

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C.
LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608
B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270
ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC.,
AND 2472598 ONTARIO INC.**

Applicants

**SECOND SUPPLEMENT TO THE TWELFTH REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.**

JANUARY 26, 2026

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
2.0	UPDATE	4
3.0	CONCLUSIONS AND RECOMMENDATIONS.....	5

INDEX TO SCHEDULES AND APPENDICES

Schedule A – Other Applicants and Non-Applicant Stay Parties

Schedule B – Name Changes for Hudson’s Bay Canada entities

Appendix A – Twelfth Report (without appendices)

Appendix B – Supplement to the Twelfth Report (without appendices)

Appendix C – January 16 Endorsement

Appendix D – January 19 Letter and Delivery Slip

1.0 INTRODUCTION

- 1.1 On March 7, 2025, 1242939 B.C. Unlimited Liability Company (at the time, known as Hudson’s Bay Company ULC Compagnie De La Baie D’Hudson SRI) (“**Hudson’s Bay**” or the “**Company**”), and the other applicants listed on **Schedule “A”** hereto (together, the “**Applicants**”), were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), pursuant to an initial order (the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). The stay of proceedings and other protections and authorizations in the Initial Order were also extended to HBC Holdings LP and the other non-Applicant entities listed on **Schedule “A”** hereto (together with HBC Holdings LP, the “**Non-Applicant Stay Parties**”). Together, the Applicants and the Non-Applicant Stay Parties are referred to herein as “**Hudson’s Bay Canada**”.¹ In accordance with an Order granted by the Court on June 23, 2025, certain Hudson’s Bay Canada entities completed corporate name changes on August 6 and 7, 2025, and again on August 12, 2025. The current names of the Hudson’s Bay Canada entities after the name changes on August 12, 2025, are set out on **Schedule “B”** hereto.
- 1.2 Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as monitor of the Applicants (in such capacity, the “**Monitor**”) in these CCAA proceedings (the “**CCAA Proceedings**”). The Initial Order granted a broad stay of proceedings (the

¹ The CCAA Proceedings have since been terminated in respect of two Applicants (HBC YSS 1 LP Inc. and HBC YSS 2 LP Inc.), and the stay of proceedings no longer applies in respect of certain of the Non-Applicant Stay Parties (RioCan-HBC Limited Partnership, RioCan-HBC General Partner Inc., HBC YSS 1 Limited Partnership, HBC YSS 1 LP Inc., HBC YSS 2 Limited Partnership, HBC YSS 2 LP Inc., RioCan-HBC Ottawa Limited Partnership, RioCan-HBC (Ottawa) Holdings Inc. and RioCan-HBC (Ottawa) GP, Inc.). The defined terms “Applicants”, “Non-Applicant Stay Parties” and “Hudson’s Bay Canada” as used in this Report refer to the applicable entities at the relevant times.

“**Stay of Proceedings**”) in favour of the Applicants and the Monitor (among others) for an initial ten-day period (the “**Stay Period**”).

1.3 The Stay Period has been extended from time-to-time, including pursuant to the Amended and Restated Initial Order granted by the Court on March 21, 2025 (the “**ARIO**”), which governs the terms of the Stay of Proceedings, and most recently pursuant to an Order granted by the Court on December 11, 2025, which extended the Stay Period to March 31, 2026.

1.4 On January 9, 2026, the Monitor filed a motion record (the “**Motion Record**”), including its Twelfth Report of the same date (the “**Twelfth Report**”). As described in greater detail therein, despite repeated communications from both counsel to the Applicants and counsel to the Monitor, Glasses Gallery AI Vision Technology Inc. (“**Glasses Gallery**”), an unsecured creditor (and alleged trust claimant) of the Applicants, has insisted on proceeding with a claim in Quebec against A&M, in its capacity as the Monitor of the Applicants, in clear violation of the Stay of Proceedings. The Twelfth Report provided the Monitor’s basis for seeking an Order (the “**Stay Confirmation Order**”), among other things:

- (a) declaring that the Stay of Proceedings applies to the Quebec Proceedings (as defined therein) and that Glasses Gallery shall not commence or continue any related claim against the Applicants or the Monitor in accordance with the terms of the ARIO (i.e., without leave of the Court or the written consent of the Applicants and the Monitor); and

- (b) directing Glasses Gallery to forthwith withdraw the Quebec Proceedings, and in any event no later than 3 business days from the date of the Order, and provide the Monitor and the Applicants with evidence of such withdrawal immediately thereafter.

1.5 On January 14, 2026, the Monitor filed a supplement to the Twelfth Report (the “**Supplemental Report**”), among other things, providing an update on further actions undertaken in violation of the Stay of Proceedings by Glasses Gallery. A copy of the Twelfth Report, without appendices, is attached hereto as **Appendix “A”**, and a copy of the Supplemental Report, without appendices, is attached hereto as **Appendix “B”**.

1.6 The hearing of the Motion took place on January 16, 2026 (the “**January 16 Hearing**”). At the January 16 Hearing, counsel to the Monitor advised the Court that counsel of record for Glasses Gallery, Daigle & Matte, Avocats Fiscalistes Inc. (“**Daigle & Matte**”), had requested on behalf of Glasses Gallery that the Motion be adjourned because Daigle & Matte did not represent Glasses Gallery in this proceeding and that Glasses Gallery was in the process of retaining counsel in Ontario. After considering various options proposed by counsel to the Monitor, the Court issued an endorsement (the “**January 16th Endorsement**”), among other things:

- (a) adjourning the hearing of the Motion to January 27, 2026 at 11:00 a.m. (the “**January 27 Hearing**”);
- (b) imposing a deadline for the service of any responding material by Glasses Gallery of January 22 at 2:30 p.m., and a deadline for the service of any reply from the Monitor of January 26 at 12:00 p.m. (the “**Timetable**”); and

(c) directing that Glasses Gallery not take any further action or step against the Applicants or the Monitor in any proceedings, including any action or step to advance the Quebec Proceedings, pending a determination by the Court of the Motion following the January 27 Hearing.

1.7 A copy of the January 16 Endorsement is attached hereto as **Appendix “C”**.

1.8 This Report (the “**Second Supplemental Report**”) is a further supplement to the Twelfth Report. Capitalized terms used herein and not otherwise defined have the meanings ascribed in the Twelfth Report.

Purpose of this Second Supplemental Report

1.9 The purpose of this Second Supplemental Report is to update the Court regarding further developments with respect to the Motion, and to reiterate the Monitor’s respectful request that this Court grant the Stay Confirmation Order.

2.0 UPDATE

2.1 Following the January 16 Hearing, but prior to the issuance of the January 16 Endorsement, counsel to the Monitor emailed Daigle & Matte and advised of the adjournment and the Timetable that had been set for responding materials to be filed. Later that same day, counsel to the Monitor sent a copy of the January 16 Endorsement to the Service List, which included email addresses for Daigle & Matte and Glasses Gallery. No response to these emails was received from Daigle & Matte or Glasses Gallery.

2.2 On January 19, 2026, counsel to the Monitor sent a letter via courier to Glasses Gallery with a copy of the January 16 Endorsement enclosed (the “**January 19 Letter**”). A copy of the January 19 Letter and corresponding courier delivery slip confirming receipt are attached hereto as **Appendix “D”**.

2.3 Notwithstanding the requirement under the Timetable that Glasses Gallery file any responding materials no later than January 22 at 2:30 p.m., Glasses Gallery has not filed any responding material. In fact, the Monitor has not received any communication from or on behalf of Glasses Gallery or Daigle & Matte since January 15, 2026, and to the Monitor's knowledge, Glasses Gallery has not retained Ontario counsel.

3.0 CONCLUSIONS AND RECOMMENDATIONS

3.1 For the reasons set out in this Second Supplemental Report, the Monitor continues to respectfully recommend that this Court grant the Stay Confirmation Order.

All of which is respectfully submitted to the Court this 26th day of January, 2026.

**Alvarez & Marsal Canada Inc.,
in its capacity as Monitor of
1242939 B.C. Unlimited Liability Company, et al,
not in its personal or corporate capacity**

Per:



Alan J. Hutchens
Senior Vice-President

Per:



Greg A. Karpel
Senior Vice-President

SCHEDULE A²

OTHER APPLICANTS

HBC Canada Parent Holdings Inc.

HBC Canada Parent Holdings 2 Inc.

HBC Bay Holdings I Inc.

HBC Bay Holdings II ULC

The Bay Holdings ULC

HBC Centerpoint GP Inc.

HBC YSS 1 LP Inc.

HBC YSS 2 LP Inc.

HBC Holdings GP Inc.

Snospmis Limited

2472596 Ontario Inc.

247598 Ontario Inc.

NON-APPLICANT STAY PARTIES

HBC Holdings LP

RioCan-HBC General Partner Inc.

RioCan-HBC Limited Partnership

RioCan-HBC (Ottawa) Holdings Inc.

RioCan-HBC (Ottawa) GP, Inc.

RioCan-HBC (Ottawa) Limited Partnership

HBC Centerpoint LP

² This schedule lists the Applicants and Non-Applicant Stay Parties as of the Initial Order. As noted within the Ninth Report, the CCAA Proceedings were terminated in respect of two of the Applicants, and the stay of proceedings no longer applies in respect of several of the Non-Applicant Stay Parties.

The Bay Limited Partnership

HBC YSS 1 Limited Partnership

HBC YSS 2 Limited Partnership

SCHEDULE B

Name Changes for Hudson's Bay Canada Entities

Former Name	New Name	CCAA Status	Effective Date of Name Change
HBC Centrepont GP Inc.	2745263 Ontario Inc.	Applicant	August 12, 2025
HBC Holdings GP Inc.	2745270 Ontario Inc.	Applicant	August 12, 2025
Hudson's Bay Company ULC Compagnie de la Baie d'Hudson SRI	1242939 B.C. Unlimited Liability Company	Applicant	August 12, 2025
HBC Canada Parent Holdings Inc.	1241423 B.C. Ltd.	Applicant	August 12, 2025
HBC Canada Parent Holdings 2 Inc.	1330096 B.C. Ltd.	Applicant	August 12, 2025
HBC Bay Holdings I Inc.	1330094 B.C. Ltd.	Applicant	August 12, 2025
HBC Bay Holdings II ULC	1330092 B.C. Unlimited Liability Company	Applicant	August 12, 2025
The Bay Holdings ULC	1329608 B.C. Unlimited Liability Company	Applicant	August 12, 2025
2472596 Ontario Inc.	--	Applicant	--
2472598 Ontario Inc.	--	Applicant	--
Snospmis Limited	--	Applicant	--

APPENDIX A

Twelfth Report of the Monitor dated January 9, 2026 (without appendices)

See attached.

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**TWELFTH REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.**

JANUARY 9, 2026

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
2.0	BACKGROUND ON QUEBEC PROCEEDINGS.....	4
3.0	STAY CONFIRMATION ORDER.....	11
4.0	CONCLUSIONS AND RECOMMENDATIONS.....	14

INDEX TO SCHEDULES AND APPENDICES

Schedule A – Other Applicants and Non-Applicant Stay Parties

Schedule B – Name Changes for Hudson’s Bay Canada entities

Appendix A – Amended and Restated Initial Order dated March 21, 2025

Appendix B – Stay Extension Order dated December 11, 2025

Appendix C – Notice to Creditors

Appendix D – Letter from Daigle & Matte dated March 20, 2025

Appendix E – Email Correspondence dated March 21 and 22, 2025

Appendix F – Email Correspondence dated April 16, 2025

Appendix G – Quebec Proceedings

Appendix H – Quebec Proceedings (English Translation)

Appendix I – Letter from Stikeman Elliott dated December 23, 2025

Appendix J – Letter from Stikeman Elliott dated December 23, 2025 (English Translation)

Appendix K – Letter from Bennett Jones dated January 5, 2026

Appendix L – Letter from Bennett Jones dated January 5, 2026 (English Translation)

Appendix M – Answer to Quebec Proceedings dated January 6, 2026

Appendix N – Answer to Quebec Proceedings dated January 6, 2026 (English Translation)

1.0 INTRODUCTION

- 1.1 On March 7, 2025, 1242939 B.C. Unlimited Liability Company (at the time, known as Hudson’s Bay Company ULC Compagnie de la Baie d’Hudson SRI) (“**Hudson’s Bay**” or the “**Company**”), and the other applicants listed on **Schedule “A”** hereto (together, the “**Applicants**”), were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), pursuant to an initial order (the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). The stay of proceedings and other protections and authorizations in the Initial Order were also extended to HBC Holdings LP and the other non-Applicant entities listed on **Schedule “A”** hereto (together with HBC Holdings LP, the “**Non-Applicant Stay Parties**”). Together, the Applicants and the Non-Applicant Stay Parties are referred to herein as “**Hudson’s Bay Canada**”.¹ In accordance with an Order granted by the Court on June 23, 2025, certain Hudson’s Bay Canada entities completed corporate name changes on August 6 and 7, 2025, and again on August 12, 2025. The current names of the Hudson’s Bay Canada entities after the name changes on August 12, 2025, are set out on **Schedule “B”** hereto.
- 1.2 Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as monitor of the Applicants (in such capacity, the “**Monitor**”) in these CCAA proceedings (the “**CCAA Proceedings**”). The Initial Order granted a broad stay of proceedings (the

¹ The CCAA Proceedings have since been terminated in respect of two Applicants (HBC YSS 1 LP Inc. and HBC YSS 2 LP Inc.), and the stay of proceedings no longer applies in respect of certain of the Non-Applicant Stay Parties (RioCan-HBC Limited Partnership, RioCan-HBC General Partner Inc., HBC YSS 1 Limited Partnership, HBC YSS 1 LP Inc., HBC YSS 2 Limited Partnership, HBC YSS 2 LP Inc., RioCan-HBC Ottawa Limited Partnership, RioCan-HBC (Ottawa) Holdings Inc. and RioCan-HBC (Ottawa) GP, Inc.). The defined terms “Applicants”, “Non-Applicant Stay Parties” and “Hudson’s Bay Canada” as used in this Report refer to the applicable entities at the relevant times.

“**Stay of Proceedings**”) in favour of the Applicants and the Monitor (among others) for an initial ten-day period (the “**Stay Period**”).

- 1.3 As discussed in greater detail below, the Stay Period has been extended from time-to-time, including pursuant to the Amended and Restated Initial Order granted by the Court on March 21, 2025 (the “**ARIO**”), which governs the terms of the Stay of Proceedings, and most recently pursuant to an Order granted by the Court on December 11, 2025, which extended the Stay Period to March 31, 2026. The Stay of Proceedings continues to apply in favour of the Applicants and the Monitor pursuant to the terms of the ARIO. Copies of the ARIO and the December 11 Order are attached as hereto as **Appendices “A” and “B”**, respectively.
- 1.4 Since the Initial Order was granted, the Court has heard several motions and granted various Orders, and a significant volume of materials have been filed by interested parties in connection therewith. Given the limited scope of this Report (the “**Twelfth Report**”), it does not contain a detailed chronology of the CCAA Proceedings or the various relief granted.
- 1.5 As set out in greater detail below, despite repeated communications from both counsel to the Applicants and counsel to the Monitor, Glasses Gallery AI Vision Technology Inc. (“**Glasses Gallery**”), an unsecured creditor (and purported trust claimant) of the Applicants, has insisted on proceeding with a claim in Quebec against A&M, in its capacity as the Monitor of the Applicants, in clear violation of the Stay of Proceedings. As a result of Glasses Gallery’s and its counsel’s refusal to recognize the Stay of Proceedings or the unambiguous terms of the ARIO, the Monitor is unfortunately required to seek relief before

this Court to enforce the Stay of Proceedings. This Twelfth Report is filed solely in support of the Monitor's within motion (the "**Motion**"), which is brought before this Court in response to Glasses Gallery's claim.

- 1.6 Materials filed in the CCAA Proceedings, including the prior Reports of the Monitor and all endorsements and orders made by the Court, are available on the Monitor's case website at: www.alvarezandmarsal.com/HudsonsBay.

Purpose of this Report

- 1.7 The purpose of this Twelfth Report is solely to provide the Court with the relevant background and basis for the Monitor bringing this Motion seeking an Order (the "**Stay Confirmation Order**"):
- (a) declaring that the Stay of Proceedings applies to the Quebec Proceedings (as defined below) and that Glasses Gallery shall not commence or continue any related claim against the Applicants or the Monitor in accordance with the terms of the ARIO, (i.e., without leave of the Court or the written consent of the Applicants and the Monitor); and
 - (b) directing Glasses Gallery to forthwith withdraw the Quebec Proceedings, and in any event no later than 3 business days from the date of the Order, and provide the Monitor and the Applicants with evidence of such withdrawal immediately thereafter.

2.0 BACKGROUND ON QUEBEC PROCEEDINGS²

2.1 The following is a summary of the lead-up to the Quebec Proceedings, including the Monitor's communications with Glasses Gallery. As noted below, the Monitor only became aware of the Quebec Proceedings on December 16, 2025,³ and together with the Applicants, has since made significant efforts to resolve these issues without the need to appear before this Court.

Initial Communications

2.2 Glasses Gallery was listed as a creditor on the initial list of creditors owed over \$1,000 by the Applicants (the "**Initial Creditor List**"). The creditors on the Initial Creditor List received notice of the CCAA Proceedings in the form prescribed by the CCAA by way of a mailing sent on March 11, 2025 (the "**Notice to Creditors**"). The Notice to Creditors, among other things, advised creditors of the Stay of Proceedings. Glasses Gallery acknowledges that it received the initial notice to creditors. A copy of the Notice of Creditors is attached hereto as **Appendix "C"**.

2.3 On March 21, 2025, the Monitor received a physical copy of a letter dated March 20, 2025 (the "**March 20 Letter**") from François Daigle ("**Mr. Daigle**") of Daigle & Matte, Avocats Fiscalistes Inc. ("**Daigle & Matte**"), on behalf of Glasses Gallery. The March 20 Letter, which was provided in both French and English, was also sent to the Monitor's general

² Certain of the Court documents and correspondence between counsel referenced in this section is in French. Where so indicated, the Monitor has included unofficial translations of these materials into English, which it obtained using DeepL Translate. These translations were reviewed for accuracy and, where necessary, updated by bilingual counsel from Bennett Jones LLP's Montreal office.

³ As discussed further below, the Monitor was subsequently made aware that court materials had been delivered to an A&M receptionist on July 16, 2025, however it was not delivered to a member of the Monitor's team.

email inbox for the CCAA Proceedings. Among other things, Daigle & Matte: (a) asserted that the Monitor was holding a total of \$77,991.70 on behalf of Glasses Gallery and that “these sums never became part of HBC’s estate” and must be returned in their entirety; and (b) threatened to “take the necessary steps to collect these sums without further notice or delay” if the amounts were not repaid within ten days. A copy of the March 20 Letter is attached hereto as **Appendix “D”**.

2.4 On March 21, 2025, the Monitor replied by email to Daigle & Matte to arrange a time to discuss the March 20 Letter. Mr. Daigle replied that he was available after 4:00 p.m. EST on Monday, March 24, 2025. The Monitor replied the following day to ask for confirmation that Mr. Daigle was available at 4:30 p.m. so that multiple team members could join the call. Mr. Daigle did not respond to this email. A copy of this email correspondence is attached hereto as **Appendix “E”**.

2.5 On April 16, 2025, Mr. Daigle emailed the Monitor to state that the Monitor’s email had been caught in his “junk” folder. The Monitor responded on the same day to indicate that a calendar invite would be circulated for Tuesday, April 22, 2025, at 4:30 p.m. EDT. A copy of this email correspondence is attached hereto as **Appendix “F”**.

2.6 Mr. Daigle did not attend that call, but an associate of Daigle & Matte attended in his place. Representatives of the Monitor spoke with Mr. Daigle’s associate, and advised him, among other things, that the Monitor and Applicants were of the view that no funds were held in trust for Glasses Gallery, and that in any event, the Stay of Proceedings prohibited Glasses Gallery from taking any enforcement steps or commencing any proceedings in connection therewith.

Quebec Proceedings and Subsequent Communications

- 2.7 On December 16, 2025, the Monitor received a physical copy of the following French-language court documents filed before the Court of Quebec, District of Trois-Rivières (the “**Court of Quebec**”), each bearing the style of cause “*Glasses Gallery AI Vision Technology Inc. c. Alvarez & Marsal Canada Inc. en sa qualité de contrôleur de Compagnie de la Baie D'Hudson SRI – No: 400-22-011943-251*” (in English, “Glasses Gallery AI Vision Technology Inc. v. Alvarez & Marsal Canada Inc., in its capacity as monitor of Hudson’s Bay Company ULC”):
- (a) the *Demande introductive d’instance [...] en recouvrement de derniers modifiée en date du 15 décembre 2025* (in English, an Originating Application for Recovery of Funds modified on December 15, 2025) (the “**Modified Originating Application**”); and
 - (b) the *Demande du renvoi du dossier par la demanderesse (changement de juridiction)* (in English, the Application by the Plaintiff to Transfer the Case (Change of Jurisdiction)) (the “**Application for Transfer**”, and collectively with the Modified Originating Application, the “**Quebec Proceedings**”).
- 2.8 The Quebec Proceedings list Daigle & Matte as counsel to Glasses Gallery.
- 2.9 Notwithstanding that Glasses Gallery had email contact information for several representatives of the Monitor, along with the Monitor’s general case email, and that it could easily have accessed contact details for the Monitor’s counsel, the Quebec

Proceedings were served only by hard copy to a receptionist at A&M, and were not provided by email to the Monitor or at all to the Monitor's counsel.

- 2.10 In the Modified Originating Application, Glasses Gallery baldly and incorrectly asserts that A&M, as Monitor, manages Hudson's Bay. Similar to the March 20 Letter, which was responded to by the Monitor on the April 22 call, Glasses Gallery continues to argue in the Modified Originating Application, among other things, that: (a) Glasses Gallery is owed \$77,991.70; (b) these funds were collected in trust for Glasses' Gallery's benefit; (c) these funds do not belong to Hudson's Bay; and (d) the Stay of Proceedings therefore does not apply to the claim plead in the Modified Originating Application.⁴ Glasses Gallery seeks a finding that it is the owner of the disputed funds and that the Stay of Proceedings does not apply, and an Order that the defendant pay such funds to Glasses Gallery.
- 2.11 In the Application for Transfer, Glasses Gallery seeks to transfer the hearing of the Modified Originating Application from the Court of Quebec to the Superior Court of Quebec. The Application for Transfer also indicated that a hearing would take place before the Court of Quebec on January 7, 2026, at 9:30 a.m. (the "**January 7th Hearing**").
- 2.12 A copy of the Quebec Proceedings is attached hereto as **Appendix "G"**, and an English translation of the Quebec Proceedings is attached hereto as **Appendix "H"**.
- 2.13 Following receipt on December 16, 2025, the Monitor promptly forwarded the Quebec Proceedings to its counsel, along with counsel to the Applicants. Following discussions between the Monitor, its counsel, and the Applicants' counsel, the Applicants' counsel sent

⁴ The Modified Originating Application references several exhibits – despite requests from counsel to the Monitor, those exhibits have not been provided by Daigle & Matte.

a letter in French by email to Daigle & Matte on December 23, 2025 (the “**December 23 Letter**”). In the December 23 Letter, counsel to the Applicants, among other things:

- (a) informed Glasses Gallery that the ARIO does not provide an exception that allows Glasses Gallery to bring its claim and that the Stay of Proceedings applies to the Quebec Proceedings;
- (b) noted that the Monitor does not control or manage the Applicants or control the Property of the Applicants;
- (c) provided the Applicants’ position that Hudson’s Bay did not and does not hold proceeds in trust for Glasses Gallery; and
- (d) requested Daigle & Matte confirm by no later than December 29, 2025, that the Quebec Proceedings would be withdrawn, and reserved all rights for the Applicants to seek relief from this Court and to recover any costs incurred in connection with seeking such relief to the extent the Quebec Proceedings were not withdrawn.

2.14 A copy of the December 23 Letter is attached hereto as **Appendix “I”**, and an English translation of the December 23 Letter is attached hereto as **Appendix “J”**. The Monitor understands that the Applicants’ counsel has not received a response to the December 23 Letter.

2.15 The day after the Applicants’ deadline to respond had passed, counsel to the Monitor (from counsel’s Toronto office) called Daigle & Matte on December 30, 2025, and left a voicemail requesting to speak about the Quebec Proceedings. Counsel to the Monitor also

subsequently emailed Mr. Daigle on December 31, 2025, again requesting to speak on an urgent basis. None of these communications were answered.

2.16 On January 5, 2026, counsel to the Monitor (from counsel's Montreal office) sent a letter, written in French, by email to Daigle & Matte (the "**January 5 Letter**"). In the January 5 Letter, counsel to the Monitor, among other things:

- (a) noted that A&M only received service of the Modified Originating Application, and not the originating unmodified application;
- (b) stated that the delay for A&M to file an Answer before the Court of Quebec had not, and would not, expire prior to the January 7th Hearing;
- (c) reiterated that:
 - (i) the Stay of Proceedings applies to the Quebec Proceedings (and that neither the Applicants nor the Monitor had consented to the Quebec Proceedings), and that the CCAA, as federal legislation, had nationwide effect;
 - (ii) in accordance with the well-known single-proceeding model, any litigation in respect of the Applicants and their business or assets would need to be brought before this Court; and
 - (iii) the Monitor does not manage the Applicants, and is not the proper party to be named in any claim by Glasses Gallery;
- (d) notified Daigle & Matte that counsel to the Monitor intended to attend the January 7th Hearing before the Court of Quebec; and

(e) advised that if Glasses Gallery did not withdraw the Quebec Proceedings, the Applicants or the Monitor may seek costs against Glasses Gallery, Daigle & Matte, and Mr. Daigle personally before this Court.

2.17 A copy of the January 5 Letter is attached hereto as **Appendix “K”**, and an English Translation of the January 5 Letter is attached hereto as **Appendix “L”**.

2.18 Counsel to the Monitor (from counsel’s Montreal office) called Daigle & Matte on the afternoon of January 5 and left another voicemail requesting to speak about the Quebec Proceedings. That voicemail was not returned.

2.19 On January 6, 2026, Mr. Daigle sent an email to counsel to the Monitor (the “**January 6 Email**”). The January 6 Email was marked as privileged and without prejudice, and is therefore not included herein. Two factual points arising from the January 6 Email are discussed below.

2.20 In the January 6 Email, Mr. Daigle pointed out that the Daigle & Matte had served a receptionist at A&M on July 16, 2025, with a physical copy of the originating application (the “**Originating Application**”), and attached proof of service. The Monitor does not dispute that service of the Originating Application, which it understands is a court document written wholly in French, occurred. Based on discussions that have since occurred, the Monitor believes that the Originating Application was received by A&M’s general receptionist and provided to another receptionist, who is no longer employed by A&M. However, it appears that the Originating Application was not provided to any employees of A&M involved in the CCAA Proceedings.

- 2.21 Mr. Daigle also noted that certain hearings had already occurred before the Court of Quebec. The Monitor understands that Daigle & Matte had attended an initial hearing that was adjourned by the Court of Quebec.
- 2.22 Mr. Daigle did not withdraw the Quebec Proceedings before the January 7th Hearing, but agreed on the evening of January 6, 2026, to attend and consent to a one-month adjournment. On the evening of January 6, 2026, counsel to the Monitor filed an Answer indicating, among other things, that Bennett Jones LLP represents A&M in connection with the Quebec Proceedings, and indicating that the Monitor contested the jurisdiction of the Court of Quebec and the Superior Court of Quebec to hear the matter given the CCAA Proceedings and the Stay of Proceedings. A copy of the Answer is attached hereto as **Appendix “M”**, and an English translation is attached hereto as **Appendix “N”**.

Attendance Before the Court of Quebec

- 2.23 Counsel to the Monitor attended before the Court of Quebec on January 7, 2026. With the consent of Glasses Gallery, the hearing in respect of the relief sought in the Application for Transfer was adjourned to February 4, 2026.

3.0 STAY CONFIRMATION ORDER

- 3.1 As demonstrated above, the Monitor and the Applicants, once made aware of the Quebec proceedings, immediately made significant efforts to engage with Daigle & Matte, on behalf of its client, in a reasonable and constructive manner, without resorting to a motion before this Court. Unfortunately, as a result of Daigle & Matte’s refusal to recognize the jurisdiction of this Court and the unambiguous provisions of the ARIO, and in light of its

stated intention to continue litigation in Quebec in clear contravention of the Stay of Proceedings, the Monitor is of the view that the relief sought in the Stay Confirmation Order is necessary in the circumstances. Because the Monitor is named as the defendant in the Quebec Proceedings, the Monitor is the appropriate party to bring the Motion.

- 3.2 The Stay Confirmation Order would declare that the Quebec Proceedings are subject to the Stay of Proceedings, and provide that, in accordance with the terms of the ARIO, no “Proceeding” (as defined in the ARIO) shall be commenced or continued by Glasses Gallery against or in respect of the Monitor or the Applicants, or their respective employees, directors, advisors, officers and representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court.
- 3.3 All of this is self-evident from the plain language of the ARIO. The Stay of Proceedings prevents any enforcement actions from being taken against the Applicants or their assets, including all funds held by the Applicants. Further, in the absence of the Applicants and the Monitor providing their consent, this Court (and only this Court) has the jurisdiction to lift the Stay of Proceedings to allow proceedings to be commenced against the Applicants or the Monitor. However, because Daigle & Matte insists on continuing to advance the Quebec Proceedings in violation of the ARIO, the Monitor is of the view that this declaration is necessary to ensure that the Quebec Proceedings, and any related claims by Glasses Gallery, do not proceed.
- 3.4 Given Daigle & Matte’s refusal to recognize the Stay of Proceedings and demonstrated willingness to proceed with its litigation, the Stay Confirmation Order would also require

Glasses Gallery to withdraw the Quebec Proceedings no later than 3 business days from the date of such Order. The withdrawal of the Quebec Proceedings is particularly necessary given that it **improperly** names the Monitor as a defendant – for clarity, the Monitor does not, and has never, itself held **any** funds related to Glasses Gallery, nor does it manage the Applicants.


- 3.5 To allow the Quebec Proceedings to continue would allow a creditor to circumvent the Stay of Proceedings and run contrary to a key feature of the CCAA. Glasses Gallery can not be allowed to attempt to recover funds from the Applicants (which have been erroneously pleaded as being held by the Monitor) at the expense of all of its stakeholders, pursuant to proceedings supervised by another court. It is in the best interests of the Applicants and their stakeholders that the Stay of Proceedings be upheld and the Quebec Proceedings be withdrawn.
- 3.6 To the extent Glasses Gallery wishes to pursue a trust claim against the Applicants for any funds that were allegedly required to be held by the Applicants, or any other claim against the business or assets of the Applicants, it must bring a motion to lift the Stay of Proceedings before this Court or obtain the consent of the Applicants and the Monitor. The Monitor notes that it has not provided a view herein on the merits of any alleged trust claim by Glasses Gallery, as it is not necessary or appropriate to do so at this time. The Monitor can provide such a view if and when any motion to lift the Stay of Proceedings in connection with such a claim is properly brought before this Court.
- 3.7 The Monitor continues to reserve all rights to seek costs against Glasses Gallery, Daigle & Matte, and Mr. Daigle in connection with the Motion.

4.0 CONCLUSIONS AND RECOMMENDATIONS


4.1 For the reasons set out in this Twelfth Report, the Monitor believes that the Stay Confirmation Order is necessary, appropriate, and in the best interests of the Applicants and their stakeholders. The Monitor therefore respectfully recommends that this Court grant the Stay Confirmation Order.

All of which is respectfully submitted to the Court this 9th day of January, 2026.

**Alvarez & Marsal Canada Inc.,
in its capacity as Monitor of
1242939 B.C. Unlimited Liability Company, et al,
not in its personal or corporate capacity**

Per: 

Alan J. Hutchens
Senior Vice-President

Per: 

Greg A. Karpel
Senior Vice-President

APPENDIX B
Supplement to the Twelfth Report of the Monitor dated January 14, 2026
(without appendices)

See attached.

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C.
LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608
B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270
ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC.,
AND 2472598 ONTARIO INC.**

Applicants

**SUPPLEMENT TO THE TWELFTH REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.**

JANUARY 14, 2026

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
2.0	AMENDMENTS TO QUEBEC PROCEEDINGS.....	3
3.0	CONCLUSIONS AND RECOMMENDATIONS.....	5

INDEX TO SCHEDULES AND APPENDICES

Schedule A – Other Applicants and Non-Applicant Stay Parties

Schedule B – Name Changes for Hudson’s Bay Canada entities

Appendix A – Twelfth Report (without appendices)

Appendix B – Further Modified Originating Application

Appendix C – Further Modified Originating Application (English Translation)

1.0 INTRODUCTION

- 1.1 On March 7, 2025, 1242939 B.C. Unlimited Liability Company (at the time, known as Hudson’s Bay Company ULC Compagnie De La Baie D’Hudson SRI) (“**Hudson’s Bay**” or the “**Company**”), and the other applicants listed on **Schedule “A”** hereto (together, the “**Applicants**”), were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), pursuant to an initial order (the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). The stay of proceedings and other protections and authorizations in the Initial Order were also extended to HBC Holdings LP and the other non-Applicant entities listed on **Schedule “A”** hereto (together with HBC Holdings LP, the “**Non-Applicant Stay Parties**”). Together, the Applicants and the Non-Applicant Stay Parties are referred to herein as “**Hudson’s Bay Canada**”.¹ In accordance with an Order granted by the Court on June 23, 2025, certain Hudson’s Bay Canada entities completed corporate name changes on August 6 and 7, 2025, and again on August 12, 2025. The current names of the Hudson’s Bay Canada entities after the name changes on August 12, 2025, are set out on **Schedule “B”** hereto.
- 1.2 Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as monitor of the Applicants (in such capacity, the “**Monitor**”) in these CCAA proceedings (the “**CCAA Proceedings**”). The Initial Order granted a broad stay of proceedings (the

¹ The CCAA Proceedings have since been terminated in respect of two Applicants (HBC YSS 1 LP Inc. and HBC YSS 2 LP Inc.), and the stay of proceedings no longer applies in respect of certain of the Non-Applicant Stay Parties (RioCan-HBC Limited Partnership, RioCan-HBC General Partner Inc., HBC YSS 1 Limited Partnership, HBC YSS 1 LP Inc., HBC YSS 2 Limited Partnership, HBC YSS 2 LP Inc., RioCan-HBC Ottawa Limited Partnership, RioCan-HBC (Ottawa) Holdings Inc. and RioCan-HBC (Ottawa) GP, Inc.). The defined terms “Applicants”, “Non-Applicant Stay Parties” and “Hudson’s Bay Canada” as used in this Report refer to the applicable entities at the relevant times.

“Stay of Proceedings”) in favour of the Applicants and the Monitor (among others) for an initial ten-day period (the **“Stay Period”**).

- 1.3 The Stay Period has been extended from time-to-time, including pursuant to the Amended and Restated Initial Order granted by the Court on March 21, 2025 (the **“ARIO”**), which governs the terms of the Stay of Proceedings, and most recently pursuant to an Order granted by the Court on December 11, 2025, which extended the Stay Period to March 31, 2026.
- 1.4 On January 9, 2026, the Monitor filed a motion record (the **“Motion Record”**), including its Twelfth Report of the same date (the **“Twelfth Report”**). As described in greater detail therein, despite repeated communications from both counsel to the Applicants and counsel to the Monitor, Glasses Gallery AI Vision Technology Inc. (**“Glasses Gallery”**), an unsecured creditor (and alleged trust claimant) of the Applicants, has insisted on proceeding with a claim in Quebec against A&M, in its capacity as the Monitor of the Applicants, in clear violation of the Stay of Proceedings. The Twelfth Report provided the Monitor’s basis for seeking an Order (the **“Stay Confirmation Order”**), among other things:
 - (a) declaring that the Stay of Proceedings applies to the Quebec Proceedings (as defined therein) and that Glasses Gallery shall not commence or continue any related claim against the Applicants or the Monitor in accordance with the terms of the ARIO, (i.e., without leave of the Court or the written consent of the Applicants and the Monitor); and

(b) directing Glasses Gallery to forthwith withdraw the Quebec Proceedings, and in any event no later than 3 business days from the date of the Order, and provide the Monitor and the Applicants with evidence of such withdrawal immediately thereafter.

1.5 This Report (the “**Supplemental Report**”) is a supplement to the Twelfth Report, and should be read in conjunction therewith. A copy of the Twelfth Report, without appendices, is attached hereto as **Appendix “A”**. Capitalized terms used herein and not otherwise defined have the meanings ascribed in the Twelfth Report.

Purpose of this Supplemental Report

1.6 The purpose of this Supplemental Report is to update the Court regarding further developments with respect to the Quebec Proceedings, and to reiterate the Monitor’s respectful request that this Court grant the Stay Confirmation Order.

2.0 AMENDMENTS TO QUEBEC PROCEEDINGS

2.1 The Monitor’s counsel served the Twelfth Report on January 9, 2026, on the service list for the CCAA Proceedings, which was updated to include counsel at Daigle & Matte (including Mr. Daigle).

2.2 On January 12, 2026, the Monitor’s counsel spoke with Mr. Daigle to, among other things: (a) confirm that Daigle & Matte had received service of the Monitor’s Motion Record; (b) reiterate that the Monitor was improperly named in the Quebec Proceedings, that the Stay of Proceedings applied, and that the Monitor intended to proceed with its Motion on January 16, 2026, and would seek costs if successful; and (c) ask whether Glasses Gallery was prepared to withdraw the Quebec Proceedings. Mr. Daigle confirmed that the

Monitor's Motion Record was received, however declined to withdraw the Quebec Proceedings.

2.3 At 4:04 p.m. (EDT) on January 13, 2026, counsel from the Monitor's Montreal office received electronic service from Daigle & Matte, on behalf of Glasses Gallery, of a "*Demande introductive d'instance [...] en recouvrement de derniers modifiée en date du 13 janvier 2026*" (in English, an "Originating Application for Recovery of Funds modified on January 13, 2026") (the "**Further Modified Originating Application**"). The Further Modified Originating Application, among other things, modifies the Quebec Proceedings to add Hudson's Bay as a defendant, while continuing to include the Monitor as a defendant. As now amended, the Quebec Proceedings seek \$77,991.70 against both Hudson's Bay and the Monitor (individually, and not on a joint and several basis), while also seeking costs against the Monitor. A copy of the Further Modified Originating Application is attached hereto as **Appendix "B"**, and an English translation of same is attached hereto as **Appendix "C"**.²

2.4 Consent was not obtained from the Monitor or the Applicants to bring proceedings against Hudson's Bay, nor was leave from this Court obtained. The Further Modified Originating Application therefore constitutes an additional violation of the Stay of Proceedings.

2.5 These latest developments reinforce the need for the Stay Confirmation Order. Glasses Gallery and Daigle & Matte have demonstrated their intention to advance and expand the Quebec Proceedings in clear violation of the Orders granted by this Court. To allow these

² The Monitor's counsel obtained this translation using DeepL Translate, and this translation was reviewed for accuracy and, where necessary, updated by bilingual counsel from Bennett Jones LLP's Montreal office.


proceedings to continue would prejudice the Applicants' stakeholders, undermine the authority of this Court, and defeat a key purpose of the CCAA. The Monitor therefore continues to be of the view that it is in the best interests of the Applicants and their stakeholders that the Stay of Proceedings be upheld and the Quebec Proceedings be withdrawn.

3.0 CONCLUSIONS AND RECOMMENDATIONS


3.1 For the reasons set out in this Supplemental Report, the Monitor continues to respectfully recommend that this Court grant the Stay Confirmation Order.

All of which is respectfully submitted to the Court this 14th day of January, 2026.

**Alvarez & Marsal Canada Inc.,
in its capacity as Monitor of
1242939 B.C. Unlimited Liability Company, et al,
not in its personal or corporate capacity**

Per: 

Alan J. Hutchens
Senior Vice-President

Per: 

Greg A. Karpel
Senior Vice-President

APPENDIX C
January 16 Endorsement

See attached.



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

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

DATE: January 16, 2026

NO. ON LIST: 2

TITLE OF PROCEEDING:

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C. LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608 B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270 ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., and 2472598 ONTARIO INC.

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
NICK AVIS	1242939 B.C. UNLIMITED LIABILITY COMPANY et. al	Navis@stikeman.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
THOMAS GRAY	Lawyer for the Monitor – Alvarez & Marsal Canada Inc	GaryT@bennettjones.com
MIKE SHAKRA	Lawyer for the Monitor - Alvarez & Marsal Canada Inc	ShakraM@bennettjones.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Greg Karpel	Monitor - Alvarez & Marsal Canada Inc	gkarpel@alvarezandmarsal.com

ENDORSEMENT OF JUSTICE KIMMEL:

- [1] Alvarez & Marsal Canada Inc. ("A&M"), in its capacity as the monitor of 1242939 B.C. Unlimited Liability Company (f/k/a Hudson's Bay Company ULC Compagnie De La Baie D'Hudson SRI) ("Hudson's Bay"), 1241423 B.C. Ltd., 1330096 B.C. Ltd., 1330094 B.C. Ltd., 1330092 B.C. Unlimited Liability Company, 1329608 B.C. Unlimited Liability Company, 2475263 Ontario Inc., 2745270 Ontario Inc., Snospmis Limited, 2472596 Ontario Inc., and 2472598 Ontario Inc. (collectively, the "Applicants") seeks relief from the Ontario Superior Court of Justice to prevent litigation from being further pursued in Quebec in contravention of Orders granted by this Court in the Applicants' ongoing proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "CCAA").
- [2] Capitalized terms not otherwise defined in this endorsement shall have the meanings ascribed to them in the Monitor's Twelfth Report dated January 9, 2026 (the "Twelfth Report") and Supplement to the Twelfth Report dated January 14, 2026.
- [3] The requested "Stay Confirmation Order" seeks, among other things, an order:
- (a) confirming and declaring that the Stay of Proceedings ordered in this Ontario proceeding applies to the proceedings before the Court of Quebec, District of Trois-Rivières - No: 400-22-011943-251 (the "Quebec Proceedings", as defined in the Twelfth Report) and that Glasses Gallery shall not commence or continue any related claim against the Applicants or the Monitor in accordance with the terms of the Amended and Restated Initial Order granted by this Court on March 21, 2025 (the "ARIO") (i.e., without leave of the Court or the written consent of the Applicants and the Monitor); and
 - (b) directing Glasses Gallery to forthwith withdraw the Quebec Proceedings, and in any event no later than 3 business days from the date of the Stay Confirmation Order, and provide the Monitor and the Applicants with evidence of such withdrawal immediately thereafter.
- [4] The court was advised on the morning of the hearing that counsel of record for Glasses Gallery in the Quebec Proceedings had requested on behalf of Glasses Gallery that this motion be adjourned for two weeks because their Quebec counsel does not represent Glasses Gallery in this proceeding and their client is in the process of retaining legal counsel in Ontario. Quebec counsel indicated that he could not obtain instructions from his client to agree to the request from the Monitor's counsel that Glasses Gallery agree not to take any steps in the Quebec Proceedings during the period of the adjournment.
- [5] No lawyer or representative of Glasses Gallery appeared at this hearing.

- [6] The only information that the Monitor has about the next scheduled events in the Quebec Proceedings is an application to transfer the Modified Originating Application commenced in the Court of Quebec, District of Trois-Rivières to the Superior Court of Quebec, which application to transfer had last been adjourned to February 4, 2026.
- [7] After considering various options suggested by the Monitor, it was determined that the appropriate course of action in the circumstances is, in the absence of any assurance or undertaking from Glasses Gallery and given the upcoming February 4, 2026 hearing date, to briefly adjourn this motion to afford Glasses Gallery the opportunity to retain and instruct Ontario counsel as they have indicated they wish to do, upon the terms detailed below in bold to preserve the *status quo* during the pendency of this brief adjournment.
- [8] Accordingly, the Monitor's motion for a Stay Confirmation Order is adjourned to January 27, 2026 at 11:00 a.m. (for 90 minutes), with a deadline for any responding material (including any evidence and/or a factum) to be served and filed by January 22, 2025 at 2:30 p.m., to allow time for a brief reply from the Monitor, if determined to be necessary, to be served and filed by January 26, 2026 at 12:00 p.m. Counsel for the Monitor shall ensure that all material that is served for this motion has been uploaded into the appropriate hearing bundle in Case Center for the January 27, 2026 hearing by 2:00 p.m. on January 26, 2026.
- [9] The terms that the court imposed upon the granting of this adjournment (per Rule 37.13 of the *Rules of Civil Procedure*) that is granted at the request of Glasses Gallery are as follows:

This Court directs that Glasses Gallery shall not take any further action or step against the Applicants or the Monitor in any proceedings, including any action or step to advance the Quebec Proceedings (as defined in the 12th Report of the Monitor), pending a determination by this Court of the Monitor's Motion following the hearing scheduled for January 27, 2026.

This direction is without prejudice to any position that Glasses Gallery may wish to take at the return of the Monitor's motion.

- [10] This endorsement and the directions and terms contained in it shall have the immediate effect of a court order without the necessity of a formal order.
- [11] The Monitor shall provide a copy of this endorsement to Gallery Glasses and its Quebec counsel and to the entire updated service list.

Date: Jan 16, 2026



Jessica Kimmel

APPENDIX D
January 19 Letter and Delivery Slip

See attached.



Bennett Jones

Bennett Jones LLP

3400 One First Canadian Place, PO Box 130

Toronto, Ontario, Canada M5X 1A4

Tel: 416.863.1200 Fax: 416.863.1716

Thomas Gray
Associate
Direct Line: 416.777.7924
e-mail: grayt@bennettjones.com

January 19, 2026

Via Courier

Glasses Gallery AI Vision Technology Inc.
2545 Sidbec ST South
Trois-Rivieres, QC G8Z 4M6

To whom it may concern:

**Re: CCAA Proceedings of Hudson's Bay Company ULC Compagnie De La Baie D'Hudson
SRI (Court File No. CV-25-00738613-00CL)**

Bennett Jones LLP is counsel to Alvarez & Marsal Canada Inc., the Court-appointed Monitor in the above-captioned matter. In connection with the Monitor's Motion that was returnable on January 16, 2026, which we understand your Quebec counsel, Daigle & Matte, discussed with you, please find enclosed the Court's endorsement. As noted therein, the Monitor's Motion was adjourned, and will now be heard on January 27th at 11am. The Monitor continues to reserve all rights to seek legal costs against Glasses Gallery at that hearing. Copies of the materials filed by the Monitor in connection with this Motion, and all materials filed in these proceedings, are available on the Monitor's website at: <https://www.alvarezandmarsal.com/HudsonsBay>.

Yours truly,

Thomas Gray

TG:mv



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

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

DATE: January 16, 2026

NO. ON LIST: 2

TITLE OF PROCEEDING:

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C. LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608 B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270 ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., and 2472598 ONTARIO INC.

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
NICK AVIS	1242939 B.C. UNLIMITED LIABILITY COMPANY et. al	Navis@stikeman.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
THOMAS GRAY	Lawyer for the Monitor – Alvarez & Marsal Canada Inc	GaryT@bennettjones.com
MIKE SHAKRA	Lawyer for the Monitor - Alvarez & Marsal Canada Inc	ShakraM@bennettjones.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Greg Karpel	Monitor - Alvarez & Marsal Canada Inc	gkarpel@alvarezandmarsal.com

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- [2] Capitalized terms not otherwise defined in this endorsement shall have the meanings ascribed to them in the Monitor's Twelfth Report dated January 9, 2026 (the "Twelfth Report") and Supplement to the Twelfth Report dated January 14, 2026.
- [3] The requested "Stay Confirmation Order" seeks, among other things, an order:
- (a) confirming and declaring that the Stay of Proceedings ordered in this Ontario proceeding applies to the proceedings before the Court of Quebec, District of Trois-Rivières - No: 400-22-011943-251 (the "Quebec Proceedings", as defined in the Twelfth Report) and that Glasses Gallery shall not commence or continue any related claim against the Applicants or the Monitor in accordance with the terms of the Amended and Restated Initial Order granted by this Court on March 21, 2025 (the "ARIO") (i.e., without leave of the Court or the written consent of the Applicants and the Monitor); and
 - (b) directing Glasses Gallery to forthwith withdraw the Quebec Proceedings, and in any event no later than 3 business days from the date of the Stay Confirmation Order, and provide the Monitor and the Applicants with evidence of such withdrawal immediately thereafter.
- [4] The court was advised on the morning of the hearing that counsel of record for Glasses Gallery in the Quebec Proceedings had requested on behalf of Glasses Gallery that this motion be adjourned for two weeks because their Quebec counsel does not represent Glasses Gallery in this proceeding and their client is in the process of retaining legal counsel in Ontario. Quebec counsel indicated that he could not obtain instructions from his client to agree to the request from the Monitor's counsel that Glasses Gallery agree not to take any steps in the Quebec Proceedings during the period of the adjournment.
- [5] No lawyer or representative of Glasses Gallery appeared at this hearing.

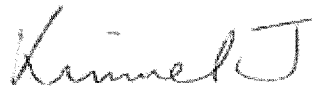
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- [7] After considering various options suggested by the Monitor, it was determined that the appropriate course of action in the circumstances is, in the absence of any assurance or undertaking from Glasses Gallery and given the upcoming February 4, 2026 hearing date, to briefly adjourn this motion to afford Glasses Gallery the opportunity to retain and instruct Ontario counsel as they have indicated they wish to do, upon the terms detailed below in bold to preserve the *status quo* during the pendency of this brief adjournment.
- [8] Accordingly, the Monitor's motion for a Stay Confirmation Order is adjourned to January 27, 2026 at 11:00 a.m. (for 90 minutes), with a deadline for any responding material (including any evidence and/or a factum) to be served and filed by January 22, 2025 at 2:30 p.m., to allow time for a brief reply from the Monitor, if determined to be necessary, to be served and filed by January 26, 2026 at 12:00 p.m. Counsel for the Monitor shall ensure that all material that is served for this motion has been uploaded into the appropriate hearing bundle in Case Center for the January 27, 2026 hearing by 2:00 p.m. on January 26, 2026.
- [9] The terms that the court imposed upon the granting of this adjournment (per Rule 37.13 of the *Rules of Civil Procedure*) that is granted at the request of Glasses Gallery are as follows:

This Court directs that Glasses Gallery shall not take any further action or step against the Applicants or the Monitor in any proceedings, including any action or step to advance the Quebec Proceedings (as defined in the 12th Report of the Monitor), pending a determination by this Court of the Monitor's Motion following the hearing scheduled for January 27, 2026.

This direction is without prejudice to any position that Glasses Gallery may wish to take at the return of the Monitor's motion.

- [10] This endorsement and the directions and terms contained in it shall have the immediate effect of a court order without the necessity of a formal order.
- [11] The Monitor shall provide a copy of this endorsement to Gallery Glasses and its Quebec counsel and to the entire updated service list.

Date: Jan 16, 2026



Jessica Kimmel



January 21, 2026

Dear Customer,

The following is the proof-of-delivery for tracking number: 428824645336

Delivery Information:

Status:	Delivered	Delivered To:	Shipping/Receiving
Signed for by:	E.Eric	Delivery Location:	2545 RUE DE LA SIDBEC S
Service type:	FedEx Priority Overnight		
Special Handling:	Deliver Weekday; Direct Signature Required		TROIS-RIVIERES, PQ, G8Z4M6
		Delivery date:	Jan 20, 2026 14:33

Shipping Information:

Tracking number:	428824645336	Ship Date:	Jan 19, 2026
		Weight:	1.0 LB/0.45 KG

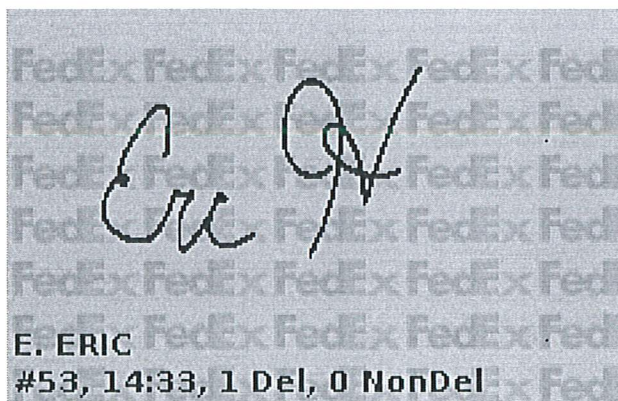
Recipient:

Glasses Gallery AI, Vision Technology
2545 SIDBEC ST SOUTH
TROIS-RIVIERES, PQ, CA, G8Z4M6

Shipper:

Mailroom, Bennett Jones
1 First Canadian Place
Suite 3400
Toronto, ON, CA, M5X1A4

Reference 9253062418



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED, AND IN THE MATTER OF 1242939 B.C.
Unlimited Liability Company et al.

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

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

SECOND SUPPLEMENT TO THE
TWELFTH REPORT OF THE MONITOR

BENNETT JONES LLP

One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, ON M5X 1A4

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Counsel for Alvarez & Marsal Canada Inc., solely in its capacity
as Monitor and not in its personal or corporate capacity