as a result of an action, inaction or representation of, or information provided by or on behalf of the Loan Parties or their Subsidiaries or Affiliates, or (2) relate to any action of such Indemnitee in its capacity as Lender. Without limiting the provisions of Section 3.01(c), this Section 9.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, liabilities, claims, damages, etc. arising from any non-Tax claim. In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 9.04 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Loan Party, any Subsidiary of any Loan Party, its directors, stockholders or creditors or an Indemnitee or any other Person, whether or not any Indemnitee is otherwise a party thereto and whether or not any of the transactions contemplated hereunder, under any of the other Loan Documents or Lease Documents are consummated.

(c) Waiver of Consequential Damages, Etc. To the fullest extent permitted by Law, the Loan Parties shall not assert, and hereby waive, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or Lease Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee shall have any liability (whether direct or indirect, in contract or tort or otherwise) to any Loan Party or its Subsidiaries or Affiliates, or to their respective equity holders or creditors or to any other Person arising out of, related to or in connection with any aspect of the transactions contemplated hereby, except to the extent of direct (as opposed to special, indirect, consequential or punitive) damages determined in a final non appealable judgment by a court of competent jurisdiction to have resulted from such Indemnitee's gross negligence, bad faith or willful misconduct.

(d) Payments. All amounts due under this Section shall be payable on demand therefor.

(e) Limitation of Liability. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through electronic or other information transmission systems in connection with this Agreement, the other Loan Documents or the Lease Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and non-appealable judgment of a court of competent jurisdiction.

(f) Survival. The agreements in this Section shall survive the repayment, satisfaction or discharge of all the other Obligations.

9.05 Payments Set Aside. To the extent that any payment by or on behalf of the Loan Parties is made to the Lender, or the Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

9.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Loan Party may assign or otherwise transfer any of its rights or obligations hereunder or under any other Loan Document without the prior written consent of the Lender and the Lender may not assign or otherwise transfer any of its rights or obligations hereunder except in accordance with the provisions of Section 9.06(b) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Related Parties of the Lender) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lender. The Lender may (i) at any time assign to one or more of its Affiliates all or a portion of its rights and obligations under this Agreement and the Loan without the consent of the Borrower.

(c) Assignee. Any assignee of the Lender: (i) shall comply with the requirements of Section 3.01(e) as if it was a Lender, if applicable, and (ii) shall not be entitled to receive any greater payment under Section 3.01(a) or 3.01(c) than the assigning Lender would have been entitled to receive.

9.07 Treatment of Certain Information; Confidentiality. The Lender agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed and nothing herein shall prohibit the Lender from discussing the Loan, the Loan Documents and the Lease Documents, and the terms and conditions thereof and the transactions contemplated thereby (including circulating copies of the Loan Documents and the Lease Documents: (a) to its Affiliates, and to its and its Affiliates' respective partners, directors, officers, employees, agents, actual and prospective financing sources, attorneys, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it, (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto or, following the occurrence of an Event of Default and while it is continuing, to any party to the ABL Credit Agreement or Pathlight Term Loan Credit Agreement, (e) in connection with the exercise of any remedies hereunder, under any other Loan Document or Lease Document or any action or proceeding relating to this Agreement, any other Loan Document or Lease Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement (including any electronic agreement contained in any online platform) containing provisions substantially the same as those of this Section, to (i) any permitted assignee or prospective permitted assignee in any of the rights or obligations under this Agreement, (ii) any investor or prospective investor in the Lender or an Affiliate thereof, (iii) any purchaser or prospective purchaser of any of the property and assets of the Lender or an Affiliate thereof or any lender or other financing source or any prospective lender or other prospective financing source to the Lender, an

Affiliate thereof, a purchaser, or a prospective purchaser of any of the property or assets of the Lender or its Affiliates, and (iv) any of its joint venture partners and co-owners, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Lender or any of its Affiliates on a non-confidential basis from a source other than the Loan Parties; and in the case of any Person referenced in clauses (f)(i), (ii), (iii) and (iv), the Information may be disclosed to such Person's Affiliates, and to its and its Affiliates' respective partners, directors, officers, employees, agents, actual and prospective financing sources, attorneys, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential on the terms set out herein), provided that in no case may the Lender or an Affiliate thereof disclose Information (other than the Loan, the Loan Documents, the Lease Documents and the terms and conditions thereof) to a competitor of the Loan Parties.

For purposes of this Section, "Information" means all information received from the Loan Parties or any Subsidiary thereof relating to the Loan Parties or any Subsidiary thereof or their respective businesses, other than any such information that is available to the Lender on a non-confidential basis prior to disclosure by the Loan Parties or any Subsidiary thereof. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

The Loan Parties agree to maintain the confidentiality of this Agreement, the other Loan Documents, the Lease Documents and the transactions contemplated herein and therein including, without limitation, (i) the identity of the Lender and the parent of the Lender, and (ii) the existence of the Loan, the Loan Documents and the Lease Documents, and the terms and conditions thereof, except that the foregoing may be disclosed (a) to any Loan Party's Affiliates, and to its and its Affiliates' respective directors, officers, employees, agents, attorneys, advisors and representatives who need to know such information for the purposes of consummating or administering the transactions herein (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature thereof and instructed to keep such information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over a Loan Party, (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process (in which case, such Loan Party agrees to inform the Lender promptly thereof to the extent practicable and not prohibited by applicable Law), (d) subject to an agreement (including any electronic agreement contained in any online platform) containing provisions substantially the same as those of this Section, to any party to the ABL Credit Agreement, the Pathlight Term Loan Credit Agreement or other Material Indebtedness, and (e) with the written consent of the Lender.

The parties hereto agree that the confidentiality terms in this Section 9.07 supercede and replace the terms of the nondisclosure agreement dated March 14, 2023 between HBC US and Cadillac Fairview.

9.08 Right of Setoff. If an Event of Default shall have occurred and be continuing the Lender and each of its Affiliates is hereby authorized at any time and from time to time to the fullest extent permitted by Law, to set off and apply any and all obligations (in whatever currency) at any time owing by the Lender or any Affiliate to or for the credit or the account of the Borrower or any of its Affiliates against any and all of the Obligations now or hereafter existing under this Agreement, any other Loan Document or Lease Document, irrespective of whether or not the Lender shall have made any demand under this Agreement, any other Loan Document or Lease Document and although such obligations of the Borrower or such Affiliate may be contingent or unmatured.

9.09 Interest Rate Limitation Notwithstanding anything to the contrary contained in any Loan Document, but subject to the provisions of Section 2.05(b) hereof, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by Law (the “Maximum Rate”). Subject to the provisions of Section 2.05(b) hereof, in determining whether the interest contracted for, charged, or received by the Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Laws, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.**Counterparts; Integration; Effectiveness.** This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and the Lease Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Lender and when the Lender shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by pdf or other electronic transmission shall be as effective as delivery of a manually executed counterpart of this Agreement.

9.11 Survival. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Lender, regardless of any investigation made by the Lender or on their behalf and notwithstanding that the Lender may have had notice or knowledge of any Default or Event of Default at the time of the Loan, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied. Further, the provisions of Sections 3.01, and 9.04, without limitation, shall survive and remain in full force and effect regardless of the repayment of the Obligations or the termination of the Loan or the termination of this Agreement or any provision hereof.

9.12 Severability If any provision of this Agreement, the other Loan Documents or any Lease Document is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement, the other Loan Documents and the Lease Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9.13 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT, THE OTHER LOAN DOCUMENTS AND THE LEASE DOCUMENTS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY LEASE DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS APPLICABLE THEREIN.

(b) SUBMISSION TO JURISDICTION. EACH LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE LENDER, OR ANY RELATED PARTY OF THE LENDER IN ANY WAY RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY LEASE DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE PROVINCE OF ONTARIO AND THE COUNTRY OF CANADA AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH ONTARIO COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE LOAN PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW. NOTHING IN THIS AGREEMENT, IN ANY OTHER LOAN DOCUMENT OR ANY LEASE DOCUMENT SHALL AFFECT ANY RIGHT THAT THE LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY LEASE DOCUMENT AGAINST ANY LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY LEASE DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE LOAN PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 9.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW. THE PARENT AND EACH OTHER LOAN PARTY HEREBY AGREES THAT SERVICE OF PROCESS IN ANY ACTION OR PROCEEDING BROUGHT IN ANY ONTARIO COURT OR FEDERAL COURT MAY BE MADE UPON SUCH PERSON AS THE BORROWER MAY PROVIDE THE LENDER IN WRITING (THE "PROCESS AGENT"), AND EACH OF THE PARENT AND EACH OTHER LOAN PARTY HEREBY IRREVOCABLY APPOINTS THE PROCESS AGENT ITS AUTHORIZED AGENT TO ACCEPT SUCH SERVICE OF PROCESS, AND AGREES THAT THE FAILURE OF THE PROCESS AGENT TO GIVE ANY NOTICE OF ANY SUCH SERVICE SHALL NOT IMPAIR OR AFFECT THE VALIDITY OF SUCH SERVICE OR OF ANY JUDGMENT RENDERED IN ANY ACTION OR PROCEEDING BASED THEREON.

9.14 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY LEASE

DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS OR ANY LEASE DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

9.15 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby, the Loan Parties each acknowledge and agree that: (i) the term loan provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof, of any other Loan Document or any Lease Document) are an arm's-length commercial transaction between the Loan Parties, on the one hand, and the Lender, on the other hand, and each of the Loan Parties is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby, by the other Loan Documents and by the Lease Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, the Lender is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary, for the Loan Parties or any of their respective Affiliates, stockholders, creditors or employees or any other Person; (iii) the Lender has not assumed nor will it assume an advisory, agency or fiduciary responsibility in favour of the Loan Parties with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof, of any other Loan Document or of any Lease Document and the Lender does not have any obligation to any Loan Party or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein, in the other Loan Documents or in the Lease Documents; (iv) the Lender and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Loan Parties and their respective Affiliates, and the Lender does not have any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) the Lender has not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof, of any other Loan Document or of any Lease Document) and each of the Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. Each of the Loan Parties hereby waives and releases, to the fullest extent permitted by applicable Law, any claims that it may have against the Lender with respect to any breach or alleged breach of agency or fiduciary duty.

9.16 USA PATRIOT Act and PCTFA Notice. To the extent the Lender is subject to the USA PATRIOT Act and the PCTFA, the Lender hereby notifies the Loan Parties that pursuant to the requirements of the USA PATRIOT Act and the PCTFA, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow the Lender to identify each Loan Party in accordance with the USA PATRIOT Act and the PCTFA. Each Loan Party is in compliance, in all material respects, with the USA PATRIOT Act and the PCTFA. No part of the proceeds of the Loan will be used by the Loan Parties, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the USA PATRIOT and the PCTFA.

9.17 Foreign Assets Control Regulations. Neither of the advance of the Loan nor the use of the proceeds thereof will violate any Sanctions or any applicable anti-corruption Laws. Furthermore, none of the Loan Parties or their affiliates (a) is or will become an Embargoed Person or (b) engages or will engage in any dealings or transactions, or be otherwise associated, with any such Embargoed Person or in any manner violative of the Foreign Assets Control Regulations and other applicable anti-corruption Laws.

9.18 Time of the Essence. Time is of the essence of the Loan Documents.

9.19 Additional Waivers.

(a) Except as provided herein or in any other Loan Document, the Obligations are the joint and several obligations of each Loan Party. To the fullest extent permitted by applicable Laws, the obligations of each Loan Party shall not be affected by (i) the failure of the Lender to assert any claim or demand or to enforce or exercise any right or remedy against any other Loan Party under the provisions of this Agreement, any other Loan Document, any Lease Document or otherwise, (ii) any rescission, waiver, amendment or modification of, or any release from any of the terms or provisions of, this Agreement, any other Loan Document or any Lease Document, or (iii) any default, failure or delay, willful or otherwise, in the performance of any of the Obligations, or by any other act or omission that may or might in any manner or to any extent vary the risk of any Loan Party or that would otherwise operate as a discharge of any Loan Party as a matter of law or equity (other than the indefeasible Payment in Full). The obligations of each Loan Party shall not be subject to any reduction, limitation, impairment or termination for any reason (other than the indefeasible Payment in Full), including any claim of waiver, release, surrender, alteration or compromise of any of the Obligations, and shall not be subject to any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of any of the Obligations or otherwise.

(b) Except as provided herein or in any other Loan Document, to the fullest extent permitted by applicable Laws, each Loan Party waives any defense based on or arising out of any defense of any other Loan Party or the unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any other Loan Party, other than the indefeasible Payment in Full.

(c) Upon payment by any Loan Party of any Obligations, all rights of such Loan Party against any other Loan Party arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subordinate and junior in right of payment to the prior indefeasible Payment in Full. In addition, any indebtedness of any Loan Party now or hereafter held by any other Loan Party is hereby subordinated in right of payment to the prior indefeasible Payment in Full and no Loan Party will demand, sue for or otherwise attempt to collect any such indebtedness. If any amount shall erroneously be paid to any Loan Party on account of (i) such subrogation, contribution, reimbursement, indemnity or similar right or (ii) any such indebtedness of any Loan Party, such amount shall be held in trust for the Lender and shall forthwith be paid to the Lender to be credited against the payment of the Obligations, whether matured or unmatured, in accordance with the terms of this Agreement and the other Loan Documents.

9.20 No Strict Construction.

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favouring or disfavouring any party by virtue of the authorship of any provisions of this Agreement.

9.21 Judgment Currency.

(a) If, for the purpose of obtaining or enforcing judgment against any Loan Party in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 9.21 referred to as the “Judgment Currency”) an amount due under any Loan Document or Lease Document in any currency (the “Obligation Currency”) other than the Judgment Currency, the conversion shall be made at the rate of exchange prevailing on the Business Day immediately preceding the date of actual payment of the amount due, in the courts of any jurisdiction that will give effect to such conversion being made on such date, or the date on which the judgment is given, in the case of any proceeding in the courts of any jurisdiction (the applicable date as of which such conversion is made pursuant to this Section 9.21 being hereinafter in this Section 9.21 referred to as the “Judgment Conversion Date”).

(b) If, in the case of any proceeding in the court of any jurisdiction referred to in Section 9.21(a), there is a change in the rate of exchange prevailing between the Judgment Conversion Date and the date of actual receipt for value of the amount due, the applicable Loan Party or Loan Parties shall pay such additional amount (if any) as may be necessary to ensure that the amount actually received in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Obligation Currency which could have been purchased with the amount of the Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date. Any amount due from the Lender under this Section 9.21 shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of any of the Loan Documents or Lease Documents.

(c) The term “rate of exchange” in this Section 9.21 means the rate of exchange at which the Lender's principal bank, on the relevant date at or about 12:00 noon (Toronto time), would be prepared to sell, in accordance with such bank's normal course foreign currency exchange practices, the Obligation Currency against the Judgment Currency.

9.22 Attachments.

The exhibits, schedules and annexes attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except that in the event of any conflict between any of the provisions of such exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail.

9.23 Electronic Execution of Assignments and Certain Other Documents.

(a) The words “execute,” “execution,” “signed,” “signature,” and words of like import in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Lender is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Lender pursuant to procedures approved by it.

(b) This Agreement and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement (each a “Communication”), including Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. Each of the Loan Parties agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on each of the Loan Parties to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation each of the Loan Parties enforceable against such in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Lender of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Lender may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record (“Electronic Copy”), which shall be deemed created in the ordinary course of the Person’s business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, the Lender is under no obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Lender pursuant to procedures approved by it; provided, further, without limiting the foregoing, (a) to the extent the Lender has agreed to accept such Electronic Signature, the Lender shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Loan Party without further verification and (b) upon the request of the Lender, any Electronic Signature shall be promptly followed by such manually executed counterpart. For purposes hereof, “Electronic Record” and “Electronic Signature” shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

9.24 ENTIRE AGREEMENT.

THIS AGREEMENT, THE OTHER LOAN DOCUMENTS AND THE LEASE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

9.25 Language.

The parties herein have expressly requested that this Agreement and all related documents be drawn up in the English language. A la demande expresse des parties aux présentes, cette convention et tout document y afférent ont été rédigés en langue anglaise.

[remainder of page intentionally left blank]

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

HUDSON'S BAY COMPANY ULC, as the
Borrower

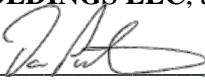
By: _____

A handwritten signature in black ink, appearing to read 'Ian Putnam', is written over a horizontal line.

Name: Ian Putnam

Title: President & CEO, HBC Properties & Investments

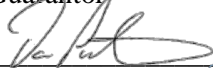
HBC US HOLDINGS LLC, as a Guarantor

By: _____

Name: Ian Putnam

Title: President & CEO, HBC Properties & Investments

HBC US PARENT HOLDINGS LLC
HBC CANADA PARENT HOLDINGS INC.
each as a Guarantor

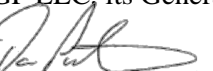
By: 
Name: Ian Putnam
Title: Vice President

SAKS FIFTH AVENUE HOLDINGS INC.
SFA HOLDINGS INC.
SAKS & COMPANY LLC
SAKS FIFTH AVENUE LLC
SAKS DIRECT, LLC
MERCHANDISE CREDIT, LLC
each as a Guarantor

By: 
Name: Ian Putnam
Title: President & CEO, HBC Properties & Investments

HBC L.P., as a Guarantor and Parent

By: HBC GP LLC, its General Partner

By: 
Name: Ian Putnam
Title: Manager

THE BAY LIMITED PARTNERSHIP

By: The Bay Holdings ULC, its General Partner

By: _____
Name: Mark Fedorowycz
Title: Senior Vice President, General Counsel

THE BAY HOLDINGS ULC

By: _____
Name: Mark Fedorowycz
Title: Senior Vice President, General Counsel

HBC US PARENT HOLDINGS LLC
HBC CANADA PARENT HOLDINGS INC.
each as a Guarantor

By: _____
Name: Ian Putnam
Title: Vice President

SAKS FIFTH AVENUE HOLDINGS INC.
SFA HOLDINGS INC.
SAKS & COMPANY LLC
SAKS FIFTH AVENUE LLC
SAKS DIRECT, LLC
MERCHANDISE CREDIT, LLC
each as a Guarantor

By: _____
Name: Ian Putnam
Title: President & CEO, HBC Properties & Investments


HBC L.P., as a Guarantor and Parent

By: HBC GP LLC, its General Partner


By: _____
Name: Ian Putnam
Title: Manager

THE BAY LIMITED PARTNERSHIP


By: The Bay Holdings ULC, its General Partner

By: 
Name: Mark Fedorowycz
Title: Senior Vice President, General Counsel

THE BAY HOLDINGS ULC

By: 
Name: Mark Fedorowycz
Title: Senior Vice President, General Counsel

**HBC BAY HOLDINGS I INC.
HBC BAY HOLDINGS II ULC**

By: 
Name: Ian Putnam
Title: Vice President

2171948 ONTARIO INC., as Lender

DocuSigned by:

By: Sal Iacono

Name: Sal Iacono

Title: President

By: _____

Name: Lisa Damiani

Title: Vice President and Secretary

2171948 ONTARIO INC., as Lender

By: _____

Name: Sal Iacono

Title: President

By: _____
DocuSigned by:
Lisa Damiani

Name: Lisa Damiani

Title: Vice President and Secretary

Schedule 1.01
Guarantors

HBC L.P.
HBC US Holdings LLC
HBC Canada Parent Holdings Inc.
Saks Fifth Avenue Holdings Inc.
SFA Holdings Inc.
Saks & Company LLC
Saks Fifth Avenue LLC
Saks Direct, LLC
Merchandise Credit, LLC
HBC US Parent Holdings LLC
The Bay Limited Partnership
The Bay Holdings ULC
HBC Bay Holdings I Inc.
HBC Bay Holdings II ULC

Schedule 1.06
Permitted Holders

RAB

Richard A. Baker
Lisa and Richard Baker Enterprises, LLC
Lisa Baker
Red Trust
Yellow Trust
Christina Baker
Ashley S. Baker 3/15/84 Trust
Christina Baker Trust for Grandchildren
A Trust for Francesca Richman
A Trust for Bettina Jane Richman
A Trust for Emma Richman
Lion Trust for the benefit of Lauren Baker Pinkus
Lion Trust for the benefit of Richard A. Baker
Lion Trust for the benefit of Ashley S. Baker
Robert C. Baker Trust for Grandchildren
Article IV Trust under the Lee S. Neibart 2010 GRAT
Lee Neibart
WRS Advisors III, LLC
WRS Advisors IV, LLC
Richard Mack
Blue Trust

Rhone

Fabric Luxembourg Holdings S.à r.l.
Fabric-Charles Holdings LP
Rhône Capital L.L.C.
Rhône Holdings V L.L.C.
Rhône Capital V L.P.
Rhône Partners V L.P.
Rhône Offshore Partners V L.P.
Rhône Coinvestment V LP
Fabric Holdings LP

Abrams

Abrams Capital Management, L.P.
Abrams Capital Partners I, L.P.
Abrams Capital Partners II, L.P.
Whitecrest Partners, LP
Great Hollow International, L.P.
Riva Capital Partners V, L.P.

Hanover

Al Sariya Commercial Investments LLC
Hanover Investments (Luxembourg) S.A.
Abu Dhabi Investment Council
Mubadala Investment Company PJSC

**Schedule 5.01
Loan Parties Organizational Information**

CANADIAN ENTITIES						
Legal Name	Type of Entity	Corporate Function	Registered Organization (Yes/No)	Corporation Number	Federal Taxpayer Identification Number/Similar Identification Number	Jurisdiction of Formation
Hudson's Bay Company ULC Compagnie de la Baie D'Hudson SRI	Unlimited Liability Company	Operating Company	Yes	BC1242939	102420296 RC0006	British Columbia
HBC Canada Parent Holdings Inc.	Corporation	Holding Company	Yes	BC1241423	745567537	British Columbia
HBC Bay Holdings I Inc.	Corporation	Holding Company	Yes	BC1330094	76948 1201	British Columbia
HBC Bay Holdings II ULC	Unlimited liability corporation	Holding Company	Yes	BC1330092	77004 5300	British Columbia
The Bay Holdings ULC	Unlimited liability corporation	Holding Company and employer entity for The Bay.com LLC	Yes	BC1329608	77011 3801	British Columbia
The Bay Limited Partnership / La Baie Société en Commandite	Limited partnership	Operating Company	Yes	1000009888	76962 3901	Ontario

U.S. ENTITIES						
Legal Name	Type of Entity	Corporate Function	Registered Organization (Yes/No)	Organizational Number	Federal Taxpayer Identification Number/Similar Identification Number	Jurisdiction of Formation
HBC US Holdings LLC	Limited Liability Company	Holding Company	Yes	5087062	99-0372181	Delaware
HBC US Parent Holdings LLC	Limited Liability Company	Holding Company	Yes	7887749	N/A	Delaware
Saks Fifth Avenue Holdings Inc.	Corporation	Holding Company	Yes	5423183	46-4015185	Delaware
SFA Holdings Inc.	Corporation	Operating Company – Parent Corporation	Yes	000025344	62-0331040	Tennessee
Saks & Company LLC	Limited liability company	Operating Company – Owns and operates Saks Fifth Avenue and Off 5th Stores	Yes	5657136	13-1256625	Delaware
Saks Fifth Avenue LLC	Limited liability company	Operating Company - Owns and operates Saks Fifth Avenue and Off 5th Stores	Yes	001127438	04-2226632	Massachusetts
Merchandise Credit, LLC	Limited liability company	Operating Company - Owns and operates gift card business	Yes	S071008-9	04-3586216	Virginia
Saks Direct,	Limited	Operating	Yes	4780724	27-1503676	Delaware

LLC	liability company	Company - Owns and operates e-commerce business				
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BERMUDA ENTITIES						
Legal Name	Type of Entity	Corporate Function	Registered Organization (Yes/No)	Organizational Number	Federal Taxpayer Identification Number/Similar Identification Number	Jurisdiction of Formation
HBC L.P.	Limited partnership	Holding Company	Yes	55389	98-1533896 ¹	Bermuda

¹ U.S. taxpayer identification number.

**Schedule 5.06
Litigation**

None.

Schedule 5.10
Environmental Matters

None.

Schedule 5.12
Taxes

Hudson's Bay Company ULC

(i) Taxation years or other relevant periods with respect to any Charges that have not yet been assessed by the CRA or the applicable provincial, local or foreign Governmental Authorities

1. Federal and Provincial corporate income tax returns for Hudson's Bay Company ULC for all tax periods/years up to January 29, 2022 have been filed and a notice of assessment has been issued by CRA and the relevant provincial income tax authorities. The Federal and Provincial corporate income tax return for the tax year ended January 28, 2023 will be filed by the statutory deadline of July 28, 2023.
2. Federal & Provincial indirect tax returns – monthly returns for the fiscal month ended May 27, 2023 (Period 04 2023) will be filed in June 2023.

(ii) the taxation years or other relevant periods with respect to any Charges that are currently being audited by the CRA or any other applicable Governmental Authority

1. There are two taxation years that are currently being audited by CRA. The Federal income tax audit for Hudson's Bay Company ULC for the taxation year ended January 30, 2016 ("FY2015 Audit") is still in progress. CRA has verbally indicated that an Audit Proposal letter will be issued shortly however, to date no letter has been received. As Hudson's Bay Company ULC has significant non-capital losses carryforward and other tax attributes in the year under audit, any audit proposal or assessment is not expected to create corporate income tax payable to HBC (see (iii)-1 for detailed explanation). The Federal income tax audit for the tax year ended February 2, 2019 ("FY2018 Audit") commenced in February 2023 and there have been two CRA Audit query sheets issued in June 2023 (one relating to the domestic audit and the other from the ATP audit) and responses will be provided within the required timeline. The CRA just commenced the FY2018 Audit and therefore the queries issued to date are facts gathering in nature. Management has not identified any tax issue or exposure at this time.

International tax audit for the tax year ended January 30, 2016 is still ongoing. Management is expecting a CRA Proposal letter to be received shortly. The International tax audits for the tax year ended January 28, 2017 is ongoing although no new query sheets have been issued since March 2022. Queries issued are in the nature of requesting supporting documentation on amounts disclosed in the tax return forms and do not suggest any exposures at this time. CRA has indicated they will not be auditing the tax year ended February 3, 2018. The statute-barred date for this tax year was December 10, 2022.

No provincial tax audits are ongoing nor commenced in the year.

2. Please see Hudson's Bay Company ULC's current indirect tax audits below.

1. Quebec QST and the audit period is February 4, 2018, to January 29, 2022

2. GST/HST and the audit period is January 31, 2021, to January 29, 2022

(iii) any assessments or threatened assessments in connection with such audit, or otherwise currently outstanding

1. As indicated above, we are expecting CRA Audit Proposal letters in connection with the income tax audits for Hudson's Bay Company ULC for the taxation year ended January 30, 2016. One of the expected audit proposal letters in regards to the domestic tax audit and it may include an assessment for additional income of C\$1M however it will not result in corporate income taxes due to the non-capital losses carried forward from prior taxation years.

Management is expecting another Proposal letter in regards to an international matter since CRA indicated that they would not accept a late-filed election in respect of the tax year ended January 30, 2016. Although management disagrees with the CRA and has provided and will provide submissions, if the CRA were to succeed, an additional income inclusion of C\$114M will be assessed. Management is expected to contest CRA's determination in writing citing that any potential assessment should not result in corporate income taxes payable due to the non-capital losses carried forward from prior taxation years and/or claiming additional capital cost allowance.

2. HBC ULC has reserved CAD 2.27M relating to the QST audit. Additional issues are still under audit review between the taxpayer and the auditor, and there are no formal proposed assessment issues at this time.

(iv) the most recent taxation year or other relevant periods with respect to any Charges that an audit by CRA or the applicable provincial, local or foreign Governmental Authorities has been completed

1. The Federal corporate income tax audit for the tax year ended January 28, 2017 was completed in June 2021. As mentioned, CRA is not auditing the tax year ended February 3, 2018 and the audits for the tax years ended January 30, 2016 and February 2, 2019 are still ongoing.

2. Indirect tax audits:

BC PST – period ending 2016-01-30

SK PST – period ending 2009-01-31

MB RST- period ending 2018-06-30

HBC US Parent Holdings LLC & Subsidiaries

(i) Taxation years or other relevant periods with respect to any Charges that have not yet been assessed by the IRS or the applicable state, local or foreign Governmental Authorities

- HBC US Parent Holdings LLC & Subsidiaries files a consolidated U.S. federal income tax return along with various consolidated and separate state income tax returns. The last year audited by the IRS was 2014. At this time, tax years 2019 and later are generally open to IRS audit but we have not received any communications from the IRS regarding any open years. State assessment periods may vary.

(ii) The taxation years or other relevant periods with respect to any Charges that are currently being audited by the IRS or any other applicable Governmental Authority

- SFA Holdings Inc. (f/k/a Saks Incorporated) (standalone) has pending income tax audits in New York State and New York City for the tax years ended February 1, 2014 through January 31, 2015.
- HBC US Holdings LLC (f/k/a Lord & Taylor Acquisition Inc.) & Subsidiaries has pending income tax audits in New York State for the tax years ending January 31, 2015 through February 1, 2020 and New York City for the tax years ending February 1, 2014 through February 2, 2019. SFA Holdings Inc. (f/k/a Saks Incorporated) joined the HBC US Holdings LLC (f/k/a Lord & Taylor Acquisition Inc.) and Subsidiaries New York State and New York City consolidated returns beginning in the tax year ended January 30, 2016.
- SFA Holdings Inc. (f/k/a Saks Incorporated) has sales tax audits pending or in appeals in Louisiana and Illinois. SFA Holdings Inc. (f/k/a Saks Incorporated) has sales tax audits pending in New York, Illinois, California, Texas and Connecticut.

(iii) Any assessments or threatened assessments in connection with such audit, or otherwise currently outstanding

- HBC US Holdings LLC (f/k/a Lord & Taylor Acquisition Inc.) & Subsidiaries has received an assessment in connection with the New York City audit for the tax years ended February 1, 2014 and January 31, 2015 in the amount of \$1.5M, including interest and penalties. A partial reserve has been established for the assessment as we continue to negotiate with the tax authorities.
- Saks Incorporated has received an assessment in connection with the New York City audit for the tax year ended January 31, 2015 in the amount of \$800k including interest and penalties. A partial reserve has been established for the assessment as we continue to negotiate with the tax authorities.
- HBC US Holdings LLC (f/k/a Lord & Taylor Acquisition Inc.) & Subsidiaries has received an assessment in connection with the New York State audit for the tax years ended January 31, 2015, January 30, 2016, and January 28, 2017 in the amount of \$500k including interest and penalties. A partial reserve has been established for the assessment as we continue to negotiate with the tax authorities.
- SFA Holdings Inc. (f/k/a Saks Incorporated) has received an assessment in connection with the New York State audit for the tax year ended January 31, 2015 in the amount of \$100k including interest and penalties. No reserve has been established for this assessment.
- Saks & Company LLC has received an assessment of USD 1.1M, including interest and penalties for Saks & Company LLC in connection with the ILL Audit for July 1, 2016, to April 30, 2019. The taxpayer has submitted an appeal with its contentions and supporting documentation to the Department of Revenue for review, and we expect to get the final revised assessment in Q4 of FY23.

- A reserve of USD 375K for the Louisiana audit has been recorded. The taxpayer is reviewing all audit issues and planning to submit an appeal with its contentions and supporting documentation to the Department of Revenue for review. We expect to get this matter finalized in Q4 of FY23.

(iv) The most recent taxation year or other relevant periods with respect to any Charges that an audit by IRS or the applicable state, local or foreign Governmental Authorities has been completed

- The IRS has completed their audit of the 2014 consolidated federal income tax return.

Schedule 5.13
Canadian Pension Plans

1. Hudson's Bay Company Pension Plan (Defined Benefits and Defined Contribution Plan components).
2. The most recently filed actuarial valuation in respect of the Hudson's Bay Company ULC Pension Plan (defined benefit provision) was performed as of January 1, 2022. As at that date the plan did not have a Pension Plan Unfunded Liability.

Pension Plan Unfunded Liability

Nil.

Schedule 5.14
Subsidiaries; Other Equity Investments Equity Interests in the Loan Parties

Part (a) – Loan Parties and Subsidiaries

Loan Parties	Jurisdiction of Formation
Hudson's Bay Company ULC	British Columbia
HBC US Holdings LLC	Delaware
Saks Fifth Avenue Holdings Inc.	Delaware
SFA Holdings Inc.	Tennessee
Saks & Company LLC	Delaware
Saks Fifth Avenue LLC	Massachusetts
Merchandise Credit, LLC	Virginia
Saks Direct, LLC	Delaware
HBC L.P.	Bermuda
HBC Canada Parent Holdings Inc.	British Columbia
HBC US Parent Holdings LLC	Delaware
The Bay Limited Partnership	Ontario
The Bay Holdings ULC	British Columbia
HBC Bay Holdings I Inc.	British Columbia
HBC Bay Holdings II ULC	British Columbia

Immaterial Subsidiaries	Jurisdiction of Formation
HBC Avantem Insurance Agency Inc.	Ontario
RSCL Distribution Services Inc.	Canada
Hudson's Bay Services Private Limited	India
Creative Design Studios, LLC	Delaware
Saks Fifth Avenue Puerto Rico, Inc.	Delaware
Club Libby Lu, Inc.	Illinois
Café SFA-Minneapolis LLC	California
Fifth Floor Restaurant at SFA LLC	New York
Sixth Floor Restaurant at SFA LLC	New York
The Restaurant at Saks Fifth Avenue Corporation	New York
Nonsuch LLC	Delaware
Street-Works Development LLC	Delaware
GHBC Groupe Holdings, Inc.	Delaware
GHBC City, Inc.	Delaware
GHBC Shared Services, Inc.	Delaware
GHBC Groupe, Inc.	Delaware
GGI Realty Services, Inc.	New York
GHBC City Collections, LLC	Delaware
GHBC Groupe Collections, LLC	Delaware
GHBC City Unlimited Company	Ireland
GHBC Unlimited Company	Ireland
GHBC Credit Company Unlimited Company	Ireland
HBC Europe S.à.r.l.	Luxembourg
HBC Europe Holding S.à.r.l.	Luxembourg
HBC Europe Holdco LLC	Delaware
York Factory LLC	Delaware
YF Greenwich LLC	Delaware

Black Caviar LLC	Delaware
SW Westfield LLC	Delaware
SW Beverly Hills LLC	Delaware
Saks Partner Inc.	Delaware
Saks OFF 5TH Partner Inc.	Delaware
HBC US Assurance LLC	District of Columbia
The Wellery Holdings LLC	Delaware
The Wellery LLC	Delaware
The Wellery MSO LLC	Delaware
SaksWorks Bellevue LLC	Delaware
SCCA Leasehold LLC	Delaware
Saks Cloud Services LLC	Delaware
Café Beverly SFA Trust	Maryland
Café Beverly Hills SFA LLC	California

Unrestricted Subsidiaries	Jurisdiction of Formation
Each Real Estate Subsidiary	See below
Saks.com LLC	Delaware
Saks.com Holdings LLC	Delaware
Saks.com Midco Partner Inc.	Delaware
Saks OFF 5TH LLC	Delaware
Saks OFF 5TH Holdings LLC	Delaware
Saks OFF 5TH Midco Partner Inc.	Delaware
HBC Digital LLC	Delaware
HBC Digital Holdings Inc.	Delaware

Real Estate Subsidiaries	Jurisdiction of Formation
Snospmis Limited	Canada
HBC YSS 1 LP Inc.	Ontario
HBC YSS 2 LP Inc.	Ontario
HBC YSS 1 Limited Partnership	Ontario
HBC YSS 2 Limited Partnership	Ontario
RioCan-HBC Limited Partnership	Ontario
RioCan-HBC General Partner Inc.	Ontario
RioCan-HBC (Ottawa) GP, Inc.	Ontario
RioCan-HBC (Ottawa) Limited Partnership	Ontario
RioCan-HBC (Ottawa) Holdings Inc.	Ontario
2472596 Ontario Inc.	Ontario
2472598 Ontario Inc.	Ontario
HBC Holdings GP Inc.	Ontario
HBC Centrepont GP Inc.	Ontario
HBC Holdings LP	Ontario
HBC Centrepont LP	Ontario
HG Property Holdings LLC	Delaware
HBC US Propco Holdings LLC	Delaware
LT Parent Propco LLC	Delaware
LT 424 LLC	Delaware
HBC-Simon, LLC	Delaware

SCCA Store Holdings Real Property LLC	Delaware
12 East 49th Street LLC	Delaware
Saks Fifth Avenue HoldCo LLC	Delaware
Saks Fifth Avenue HoldCo II LLC	Delaware
Saks Flagship Real Property LLC	Delaware
LT Bay Shore Leasehold LLC	Delaware
LT Braintree Leasehold LLC	Delaware
LT Bridgewater LLC	Delaware
LT Burlington Leasehold LLC	Delaware
LT Carousel Leasehold LLC	Delaware
LT Columbia LLC	Delaware
LT Danbury Leasehold LLC	Delaware
LT Eastchester LLC	Delaware
LT Fair Oaks LLC	Delaware
LT Freehold Raceway LLC	Delaware
LT Garden City LLC	Delaware
LT Garden State Leasehold LLC	Delaware
LT King of Prussia LLC	Delaware
LT Livingston Leasehold LLC	Delaware
LT Manhasset LLC	Delaware
LT Natick Leasehold LLC	Delaware
LT Northbrook Leasehold LLC	Delaware
LT Palisades Leasehold LLC	Delaware
LT Quakerbridge Leasehold LLC	Delaware
LT Ridgewood LLC	Delaware
LT Rockaway Town LLC	Delaware
LT Stamford LLC	Delaware
LT Twelve Oaks LLC	Delaware
LT Tysons Corner Leasehold LLC	Delaware
LT Walden Galleria LLC	Delaware
LT Walt Whitman Leasehold LLC	Delaware
LT Westfarms Leasehold LLC	Delaware
LT Westfield LLC	Delaware
LT Willowbrook LLC	Delaware
LT Woodfield LLC	Delaware
Saks Atlanta Leasehold LLC	Delaware
Saks Beachwood Leasehold LLC	Delaware
Saks Beverly Hills LLC	Delaware
Saks Chevy Chase Leasehold LLC	Delaware
Saks Chicago Place Leasehold LLC	Delaware
Saks Dadeland Leasehold LLC	Delaware
Saks Fashion Show Leasehold LLC	Delaware
Saks North Star LLC	Delaware
Saks South Coast Leasehold LLC	Delaware

Saks Troy LLC	Delaware
Saks Tysons Corner LLC	Delaware
Saks Walt Whitman Leasehold LLC	Delaware
Saks-LT Master Mezzanine I LLC	Delaware
HBS Global Properties LLC	Delaware
HBC Steele LLC	Delaware
Saks Fifth Avenue Real Property LLC	Delaware
Saks Columbus Real Property LLC	Delaware
Saks Richmond Real Property LLC	Delaware
Saks & Company Real Property LLC	Delaware
HBC Wilkes-Barre LLC	Delaware
HBC Gaithersburg LLC	Delaware
HBC Sterling Heights LLC	Delaware
HBC Sterling LLC	Delaware
HBC Woodbridge LLC	Delaware
HBC Victor LLC	Delaware
HBS Leasehold LLC	Delaware
HBC Convene CanHoldco I LLC	Delaware
HBC Convene CanHoldco II Inc.	Delaware
HBC Convene Holdings LLC	Delaware
Convene Global Holdings LLC	Delaware
HBC Convene F&F Holdings LLC	Delaware
HBC Garden City Leasehold LLC	Delaware
Convene Canada Holdings ULC (fka 176 Yonge Street Location ULC)	British Columbia
100 Stockton Location, LLC	Delaware
130 E Randolph St Location II, LLC	Delaware
1676 International Drive Location I, LLC	Delaware
22 Bishopsgate Location Limited	England and Wales
225 Liberty Location, LLC	Delaware
250 Vesey Street Location, LLC	Delaware
265 Greenwich Avenue Location, LLC	Delaware
311 West Monroe Location, LLC	Delaware
333 N. Green St Location II, LLC	Delaware
400 Pine Street Location LLC	Delaware
575 7 th St NW Location LLC	Delaware
611 Fifth Avenue Location LLC	Delaware
80 Fenchurch St Location Limited	England and Wales
Assemble Hospitality West LLC	Delaware
5 Times Square LLC	Delaware
Convene 101 Park Avenue, LLC	Delaware
Convene 117 West 46 th LLC	Delaware
Convene 20 th & Market, LLC	Delaware
Convene 237 Park Avenue, LLC	Delaware
Convene 4 Times Square, LLC	Delaware
Convene at 101 Greenwich, LLC	Delaware
Convene at 1201 Wilson, LLC	Delaware
Convene at 1221 Avenue of Americas, LLC	Delaware
Convene at 131 South Dearborn, LLC	Delaware

Convene at 233 South Wacker, LLC	Delaware
Convene at 333 N. Green, LLC	Delaware
Convene at 530 Fifth Avenue, LLC	Delaware
Convene at 600 14 th DC, LLC	Delaware
Convene at 75 Rock, LLC	Delaware
Convene at One Boston Place, LLC	Delaware
Convene at One Liberty Plaza, LLC	Delaware
Convene International Holdings, LLC	Delaware
Convene MSA Holdings, LLC	Delaware
Convene Operations, LLC	Delaware
Convene Park Avenue Tower W5, LLC	Delaware
Convene South 17 th , LLC	Delaware
Convene SW MSA Holdings LLC	Delaware
Convene Technology, LLC	Delaware
Convene UK Holdings Limited	England and Wales
One New York Plaza Location, LLC	Delaware
Sentry Centers Holdings LLC	Delaware
The Assemble Hospitality West Trust	Delaware
9596 Wilshire Boulevard Location LLC	Delaware
BGGMC HoldCo 2 LLC	Delaware
BGGMC 2 LLC	Delaware
ETC. Venues PoolCo Ltd.	England and Wales
ETC. Venues Holdco LLC	Delaware
ETC Venues USA LLC	Delaware
ETC Venues TRUST	Delaware
ETC Venues NYC, LLC	Delaware
ETC Venues 810 7 th , LLC	Delaware
ETC Venues NewCo Limited	England and Wales
ETC Venues BidCo, Ltd.	England and Wales
ETC Venues Parent Holdings Limited	England and Wales
ETC Venues Limited	England and Wales
ETC Venues ESOP Trustee Limited	England and Wales

Other Excluded Subsidiaries	Jurisdiction of Formation
HBC Netherlands B.V.	Netherlands

Inactive Subsidiaries
None.

Outstanding rights to purchase any Equity Interests in any Subsidiary of a Loan Party

None.

Part (b) - Other Equity Investments

In addition to the equity interests held in the entities listed in Part (a) above:

Entity Owned	Loan Party or Restricted Subsidiary (Record Owner)	Interest Owned
Peruvian Avenue Corporation	Saks & Company LLC	23%
Pinstripes, Inc.	HBC US Holdings LLC (indirectly through Nonsuch LLC)	1,250,000 Series F Convertible Preferred Shares
Warrant to purchase shares of Neo Financial Technologies Inc.	Hudson's Bay Company ULC	Warrant certificate, to purchase up to 2,951,574 non-voting common shares
Center Cuts Three, LLC	HBC US Holdings LLC (indirectly through Nonsuch LLC)	150 Class A Units

Schedule 5.18
Intellectual Property Matters

None.

Schedule 5.19
Collective Bargaining Agreements

Hudson's Bay Company ULC

Union Collective Bargaining Agreements

1. Collective Agreement between HBC (Victoria City Centre) and United Food and Commercial Workers, Local 1518, expired on January 31, 2020.
2. Collective Agreement between HBC (Kamloops) and United Steelworkers of America, Local Union 898 expired on May 31, 2023.
3. Collective Agreement between HBC (Sherway) and Unifor (Local 40) effective until December 31, 2025.
4. Collective Agreement between HBC (Kitchener) and (Unifor Local 40) effective until December 31, 2025.
5. Collective Agreement between HBC (Windsor) and Unifor (Local 240), effective until December 31, 2025.
6. Collective Agreement between RSCL Distribution Services Inc. (Eastern Big Ticket Centre) and United Food and Commercial Workers, International Union Local 1006A (formerly local 206 and 1993) expired on March 31, 2021.
7. Collective Agreement between Hudson's Bay Company (Scarborough Logistics Centre 1) and Unifor (Local 40) effective until May 31, 2025.
8. Collective Agreement between HBC (Vancouver Logistics Centre) and Teamsters (Local 31) expired on March 31, 2022.

Saks

1. Collective Bargaining Agreement between Saks Fifth Avenue and Local 25, New York New Jersey Regional Joint Board, Workers United, affiliated with SIEU, covering May 1, 2014 through April 30, 2024.
2. Collective Bargaining Agreement between Saks Fifth Avenue and Local 1102, RWDSU, UFCW, covering October 25, 2021 through October 24, 2024.
3. Collective Bargaining Agreement between Saks Fifth Avenue and International Union of Operating Engineers Local Union Number 30, AFL-CIO, effective until May 31, 2023 (extended pending ongoing negotiations).
4. Collective Bargaining Agreement between Saks Fifth Avenue and New York Building and Construction Trade Council's Maintenance Organization, AFL-CIO, effective until April 30, 2023 (extended pending ongoing negotiations)
5. AFL-CIO, Carpenters, District Council for New York City and Vicinity (Carpenters) effective until December 31, 2023.

Executive Employment Agreements valued at more than \$5,000,000 CAD

None.

Schedule 5.24
Material Contracts

1. ABL Credit Agreement
2. Pathlight Term Loan Credit Agreement
3. Trademark agreement dated October 31, 2021 by and between The Bay Limited Partnership and Hudson's Bay Company ULC

Schedule 5.30 Canadian Loan Party Affiliate Transactions

Annual estimates for transactions and arrangements between Canadian Loan Parties and any Affiliate that is not a Canadian Loan Party. Note: In respect of future periods, a foreign exchange rate of USD: CAD \$1:\$1.36 is contemplated.

(All amounts in this schedule are in USD unless otherwise indicated)

1. Hudson's Bay Company ULC ("**Hudson's Bay**") and Saks Cloud Services, a division of Saks.com ("**SCS**")

SCS is the "centralized IT" operations for back-of-house functions. Hudson's Bay pays both payroll and non-payroll expenses in connection with these services, which total approximately \$52 mm annually.

For payroll, Hudson's Bay pays for Canadian-based employees, and is allocated a portion of U.S. and Indian based payroll. Total payroll expense to Hudson's Bay is approximately \$13 mm per year, of which \$7 mm is directly funded by Hudson's Bay. The remaining \$6 mm is settled the month following period end.

For non-payroll expenses, primarily vendor payables, Hudson Bay's portion is approximately \$39 mm per year. Hudson's Bay directly funds approximately \$12.5 mm of payables, and the balance is paid to vendors via SCS. For vendors paid via SCS, Hudson Bay settles weekly upon cashing of the payment.

2. RioCan JVCo

Hudson's Bay will pay cash rent of approximately \$89 mm to RioCan JVCo in 2023. The rent escalates at 2% a year. After debt service and joint venture expenses, the balance is returned as a distribution to Hudson's Bay, which is expected to be approximately \$29 million in 2023.

3. India

Hudson's Bay has team members in India. They do not overlap with other businesses. Approximately \$1.5 mm a month is paid for expenses and payroll to the Indian subsidiary of Hudson's Bay.

4. SaksOFF5TH.com ("**SOF.com**")

Canadian employees for SOF.com are paid through Hudson's Bay. SOF.com reimburses Hudson's Bay on a monthly basis via cash settlement. For 2023, we expect approximately \$3 mm per year in cash reimbursements from SOF.com to Hudson's Bay.

Employee discounts used at Hudson's Bay stores or online by a SOF.com employee are reimbursed to Hudson's Bay and vice versa. The net settlement amount would be under \$100,000 per year. Generally, this is done as an intercompany receivable and payable, and when cash is paid, it would be only the net amount.

5. Saks.com

Canadian employees for Saks.com are paid through Hudson's Bay, as well as any services purchased from corporate employees. Saks.com reimburses Hudson's Bay on a monthly basis via cash settlement. For 2023, we expect approximately \$0.8 mm in cash reimbursements from Saks.com to Hudson's Bay.

Schedule 7.01
Existing Liens

1. Judgment lien against SFA Holdings Inc. (formerly Saks Incorporated) filed on February 8, 2007 in the New York County Clerk's Office, as continued, amended or otherwise modified, in favor of Betsy Becker as creditor in the amount of \$118,743.01. To the best of SFA Holding Inc.'s knowledge there have been no steps taken in relation to enforcement of the judgement and no notice of enforcement have been received by SFA Holdings Inc.
2. Judgment lien against SFA Holdings Inc. (formely Saks Incorporated) filed on May 24, 2023 in the New York Supreme Court, as continued, amended or otherwise modified, in favor of 4 Stratford Square Mall Holdings LLC as a creditor in the amount of \$5,331,072.06. To the best of SFA Holding Inc.'s knowledge there have been no steps taken in relation to enforcement of the judgement and no notice of enforcement have been received by SFA Holdings Inc.
3. PPSA financing statement Reference file number 749341143 and Quebec RPDRM filings, against Hudson's Bay Company, Riocan – HBC Limited Partnership and Riocan – HBC General Partner Inc. as debtors by Computershare Trust Company of Canada as secured party relating to property located at 585 St. Catherine Street, Montreal, Quebec, which is filed against the Canadian Borrower as a consequence of it being the nominee title holder of such real property.

Schedule 7.02
Existing Investments

The following Investments, in the amounts outstanding as of the Effective Date, were made prior to the Effective Date, and there have been no material changes to the amounts of these investments since the date of the last set of available financials:

Hudson's Bay Company ULC

1. Investments made into HBC YSS I Limited Partnership and the General Partner HBC YSS I LP Inc.
2. Investments made into HBC YSS 2 Limited Partnership and the General Partner HBC YSS 2 LP Inc.
3. Investments made into HBC Holdings GP Inc. and HBC Holdings LP
4. Investments made into HBC Centrepont GP Inc. and HBC Centrepont LP
5. Investments made into Snospmis Limited
6. Investments made into 2472596 Ontario Inc.
7. Investments made into 2472598 Ontario Inc.
8. Investments made into HBC Convene CanHoldco I LLC
9. Investments made into the following Immaterial Subsidiaries:
 - a. HBC Avantem Insurance Agency Inc.
 - b. RSCL Distribution Services Inc.
 - c. Hudson's Bay Services Private Limited
 - d. HBC Europe Holdco LLC
 - e. HBC Europe Holding S.à r.l.

Saks

1. Investments made into Saks Fifth Avenue Holdco LLC
2. Investments made into SCCA Store Holdings Real Property LLC
3. Investment made into HBS Global Properties LLC
4. Investments made into Saks OFF 5TH Holdings LLC
5. Investments made into HBC Digital LLC
6. Investments made into Saks Fifth Avenue Real Property LLC
7. Investments made into Saks & Company Real Property LLC
8. Investments made into Saks Columbus Real Property LLC
9. Investments made into Saks Richmond Real Property LLC
10. Investments made into the following Immaterial Subsidiaries:
 - a. Saks Fifth Avenue Puerto Rico, Inc.
 - b. SCCA Leasehold LLC
 - c. Club Libby Lu, Inc.
 - d. Black Caviar LLC
 - e. Saks OFF 5TH Partner Inc.
 - f. Café Beverly SFA Trust

HBC US Holdings LLC

1. Investment made into HBC US Propco Holdings LLC
2. Investment made into HBS Global Properties LLC

3. Investment made into HBC Convene F&F Holdings LLC
4. Investment made into LT Propco LLC
5. Investments made into the following Immaterial Subsidiaries:
 - a. Nonsuch LLC
 - b. York Factory LLC
 - c. GHBC Groupe Holdings, Inc.
 - d. HBC US Assurance LLC

Schedule 7.03
Existing Indebtedness

1. Promissory note issued on September 30, 2019 by Hudson's Bay Company ULC to HBC Europe Holdco LLC with USD\$86,505,180.84 outstanding at the Effective Date, with an interest rate of 1.85%.
2. Indebtedness which as of the Effective Date is evidenced by the following:
 - a. Promissory note issued on February 4, 2022 by Hudson's Bay Company ULC to SFA Holdings Inc. with CAD\$11,421,262.14 outstanding at the Effective Date, with an interest rate of 2.277% per annum compounding annually.
 - b. Promissory note issued on February 28, 2022 by Hudson's Bay Company ULC to SFA Holdings Inc. with CAD\$5,485,536.00 outstanding at the Effective Date, with an interest rate of 0% per annum compounding annually.
 - c. Grid promissory note issued on June 10, 2022 by Hudson's Bay Company ULC to SFA Holdings Inc. with CAD\$291,016,844.57 outstanding at the Effective Date, with an interest rate of 2.21% per annum compounding annually.
 - d. Promissory note issued on August 2, 2022 by Hudson's Bay Company ULC to SFA Holdings Inc. with CAD\$21,667,848.12 outstanding at the Effective Date, with an interest rate of 2.88% per annum compounding annually.
3. Promissory note issued on February 15, 2023 by Hudson's Bay Company ULC to HBC Sterling LLC with CAD\$4,112,881.81 outstanding at the Effective Date, with an interest rate of 6.3%.
4. Promissory note issued on December 16, 2022 by SFA Holdings Inc. to GHBC Unlimited Company with USD\$219,118.37 outstanding at the Effective Date, with an interest rate of 5.89%
5. Indebtedness which as of the Effective Date is evidenced by the following:
 - a. Promissory note issued on February 28, 2022 by SFA Holdings Inc. to HBC Gaithersburg LLC with USD\$4,320,000.00 outstanding at the Effective Date, with an interest rate of 0%.
 - b. Promissory note issued on February 28, 2022 by SFA Holdings Inc. to HBC Gaithersburg LLC with USD\$5,313,197.00 outstanding at the Effective Date, with an interest rate of 0%
6. Promissory note issued on August 2, 2022 by HBC US Holdings LLC to LT Propco LLC with USD\$104,269,207.84 outstanding at the Effective Date, with an interest rate of 0%.
7. Intercompany indebtedness owing by Saks & Company LLC to LT Propco LLC with USD\$25,860,537.94 outstanding at the Effective Date.
8. Non-Interest Bearing Grid Note issued on November 26, 2022 by Hudson's Bay Company ULC to The Bay Limited Partnership with CAD\$15,040,860.59 outstanding at the Effective Date, with an interest rate of 0%.

Schedule 7.05
Permitted Dispositions

None.

Schedule 7.09
Other Affiliate Transactions

None.

Schedule 9.02
Agent's Office; Certain Addresses for Notices

If to the Lender:

2171948 Ontario Inc.
20 Queen Street West, 5th Floor
Toronto, Ontario M5H 3R4
Email: general.counsel@cadillacfairview.com

with a copy to (which such copy shall not constitute notice):

Torys LLP
79 Wellington St. W., 30th Floor
Toronto, ON M5K 1N2
Attn: Adam Delean
Tel: (416) 865-8232
Email: adelean@torys.com

If to the Borrower or any other Loan Party:

c/o Hudson's Bay Company ULC
225 Liberty Street, 31st Floor
New York, NY 10281
Attn: Jennifer Bewley, Treasurer
Tel: (917) 510-4196
Email: jennifer.bewley@hbc.com and hbctreasuryservices@hbc.com

with a copy to:

c/o HBC US Holdings LLC
225 Liberty Street, 31st Floor
New York, NY 10281
Attn: Thomas Obersteiner, General Counsel
Tel: 332-264-9699
Email: thomas.obersteiner@hbc.com

with a copy to (which such copy shall not constitute notice):

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9
Attn: Jennifer G. Legge
Tel: (416) 869-5660
Email: jlegge@stikeman.com

EXHIBIT A
LOAN NOTICE AND PAYMENT DIRECTION

Date: June __, 2023

To: 2171948 Ontario Inc., as Lender

Ladies and Gentlemen:

Reference is made to that certain Unsecured Term Loan Agreement to be dated on or about June [], 2023 (as amended, amended and restated, restated, supplemented or otherwise modified and in effect from time to time, the "Credit Agreement"), by, among others, (i) Hudson's Bay Company ULC, an unlimited liability company organized under the laws of the Province of British Columbia, as the Borrower (the "Borrower"), (ii) the Guarantors party thereto from time to time, and (iii) 2171948 Ontario Inc., as the Lender (the "Lender"). Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

The Borrower hereby requests a Term Loan on June [], 2023 (a Business Day) in the amount of Cdn\$200,000,000. The undersigned hereby authorizes, directs and requests the Lender to disburse the proceeds of the Term Loan to the Borrower in accordance with the wire details set forth below:

[]

This Loan Notice may be executed in counterparts, each of which shall constitute an original, and all of which when taken together shall constitute a single instrument. Delivery of an executed counterpart of a signature page of this Loan Notice by telecopy, pdf or other electronic transmission shall be as effective as delivery of a manually executed counterpart of this Loan Notice.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

Dated as of the date above first written.

HUDSON'S BAY COMPANY ULC, as the Borrower

By: _____

Name:

Title:

EXHIBIT B

FORM OF COMPLIANCE CERTIFICATE

Financial Statement Date: **[Date]**

To: 2171948 Ontario Inc., as lender under the Credit Agreement (as defined below)

Re: Unsecured Term Loan Agreement dated as of June 26, 2023 (as same has or maybe be amended, supplemented, amended and restated, replaced, or otherwise modified from time to time, collectively, the “**Credit Agreement**”) among HUDSON’S BAY COMPANY ULC, an unlimited liability company incorporated under the laws of British Columbia, as the Borrower (the “**Borrower**”), the Guarantors party thereto, and 2171948 Ontario Inc., as the lender (the “**Lender**”). Capitalized terms used herein without definition have the same meanings as in the Credit Agreement.

The undersigned Responsible Officer, in **[his/her]** capacity as a Responsible Officer of the Borrower and not in **[his/her]** personal capacity, hereby certifies as of the date hereof that **[he/she]** is an authorized officer of the Borrower and that, as such, is authorized to execute and deliver this Compliance Certificate to the Lender on behalf of the Borrower, and that:

[Use the following paragraph 1 for Fiscal Year-end financial statements.]

1. **[Attached hereto as Schedule 1 are] [Pursuant to the conditions set forth in Section 6.02 of the Credit Agreement, each of the following have been electronically delivered to the Lender:]**
 - a) the year-end audited Consolidated financial statements and related materials required by Section 6.01(a) of the Credit Agreement for the Parent and its Subsidiaries ended as of the above date (including a Consolidated balance sheet of the Parent and its Subsidiaries as of the above date, and the related Consolidated statements of income or operations, Shareholders’ Equity and cash flows as of the above date, setting forth in each case in comparative form the figures for the previous Fiscal Year), all in reasonable detail and prepared in accordance with GAAP together with the report of a Registered Public Accounting Firm required by such section, and
 - b) the year-end consolidating financial statements and related materials required by Section 6.01(a) of the Credit Agreement for the Parent and its Subsidiaries (including, a consolidating balance sheet of the Parent and its Subsidiaries (including, as one of its components, a Consolidated balance sheet of the Borrower and its Subsidiaries) ended as of the above date, and the related consolidating statements of income or operations, Shareholders’ Equity and cash flows for such Fiscal Year (all such consolidating statements to be presented by the Borrower and its Subsidiaries on a Consolidated basis), all in reasonable detail and prepared in accordance with GAAP or IFRS.
2. **Also [attached hereto as Schedule 1-A are] [pursuant to the conditions set forth in Section 6.02 of the Credit Agreement, the following have been electronically delivered**

to the Lender]: a detailed calculation of the Consolidated Fixed Charge Coverage Ratio as required by Section 6.01(c) of the Credit Agreement, reflecting the adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such Consolidated Fixed Charge Coverage Ratio. Such related financial information presents fairly in accordance with GAAP or IFRS, as applicable, the exclusion of the financial position and results of operations of all Unrestricted Subsidiaries. The materials described in this Section 1 are hereinafter referred to as the “**Current Financial Statements**”.

[Use the following paragraph 1 for Fiscal Quarter-end financial statements.]

1. **[Attached hereto as Schedule [1] are] [Pursuant to the conditions set forth in Section 6.02 of the Credit Agreement, each of the following have been electronically delivered to the Lender:]** the unaudited Consolidated and consolidating financial statements and related materials required by Section 6.01(b) of the Credit Agreement for the Fiscal Quarter of the Parent and its Subsidiaries ended as of the above date (including, as one of its components, a Consolidated balance sheet of the Borrower and its Subsidiaries), and the related unaudited consolidated and consolidating statements of income or operations, and cash flows for such Fiscal Quarter and for the portion of the Parent’s Fiscal Year then ended (all such consolidating statements to be presented by the Borrower and its Subsidiaries on a Consolidated basis), setting forth in each case in comparative form the figures for (A) the corresponding Fiscal Quarter of the previous Fiscal Year and (B) the corresponding portion of the previous Fiscal Year. Such Consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Parent and its Subsidiaries as of the end of such Fiscal Quarter in accordance with GAAP or IFRS, as applicable, subject only to normal year-end audit adjustments and the absence of footnotes. Such consolidating financial statements are presented by the Borrower and its Subsidiaries on a consolidated basis and are fairly stated in all material respects when considered in relation to the Consolidated financial statements of the Parent and its Subsidiaries.
2. Also **[attached hereto as Schedule 1-A][pursuant to the conditions set forth in Section 6.02 of the Credit Agreement, the following have also been electronically delivered to the Lender:]** a detailed calculation of the Consolidated Fixed Charge Coverage Ratio as required by Section 6.01(c) of the Credit Agreement, reflecting the adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such Consolidated Fixed Charge Coverage Ratio. Such related financial information presents fairly in accordance with GAAP or IFRS, as applicable, the exclusion of the financial position and results of operations of all Unrestricted Subsidiaries. The materials described in this Section 1 are hereinafter referred to as the “**Current Financial Statements**”.
3. **[Except: ■][NTD: Provide disclosure here], there has been no change in the legal name of any Loan Party, or the jurisdiction of formation of or the domicile of any Canadian Loan Party, since the submission of the previous compliance certificate on [date].]**

[Use following paragraph in annual Compliance Certificates:]

4. Attached as **Schedule 3** hereto are forecasts prepared by management of the Borrower of:
 - a) the Consolidated balance sheets and statements of income or operations and cash flows of (x) the Parent and its Subsidiaries, and (y) the Borrower and its Subsidiaries (including, in the case of (y), such information by banner), in each case on a quarterly basis for such Fiscal Year (all of the foregoing, collectively, the “**Projections**”), which Projections have been prepared in good faith on the basis of the assumptions stated therein, which assumptions were believed to be reasonable at the time of preparation of such Projections, it being understood that actual results may vary from such Projections and that such variations may be material; and
 - b) a copy of the forecast provided by the Loan Parties to the ABL Agent of Availability, Canadian Availability and U.S. Availability (each, as defined in the ABL Credit Agreement), prepared on a monthly basis for the Fiscal Year ■.
5. The undersigned has reviewed and is familiar with the terms of the Credit Agreement and has made, or has caused to be made under his/her supervision, a detailed review of the transactions and condition (financial or otherwise) of the Parent and its Subsidiaries during the accounting period covered by the Current Financial Statements.
6. To my knowledge, except as otherwise disclosed to the Lender pursuant to the Credit Agreement, no Default or Event of Default exists as of the date hereof, and no Ringfencing Triggering Event has occurred during **[the Fiscal Quarter ending ■/Fiscal Year ending ■]**. **[If unable to provide the foregoing certification, fully describe the reasons therefor and circumstances thereof and any action taken or proposed to be taken with respect thereto on a schedule attached hereto.]**
7. To my knowledge, there exists no event of default or other material default by any one or more Loan Parties under any Material Debt Document or any CF Lease, nor have any notices of default been received by any Loan Party relating to any default under any Material Debt Documents which remains uncured or has not been expressly waived in writing. **[If unable to provide the foregoing certification, fully describe the reasons therefor and circumstances thereof and any action taken or proposed to be taken with respect thereto on a schedule attached hereto.]**
8. During **[the Fiscal Quarter ending ■/Fiscal Year ending ■]**, **[except: ■]****[NTD: Provide disclosure here]** and except for drawings under the ABL Credit Agreement, the Canadian Loan Parties have not incurred Indebtedness for borrowed money in an aggregate principal amount in excess of C\$1,000,000.
9. During **[the Fiscal Quarter ending ■/Fiscal Year ending ■]**,**[except: ■]****[NTD: Provide disclosure here]**, no Canadian Loan Party has entered into any Guarantees of any obligations (other than obligations of another Canadian Loan Party).
10. During **[the Fiscal Quarter ending ■/Fiscal Year ending ■]**,**[except: ■]****[NTD: Provide disclosure here]**, no Restricted Payment or Investment has been made by a Canadian Loan Party to any Person other than another Canadian Loan Party.

11. **[There have been no material changes in IFRS or GAAP used in the preparation of the Current Financial Statements.][Set forth in Schedule 5 hereto is a summary of all material changes in IFRS or GAAP used in the preparation of the Current Financial Statements.]**
12. As of the date hereof, Availability (as defined in the ABL Credit Agreement) is \$■. As of the date hereof, a Covenant Compliance Event (as defined in the ABL Credit Agreement) **[is/is not]** continuing.
13. Attached hereto as **Schedule 3** is a discussion and analysis prepared by management of the Borrower with respect to the Current Financial Statements.
14. Attached hereto as Schedule 4 (whether or not compliance with the covenant set forth in Section 7.21 of the Credit Agreement is required) is a reasonably detailed accounting of the Loan Parties' aggregate Bank Products. As of the date hereof, the Loan Parties are in compliance with Section 7.21 of the Credit Agreement.
15. Attached hereto as Schedule 6 is a current schedule of all Unrestricted Subsidiaries.

IN WITNESS WHEREOF, the undersigned, in her capacity as a Responsible Officer the Borrower, has executed this certificate for and on behalf of the Borrower, and has caused this certificate to be delivered on **[date]**.

[Name]
[Title]

SCHEDULE 1
FINANCIAL STATEMENTS AND RELATED DELIVERIES

(see attached)

SCHEDULE 1-A

CONSOLIDATED FIXED CHARGE COVERAGE RATIO

[INSERT TABLE]

Covenant: During the continuance of a Covenant Compliance Event, no Loan Party shall, nor shall it permit any Restricted Subsidiary to, permit the Consolidated Fixed Charge Coverage Ratio, calculated as of the last day of each Fiscal Quarter on a trailing four quarters basis (commencing with the Fiscal Quarter immediately prior to the date that the Covenant Compliance Event occurs), to be less than 1.00:1.00.

Is a Covenant Compliance Event continuing? ☐

If so, in compliance with covenant? ☐

SCHEDULE 2
MANAGEMENT FORECASTS

(see attached)

SCHEDULE 3
MANAGEMENT DISCUSSION AND ANALYSIS

(see attached)

SCHEDULE 4
BANK PRODUCTS

<i>in \$USD millions</i>	
Calculation of Bank Products	
(a) Swap Contracts	-
(b) leasing	-
(c) factoring	
(d) Equipment financing	-
(e) supply chain finance services	-
(f) Indebtedness described in clause (dd) of “Permitted Indebtedness”	-

SCHEDULE 5
IFRS or GAAP CHANGES

SCHEDULE 6
UNRESTRICTED SUBSIDIARIES

EXHIBIT C

PART I – CF LEASES SUBJECT TO THE LEASE INDEMNITY AGREEMENT

SHOPPING CENTRE	LANDLORD ENTITIES	TENANT'S TRADE NAME	UNIT NO.	LEASE DATE M/D/Y
#1. CF Sherway Gardens	CF SHERWAY HOLDINGS I REC INC., CF SHERWAY HOLDINGS II REC INC., and CF SHERWAY HOLDINGS III REC INC., all by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Saks Fifth Avenue	Y101	02/25/14
#2. CF Sherway Gardens	CF SHERWAY HOLDINGS I REC INC., CF SHERWAY HOLDINGS II REC INC., and CF SHERWAY HOLDINGS III REC INC., all by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y001	02/27/03
#3. CF Toronto Eaton Centre	CF/TEC Holdings Inc. and Ontrea/TEC Holdings Inc. both by their duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay & Saks Fifth Avenue	0001 / 0008	02/25/14
#4. CF Chinook Centre	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Saks Fifth Avenue	Y002	10/28/15
#5. CF Chinook Centre	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y001A	05/06/1997

PART II – CF LEASE SUBJECT TO THE MASS LEASE AMENDING AGREEMENT “A”

SHOPPING CENTRE	LANDLORD ENTITIES	TENANT'S TRADE NAME	UNIT NO.	LEASE DATE M/D/Y
#1. CF Sherway Gardens	CF SHERWAY HOLDINGS I REC INC., CF SHERWAY HOLDINGS II REC INC., and CF SHERWAY HOLDINGS III REC INC., all by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Saks Fifth Avenue	Y101	02/25/14
#2. CF Markville Shopping Centre	CF MARKVILLE MALL REC INC., BY ITS DULY AUTHORIZED AGENT, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y001	08/09/1993

SHOPPING CENTRE	LANDLORD ENTITIES	TENANT'S TRADE NAME	UNIT NO.	LEASE DATE M/D/Y
#3. CF Chinook Centre	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Saks Fifth Avenue	Y002	10/28/15
#4. CF Carrefour Laval	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted
#5. CF Fairview Pointe Claire	THE CADILLAC FAIRVIEW CORPORATION LIMITED and CF FPC REC INC.	Bay, The	Y001A / Y001B	11/02/1970
#6. CF Promenades St. Bruno	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted
#7. CF Fairview Pointe Claire	THE CADILLAC FAIRVIEW CORPORATION LIMITED and CF FPC REC INC.	Bay The / Auto Centre	Y002	08/12/1965
#8. CF Fairview Mall	CF/REALTY HOLDINGS INC. AND FVM PROPERTY INC., BOTH BY THEIR DULY AUTHORIZED AGENT, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y005	02/28/1986, as followed by 10/07/1987
#9. CF Fairview Park	Ontrea Inc. And CF/Realty Holdings Inc. both by their duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y001	08/20/1975
#10. CF Lime Ridge Mall	CF/Realty Holdings Inc.	Hudson's Bay	2000	04/27/00
#11. CF Masonville Place	CF/Realty Holdings Inc.	Hudson's Bay	Y002	08/21/1985
#12. CF Sherway Gardens	CF SHERWAY HOLDINGS I REC INC., CF SHERWAY HOLDINGS II REC INC., and CF SHERWAY HOLDINGS III REC INC., all by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y001	02/27/03
#13. CF Toronto Eaton Centre	CF/TEC Holdings Inc. and Ontrea/TEC Holdings Inc. both by their duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay & Saks Fifth Avenue	0001 / 0008	02/25/14
#14. CF Chinook Centre	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y001A	05/06/1997
#15. CF Market Mall	MARKET MALL LEASEHOLDS INC. (co-owned)	Hudson's Bay	Y002A	08/04/1971
#16. CF Polo Park	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y002	09/05/02

SHOPPING CENTRE	LANDLORD ENTITIES	TENANT'S TRADE NAME	UNIT NO.	LEASE DATE M/D/Y
#17. CF Richmond Centre	RCCOM LP, by its general partner, RCCOM GP INC. and AIMCO REALTY INVESTORS LP, by its general partner, AIMCO RE GP CORP., both by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y007A	09/26/1973

PART III – CF LEASE SUBJECT TO THE MASS LEASE AMENDING AGREEMENT “B”

SHOPPING CENTRE	LANDLORD ENTITIES	TENANT'S TRADE NAME	UNIT NO.	LEASE DATE M/D/Y
#1. CF Sherway Gardens	CF SHERWAY HOLDINGS I REC INC., CF SHERWAY HOLDINGS II REC INC., and CF SHERWAY HOLDINGS III REC INC., all by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Saks Fifth Avenue	Y101	02/25/14
#2. CF Markville Shopping Centre	CF MARKVILLE MALL REC INC., BY ITS DULY AUTHORIZED AGENT, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y001	08/09/1993
#3. CF Chinook Centre	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Saks Fifth Avenue	Y002	10/28/15
#4. CF Carrefour Laval	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted
#5. CF Fairview Pointe Claire	THE CADILLAC FAIRVIEW CORPORATION LIMITED and CF FPC REC INC.	Bay, The	Y001A / Y001B	11/02/1970
#6. CF Promenades St. Bruno	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted
#7. CF Fairview Pointe Claire	THE CADILLAC FAIRVIEW CORPORATION LIMITED and CF FPC REC INC.	Bay The / Auto Centre	Y002	08/12/1965
#8. CF Fairview Mall	CF/REALTY HOLDINGS INC. AND FVM PROPERTY INC., BOTH BY THEIR DULY AUTHORIZED AGENT, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y005	02/28/1986, as followed by 10/07/1987
#9. CF Fairview Park	Ontrea Inc. And CF/Realty Holdings Inc. both by their duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y001	08/20/1975

SHOPPING CENTRE	LANDLORD ENTITIES	TENANT'S TRADE NAME	UNIT NO.	LEASE DATE M/D/Y
#10. CF Lime Ridge Mall	CF/Realty Holdings Inc.	Hudson's Bay	2000	04/27/00
#11. CF Masonville Place	CF/Realty Holdings Inc.	Hudson's Bay	Y002	08/21/1985
#12. CF Sherway Gardens	CF SHERWAY HOLDINGS I REC INC., CF SHERWAY HOLDINGS II REC INC., and CF SHERWAY HOLDINGS III REC INC., all by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y001	02/27/03
#13. CF Toronto Eaton Centre	CF/TEC Holdings Inc. and Ontrea/TEC Holdings Inc. both by their duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay & Saks Fifth Avenue	0001 / 0008	02/25/14
#14. CF Chinook Centre	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y001A	05/06/1997
#15. CF Market Mall	MARKET MALL LEASEHOLDS INC. (co-owned)	Hudson's Bay	Y002A	08/04/1971
#16. CF Polo Park	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y002	09/05/02
#17. CF Richmond Centre	RCCOM LP, by its general partner, RCCOM GP INC. and AIMCO REALTY INVESTORS LP, by its general partner, AIMCO RE GP CORP., both by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y007A	09/26/1973

PART IV – CF LEASE SUBECT TO THE MASS LEASE AMENDING AGREEMENT “C”

SHOPPING CENTRE	LANDLORD ENTITIES	TENANT'S TRADE NAME	UNIT NO.	LEASE DATE M/D/Y
#1. CF Sherway Gardens	CF SHERWAY HOLDINGS I REC INC., CF SHERWAY HOLDINGS II REC INC., and CF SHERWAY HOLDINGS III REC INC., all by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Saks Fifth Avenue	Y101	02/25/14
#2. CF Markville Shopping Centre	CF MARKVILLE MALL REC INC., BY ITS DULY AUTHORIZED AGENT, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y001	08/09/1993

SHOPPING CENTRE	LANDLORD ENTITIES	TENANT'S TRADE NAME	UNIT NO.	LEASE DATE M/D/Y
#3. CF Chinook Centre	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Saks Fifth Avenue	Y002	10/28/15
#4. CF Carrefour Laval	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted
#5. CF Fairview Pointe Claire	THE CADILLAC FAIRVIEW CORPORATION LIMITED and CF FPC REC INC.	Bay, The	Y001A / Y001B	11/02/1970
#6. CF Promenades St. Bruno	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted	Intentionally Deleted
#7. CF Fairview Pointe Claire	THE CADILLAC FAIRVIEW CORPORATION LIMITED and CF FPC REC INC.	Bay The / Auto Centre	Y002	08/12/1965
#8. CF Fairview Mall	CF/REALTY HOLDINGS INC. AND FVM PROPERTY INC., BOTH BY THEIR DULY AUTHORIZED AGENT, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y005	02/28/1986, as followed by 10/07/1987
#9. CF Fairview Park	Ontrea Inc. And CF/Realty Holdings Inc. both by their duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y001	08/20/1975
#10. CF Lime Ridge Mall	CF/Realty Holdings Inc.	Hudson's Bay	2000	04/27/00
#11. CF Masonville Place	CF/Realty Holdings Inc.	Hudson's Bay	Y002	08/21/1985
#12. CF Sherway Gardens	CF SHERWAY HOLDINGS I REC INC., CF SHERWAY HOLDINGS II REC INC., and CF SHERWAY HOLDINGS III REC INC., all by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y001	02/27/03
#13. CF Toronto Eaton Centre	CF/TEC Holdings Inc. and Ontrea/TEC Holdings Inc. both by their duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay & Saks Fifth Avenue	0001 / 0008	02/25/14
#14. CF Chinook Centre	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y001A	05/06/1997
#15. CF Market Mall	MARKET MALL LEASEHOLDS INC. (co-owned)	Hudson's Bay	Y002A	08/04/1971
#16. CF Polo Park	Ontrea Inc. by its duly authorized agent The Cadillac Fairview Corporation Limited	Hudson's Bay	Y002	09/05/02

SHOPPING CENTRE	LANDLORD ENTITIES	TENANT'S TRADE NAME	UNIT NO.	LEASE DATE M/D/Y
#17. CF Richmond Centre	RCCOM LP, by its general partner, RCCOM GP INC. and AIMCO REALTY INVESTORS LP, by its general partner, AIMCO RE GP CORP., both by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	Hudson's Bay	Y007A	09/26/1973