

**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**

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## 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**”.<sup>1</sup> 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

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<sup>1</sup> 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"**.<sup>2</sup>

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

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<sup>2</sup> 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 14<sup>th</sup> 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 A<sup>3</sup>**

### **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

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<sup>3</sup> 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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LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608  
B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270  
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**TWELFTH REPORT OF THE MONITOR  
ALVAREZ & MARSAL CANADA INC.**

**JANUARY 9, 2026**

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

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**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**”.<sup>1</sup> 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

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<sup>1</sup> 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](http://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 PROCEEDINGS<sup>2</sup>

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,<sup>3</sup> 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

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<sup>2</sup> 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.

<sup>3</sup> 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.<sup>4</sup> 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 7<sup>th</sup> 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

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<sup>4</sup> 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 7<sup>th</sup> 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 7<sup>th</sup> 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 7<sup>th</sup> 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 9<sup>th</sup> 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**  
**Further Modified Originating Application**

See attached.

CANADA

PROVINCE DE QUÉBEC  
DISTRICT DE TROIS-RIVIÈRES

COUR DU QUÉBEC  
(Chambre civile)

---

NO : 400-22-011943-251

**GLASSES GALLERY AI VISION  
TECHNOLOGY INC.**, personne morale ayant  
son siège social principal au 2545 Sidbec sud,  
Trois-Rivières, province de Québec, G8Z 4M6

Demanderesse

c.

**ALVAREZ & MARSAL CANADA INC.** en sa  
qualité de contrôleur de **COMPAGNIE DE LA  
BAIE D'HUDSON SRI**, personne morale ayant  
son siège au 200, Bay Street, Suite 3501,  
PO Box 22, Toronto, Ontario, M5J 2J1

et

**COMPAGNIE DE LA BAIE D'HUDSON SRI**,  
personne morale ayant un domicile élu au 4100-  
1155, boulevard René-Lévesque Ouest,  
Montréal, district judiciaire de Montréal, H3B 3V2

Défenderesses

Ajouté {

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**DEMANDE INTRODUCTIVE D'INSTANCE  
[...] EN RECOUVREMENT DE DENIERS MODIFIÉE EN DATE  
DU 13 JANVIER 2026  
(Articles 107 et 142 C.p.c)**

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**À L'UN DES HONORABLES JUGES DE LA COUR DU QUÉBEC, SIÉGEANT EN  
CHAMBRE DE PRATIQUE, DANS ET POUR LE DISTRICT DE TROIS-RIVIÈRES, LA  
DEMANDERESSE EXPOSE RESPECTUEUSEMENT CE QUI SUIT :**

**PARTIES**

1. La demanderesse est une entreprise œuvrant dans le domaine de la lunetterie, son profil corporatif étant dénoncé au soutien des présentes comme pièce **P-1**;



2. La défenderesse Compagnie de la Baie d'Hudson SRI (ci-après « **HBC** ») est une entreprise œuvrant dans le secteur des commerces à rayon, tel qu'il appert d'une copie de l'État des renseignements d'une personne morale, dénoncée au soutien des présentes comme pièce **P-2**;
3. La défenderesse est présentement gérée par ALVAREZ & MARSAL, contrôleurs dans le cadre d'une LACC, laquelle est inapplicable à la créance en litige en vertu de l'ordonnance même d'ouverture de la LACC (receiving order);

## **FAITS**

### **RELATION CONTRACTUELLE**

4. Les parties ont conclu, le ou vers le 1<sup>er</sup> février 2023, une entente par laquelle la demanderesse s'engageait à opérer son commerce dans les locaux de la défenderesse HBC, tel qu'il appert d'une copie de l'entente dénoncée au soutien des présentes comme pièce **P-3**;
5. Cette entente prévoyait que la défenderesse HBC encaissait les ventes de la demanderesse à même ses facultés d'encaissement et de perception, l'ensemble des sommes du chiffre d'affaires de la défenderesse, qu'elle détenait à titre de dépositaire seulement, se retrouvant entre ses mains temporairement;
6. Ainsi, après prélèvement de montants prévus contractuellement, la défenderesse redonnait à la demanderesse le fruit de ses ventes, qui jamais ne se retrouvait dans le patrimoine de la partie défenderesse HBC;
7. Notamment, la défenderesse HBC facturait et prélevait auprès de la demanderesse des frais tels que:
  - i. Dix pour cent (10 %) sur la vente de produits pour l'année 2023 (excluant les examens des yeux);
  - ii. Douze pour cent (12 %) sur la vente de produits pour l'année 2024 (excluant les examens des yeux);
  - iii. Plusieurs coûts d'utilisation des installations, tel des frais transactionnels, des frais administratifs, etc.
8. La demanderesse s'occupait notamment d'engager son propre personnel ainsi que ses propres inventaires;
9. La totalité des transactions effectuées dans le cadre des affaires de la demanderesse dans les locaux de la défenderesse était encaissée directement par la défenderesse HBC, qui à ce moment appliquait les frais contractuels sur les sommes encaissées temporairement, en vue de les remettre à leur propriétaire, la demanderesse;





10. Lorsque la défenderesse avait perçu ses frais sur les revenus de la demanderesse en vertu du contrat, elle devait remettre les sommes appartenant à la demanderesse à cette dernière, ce qu'elle omet présentement de faire, contrairement au contrat, et contrairement à la Loi;
11. En d'autres termes, les sommes générées par les activités de la demanderesse étaient encaissées « *en fiducie* » par la défenderesse pour que les frais contractuels soient appliqués;
12. Les sommes générées par la demanderesse lui appartiennent et n'ont jamais fait partie du patrimoine de la défenderesse HBC, qui refuse maintenant de les lui remettre, par pur opportunisme, en prétextant l'application de la LACC;

#### **ORDONNANCE INITIALE SOUS LA L.A.C.C.**

13. Le ou vers le 7 mai 2025, la demanderesse recevait un *Avis aux créanciers* en vertu de la *Loi sur les arrangements avec les créanciers des compagnies* (L.A.C.C.);
14. Le 7 mars 2025, la Cour supérieure de justice, sous la présidence de l'honorable juge Osborne, rendait un jugement d'*Ordonnance initiale* confirmant que la défenderesse était dès lors sous la protection de la L.A.C.C., tel qu'il appert d'une copie de l'ordonnance, dénoncée au soutien des présentes comme pièce **P-4**;
15. Cette ordonnance comprend une suspension de procédures (paragraphe 18), laquelle n'est pas totale, puisque l'ordonnance elle-même connaît et énonce des exceptions à la suspension de procédures, lesquelles sont invoquées aux présentes;

#### **SOMMES DÉTENUES IRRÉGULIÈREMENT**

16. Le 20 mars 2025, une lettre était transmise au contrôleur nommé en vertu de l'Ordonnance initiale, Alvarez & Marsal Canada inc., exigeant que les sommes appartenant à la demanderesse lui soient transmises dans les plus brefs délais;
17. En réponse à cette lettre, le contrôleur a indiqué que les sommes détenues ne seraient pas transmises puisqu'elles n'appartiendraient pas à la demanderesse, ce qui est en totale contravention de l'entente P-3 et du droit;
18. En effet, les sommes détenues en fiducie n'appartiennent pas à la défenderesse, ne lui ont jamais appartenu, et ne font pas partie de son patrimoine et ne sont pas soumises à l'*Ordonnance initiale*, et ce, pour les raisons exposées ci-bas;
19. En date de ce jour, les sommes appartenant à la demanderesse qui doivent lui revenir sont de SOIXANTE-DIX-SEPT MILLE NEUF CENT QUATRE-VINGT-ONZE DOLLARS ET SOIXANTE-DIX CENTS (77 991,70 \$), tel qu'il appert des états de compte dénoncés, en liasse, au soutien des présentes comme pièce **P-5**;



**NON APPLICATION DE LA L.A.C.C.**

20. Nonobstant le fait que les sommes actuellement détenues irrégulièrement ne font pas partie du patrimoine de la défenderesse puisque détenues en fiducie, considérant la nature des activités de la défenderesse, la Cour a indiqué au paragraphe 19 de l'Ordonnance initiale modifiée du 21 mars 2025 (P-6) que :

*«THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of Hudson's Bay Canada or the Monitor, or their respective employees, directors, officers, advisors and representatives acting in such capacities or affecting Hudson's Bay Canada's Business or Hudson's Bay Canada's Property, are hereby stayed and suspended except with the prior written consent of Hudson's Bay Canada and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower Hudson's Bay Canada to carry on any business which they are not lawfully entitled to carry on, (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (c) prevent the filing of any registration to preserve or perfect a security interest, or (d) prevent the registration of a claim for lien. »*

21. Or, le fait de détenir, sans les remettre à son propriétaire légitime (la demanderesse), des sommes qui ne lui appartiennent pas constitue, en ce qui concerne HBC, une activité irrégulière, soit l'opération de « *carry on any business which they are not lawfully entitled to carry on* »;
22. Nulle ordonnance ne justifie de détenir sans droit des sommes appartenant à un tiers sans son consentement, et il choque l'esprit que la partie défenderesse HBC puisse tenter de prétendre que l'ordonnance rendue par l'honorable juge Osborne le lui permet;
23. Au surplus, tel que mentionné par l'honorable juge Osborne, aucune ordonnance rendue par lui ne prohibe le dépôt d'une réclamation pour la revendication d'un privilège (*nothing in this Order shall (...) prevent the registration of a claim for lien.*);
24. La demanderesse n'est pas créancière de la défenderesse HBC, cette dernière étant fiduciaire de sommes qui appartiennent, en vertu de l'administration du bien d'autrui, au bénéficiaire de cette administration, soit la demanderesse, et doivent lui être remises en vertu des *articles 1365 et 1366 C.C.Q.*, en pleine propriété;
25. En effet, la partie demanderesse n'est pas une créancière de la partie défenderesse, en vertu de l'article 2 de la LACC, elle est propriétaire de sommes



détenues par la débitrice, lesquelles ne seront jamais couvertes par la LACC, puisque le contrôleur ne peut les considérer comme des actifs de la débitrice;

26. La Cour, au paragraphe 23 de l'Ordonnance, indique également que :

*«THIS COURT ORDERS that, notwithstanding anything else in this Order (other than pursuant to Section 9), no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of the Initial Order, nor shall any Person be under any obligation on or after the date of the Initial Order to advance or re-advance any monies or otherwise extend any credit to Hudson's Bay Canada. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.»*

27. En conséquence, la demanderesse n'est aucunement tenue de prêter, ou autrement laisser entre les mains de HBC les sommes lui appartenant de plein droit, et ce, en vertu du jugement rendu par l'honorable Juge Osborne;
28. L'ordonnance initiale du 7 mars 2025 rendue par l'honorable juge Osborne ne s'applique donc pas à la réclamation de la défenderesse, n'a aucune force obligatoire envers la demanderesse quant aux biens lui appartenant et détenus par la partie défenderesse HBC, et ne génère aucune suspension de procédure en ce qui concerne la réclamation de la partie demanderesse;
29. La question posée à ce tribunal en est une de droit purement civil, laquelle serait de toute façon renvoyée devant un tribunal domestique du Québec en vertu de l'article 17 de la LACC;
30. La partie défenderesse considère erronément que le jugement de la LACC s'applique, et qu'il existe une suspension des procédures, sur une base qui demeure floue en ce qui concerne la demanderesse, vu les exceptions mentionnées spécifiquement par l'honorable juge Osborne, lesquelles s'appliquent intégralement à la situation de la demanderesse prohibant toute application de la suspension de procédures applicables à d'autres éléments;
31. La demanderesse considère que les parties sont dans une situation qui constitue une difficulté réelle entre les parties, ainsi que l'état du demandeur;

#### DISTRICT JUDICIAIRE

32. La demanderesse a reçu l'acceptation de son offre à contracter dans le district judiciaire de Trois-Rivières, seul compétent en vertu des *articles 1387 C.C.Q. et 42 C.P.C., alinéa 1*;
33. La présente demande est bien fondée en faits et en droit.



**POUR CES MOTIFS, PLAISE AU TRIBUNAL:**

**ACCUEILLIR** la présente demande introductive d'instance;

**CONSTATER** l'état de la demanderesse à titre de propriétaire des sommes représentant son chiffre d'affaires, détenu par la défenderesse HBC;

**[...];**

**CONSTATER** que la demanderesse n'est aucunement soumise à la suspension de procédures prononcée par l'honorable juge Osborne dans l'ordonnance initiale de la LACC de HBC;

Modifié

**ORDONNER** à la défenderesse HBC de remettre [...] la somme de 77 991,70 \$ à la demanderesse, le tout avec les intérêts et l'indemnité additionnelle depuis l'assignation;

Ajouté

**ORDONNER** à la défenderesse Alvarez & Marsal Canada inc., en sa qualité de contrôleur de Compagnie de la Baie d'Hudson SRI et en vertu des pouvoirs qui lui sont ainsi dévolus, de remettre à la demanderesse la somme de 77 991,70 \$ à la demanderesse, le tout avec les intérêts et l'indemnité additionnelle depuis l'assignation;

**LE TOUT**, avec frais de justice.

Trois-Rivières, le 13 janvier 2026



**DAIGLE & MATTE, AVOCATS FISCALISTES INC.**

M<sup>e</sup> François Daigle, M. Fisc.

Me Zaccary Désaulniers

Avocats de la demanderesse

466A, rue Bonaventure

Trois-Rivières (Québec) G9A 2B4

Tél. : 819 840-1881 | Téléc. : 819 840-1880

Courriel : fdaigle@dmdroit.com

Courriel : zdesaulniers@dmdroit.com

Notification : notification@dmdroit.com

(Code d'impliqué : BD4012)

Notre  : 11914/53



**AVIS D'ASSIGNATION**  
(Art. 145 et suivants C.p.c.)

**Dépôt d'une demande en justice**

PRENEZ AVIS que la demanderesse a déposé au greffe de la Cour du Québec du district judiciaire de Trois-Rivières la présente demande introductive d'instance.

**Pièces au soutien de la demande**

Au soutien de sa demande introductive d'instance, la demanderesse invoque les pièces suivantes :

- PIÈCE P-1:** État des renseignements d'une personne morale au registre des entreprises du Québec de la demanderesse;
- PIÈCE P-2:** État des renseignements d'une personne morale au registre des entreprises du Québec de la défenderesse;
- PIÈCE P-3:** Entente entre les parties, datée du 1<sup>er</sup> février 2023;
- PIÈCE P-4:** Ordonnance initiale rendue en date du 7 mars 2025;
- PIÈCE P-5:** En liasse, États de compte;
- PIÈCE P-6:** Ordonnance initiale modifiée en date 21 mars 2025.

Ces pièces sont disponibles sur demande.

**Réponse à cette demande**

Vous devez répondre à cette demande par écrit, personnellement ou par avocat, au palais de justice de Trois-Rivières, situé au 850, rue Hart à Trois-Rivières, dans les 15 jours de signification de la présente demande ou, si vous n'avez ni domicile, ni résidence, ni établissement au Québec, dans les 30 jours de celle-ci. Cette réponse doit être notifiée à l'avocat de la partie demanderesse ou, si ce dernier n'est pas représenté, à la partie demanderesse elle-même.

**Défaut de répondre**

Si vous ne répondez pas dans le délai prévu, de 15 ou de 30 jours, selon le cas, un jugement par défaut pourra être rendu contre vous sans autre avis dès l'expiration de ce délai et vous pourriez, selon les circonstances, être tenu au paiement des frais de justice.

**Contenu de la réponse**

Dans votre réponse, vous devez indiquer votre intention, soit :



- De convenir du règlement de l'affaire;
- De proposer une médiation pour résoudre le différend;
- De contester cette demande et, dans les cas requis par le Code, d'établir à cette fin, en coopération avec le demandeur, le protocole qui régira le déroulement de l'instance. Ce protocole devra être déposé au greffe de la Cour du district mentionné plus haut dans les 45 jours de la signification du présent avis. Toutefois, ce délai est de 3 mois en matière familiale ou si vous n'avez ni domicile, ni résidence, ni établissement au Québec;
- De proposer la tenue d'une conférence de règlement à l'amiable.

Cette réponse doit mentionner vos coordonnées et, si vous êtes représenté par un avocat, le nom de celui-ci et ses coordonnées.

### **Lieu du dépôt de la demande en justice**

Cette demande est, sauf exceptions, entendue dans le district judiciaire où est situé votre domicile ou, à défaut, votre résidence ou le domicile que vous avez élu ou convenu avec le demandeur. Si elle n'a pas été déposée dans le district où elle peut être entendue et que vous voulez qu'elle y soit transférée, vous pouvez présenter une demande au tribunal à cet effet.

Cependant, si cette demande porte sur un contrat de travail, de consommation ou d'assurance ou sur l'exercice d'un droit hypothécaire sur l'immeuble vous servant de résidence principale, elle est entendue dans le district où est situé le domicile ou la résidence du salarié, du consommateur ou de l'assuré, qu'il soit demandeur ou défendeur, dans le district où est situé cet immeuble ou dans le district où le sinistre a eu lieu s'il s'agit d'une assurance de biens. Si cette demande n'a pas été déposée dans le district où elle peut être entendue et que vous voulez qu'elle y soit transférée, vous pouvez, sans qu'une convention contraire puisse vous être opposée, présenter une demande à cet effet au greffier spécial de ce district.

### **Transfert de la demande à la Division des petites créances**

Si vous avez la capacité d'agir comme demandeur suivant les règles relatives au recouvrement des petites créances, vous pouvez communiquer avec le greffier du tribunal pour que cette demande soit traitée selon ces règles. Si vous faites cette demande, les frais de justice du demandeur ne pourront alors excéder le montant des frais prévus pour le recouvrement des petites créances.

### **Convocation à une conférence de gestion**



Dans les 20 jours suivant le dépôt du protocole mentionné plus haut, le tribunal pourra vous convoquer à une conférence de gestion en vue d'assurer le bon déroulement de l'instance. À défaut, ce protocole sera présumé accepté.

### **Demande accompagnée d'un avis de présentation**

Une demande présentée en cours d'instance ou d'une demande visée par les livres III ou V, à l'exception de celles portant sur les matières familiales mentionnées à l'article 409 et de celles relatives aux sûretés mentionnées à l'article 480, ou encore certaines demandes visées par le livre VI du Code, dont le pourvoi en contrôle judiciaire, sont accompagnées, non pas d'un avis d'assignation, mais d'un avis de présentation. Dans ce cas, la préparation d'un protocole de l'instance n'est pas requise.



**COUR DU QUÉBEC**  
(Chambre civile)  
**DISTRICT DE TROIS-RIVIÈRES**  
**N° : 400-22-011943-251**

**GLASSES GALLERY AI VISION TECHNOLOGY INC.**

Demanderesse

C.

**ALVAREZ & MARSAL CANADA INC.** en sa qualité de  
contrôleur de **COMPAGNIE DE LA BAIE D'HUDSON**  
**SRI**

et

**COMPAGNIE DE LA BAIE D'HUDSON SRI**, personne  
morale ayant un domicile élu au 4100-1155,  
boulevard René-Lévesque Ouest, Montréal,  
district judiciaire de Montréal, H3B 3V2

Défenderesses

**DEMANDE INTRODUCTIVE D'INSTANCE**  
**EN RECOUVREMENT DE DENIERS MODIFIÉE EN DATE**  
**DU 13 JANVIER 2026**

**Code : BD4012**

ORIGINAL

N/📁 : 11914/53



**DAIGLE & MATTE**

avocats • fiscalistes

**M<sup>e</sup> François Daigle, M. Fisc.**

**M<sup>e</sup> Zaccary Désaulniers**

466A, rue Bonaventure

Trois-Rivières (Québec) G9A 2B4

Tél. : 819-840-1881 p. 230 (FD) | p. 247 (ZD) Fax : 819-840-1880

Courriel : fdaigle@dmdroit.com

Courriel : zdesaulniers@dmdroit.com

Notification : notification@dmdroit.com



**APPENDIX C**  
**Further Modified Originating Application (English Translation)**

See attached.

CANADA  
PROVINCE OF QUEBEC  
DISTRICT OF TROIS-RIVIÈRES

NO: 400-22-011943-251

COURT OF QUEBEC  
(Civil Division Chamber)

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**GLASSES GALLERY AI VISION  
TECHNOLOGY INC.**, a legal entity with its  
principal place of business at 2545 Sidbec Sud,  
Trois-Rivières, Province of Quebec, G8Z 4M6

Plaintiff

v

**ALVAREZ & MARSAL CANADA INC.** in its  
capacity as monitor of HUDSON'S BAY  
**COMPANY SRI**, a legal entity with its  
registered office at 200 Bay Street, Suite 3501,  
PO Box 22, Toronto, Ontario, MSJ 2J1

and

**HUDSON'S BAY COMPANY SRI**, a legal  
entity with its registered office at 4100-155  
René-Lévesque Boulevard West, Montreal,  
judicial district of Montreal, H3B 3V2

Defendants

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**ORIGINATING APPLICATION**  
**[...] FOR RECOVERY OF FUNDS MODIFIED ON**  
**JANUARY 13, 2026**  
(Articles 107 and 142 C.C.P.)

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**TO ONE OF THE HONOURABLE JUDGES OF THE COURT OF QUEBEC, SITTING IN CHAMBER, IN AND FOR THE DISTRICT OF TROIS-RIVIÈRES, THE PLAINTIFF RESPECTFULLY STATES THE FOLLOWING:**

**PARTIES**

1. The plaintiff is a company operating in the eyewear industry, its corporate profile being submitted in support of the present as Exhibit P-1;
2. The defendant, Hudson's Bay Company SRI (hereinafter "HBC"), is a company operating in the department store sector, as evidenced by a copy of the Statement of Information of a Legal Person, submitted in support of the present case as Exhibit P-2.
3. The defendant is currently managed by ALVAREZ & MARSAL, MONITOR under the CCAA, which is inapplicable to the claim in dispute pursuant to the CCAA receiving order;

**FACTS**

**CONTRACTUAL RELATIONSHIP**

4. On or around February 1, 2023, the parties entered into an agreement whereby the plaintiff undertook to operate its business on the premises of the defendant HBC, as evidenced by a copy of the agreement referred to in support of the present case as Exhibit P-3.
5. This agreement provided that the defendant HBC would collect the plaintiff's sales using its collection and receipt capabilities, with all of the defendant's sales revenues, which it held as a depositary only, temporarily remaining in its possession;
6. Thus, after deducting the amounts stipulated in the contract, the defendant returned to the plaintiff the proceeds of its sales, which never became part of the defendant HBC's assets.
7. In particular, the defendant HBC invoiced and deducted the following fees from the plaintiff:
  - i. Ten percent (10%) on the sale of products for the year 2023 (excluding eye exams);
  - ii. Twelve percent (12%) on product sales for the year 2024 (excluding eye exams);
  - iii. Various costs associated with the use of the facilities, such as

transaction fees, administrative fees, etc.

8. The plaintiff was responsible for hiring its own staff and maintaining its own inventory.
9. All transactions carried out in connection with the plaintiff's business on the defendant's premises were collected directly by the defendant HBC, which at that time applied contractual fees to the amounts temporarily collected, in order to remitting them to their owner, the plaintiff;
10. When the defendant collected its fees from the plaintiff's income under the contract, it was required to remit the amounts belonging to the plaintiff to the latter, which it is currently failing to do, contrary to the contract and contrary to the Act;
11. In other words, the sums generated by the plaintiff's activities were collected "*in trust*" by the defendant so that the contractual fees could be applied;
12. The sums generated by the plaintiff belongs to the latter and have never been part of the assets of the defendant HBC, which now refuses to return them to the plaintiff, purely out of opportunism, under the pretext of applying the CCAA.

#### **INITIAL ORDER UNDER THE CCAA**

13. On or around May 7, 2025, the plaintiff received a *Notice to Creditors* under the *Companies' Creditors Arrangement Act (CCAA)*.
14. On March 7, 2025, the Superior Court of Justice, presided over by the Honourable Judge Osborne, issued an *Initial Order* confirming that the defendant was now under the protection of the CCAA, as evidenced by a copy of the order, filed in support of the present case as Exhibit P-4.
15. This order includes a stay of proceedings (paragraph 18), which is not total, since the order itself recognizes and sets out exceptions to the stay of proceedings, which are invoked herein;

#### **SUMS HELD IRREGULARLY**

16. On March 20, 2025, a letter was sent to the monitor appointed under the *Initial Order*, Alvarez & Marsal Canada Inc., demanding that the sums belonging to the plaintiff be transferred to it as soon as possible.
17. In response to this letter, the monitor indicated that the funds held would not be transferred because they did not belong to the plaintiff, which is in complete contravention of the P-3 agreement and the law;
18. The sums held in trust do not belong to the defendant, have never belonged to it, are not part of its assets, and are not subject to *the initial Order*, for the reasons set out below.
19. As of today, the sums belonging and owed to the plaintiff represent SEVENTY-SEVEN THOUSAND NINE HUNDRED AND NINETY-ONE DOLLARS AND SEVENTY CENTS (\$77,991.70), as shown in the account statements, *en liasse*, in support of the present as Exhibit P-5;

#### **NON-APPLICATION OF THE C.C.A.A.**

20. Notwithstanding the fact that the sums currently held irregularly are not part of the defendant's assets since they are held in trust, considering the nature of the defendant's activities, the Court stated in paragraph 19 of the Initial amended Order of March 21, 2025 (P-6) that:

- 4 -

*THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of Hudson's Bay Canada or the Monitor, or their respective employees, directors, officers, advisors, and representatives acting in such capacities or affecting Hudson's Bay Canada's Business or Hudson's Bay Canada's Property, are hereby stayed and suspended except with the prior written consent of Hudson's Bay Canada and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower Hudson's Bay Canada to carry on any business which they are not lawfully entitled to carry on, (b) affect such investigations, actions, suits, or proceedings by a regulatory body as permitted by Section 11.1 of the CCAA, (c) prevent the filing of any registration to preserve or perfect a security interest, or (d) prevent the registration of a claim for lien.*

21. However, holding, without returning them to their rightful owner (the plaintiff), sums that do not belong to HBC constitute, in the case of HBC, an unlawful activity, namely "carrying on any business which they are not lawfully entitled to carry on."
22. No order justifies unlawfully holding sums belonging to a third party without their consent, and it is shocking that the defendant HBC should attempt to claim that the order issued by the Honourable Justice Osborne allows it to do so.
23. Furthermore, as mentioned by the Honourable Judge Osborne, "*nothing in this Order shall (...) prevent the registration of a claim for lien*".
24. The plaintiff is not a creditor of the defendant HBC, the latter being the trustee of sums that belong, by virtue of the administration of the property of others, to the beneficiary of that administration, namely the plaintiff, and must be remitted to the plaintiff in full ownership pursuant to *articles 1365 and 1366 C.C.Q.*
25. Indeed, the plaintiff is not a creditor of the defendant. Pursuant to section 2 of the CCAA, it is the owner of sums held by the debtor, which will never be covered by the CCAA, since the monitor cannot consider them to be assets of the debtor.
26. The Court, in paragraph 23 of the Order, also states that:

*"THIS COURT ORDERS that, notwithstanding anything else in this Order (other than pursuant to Section 9), no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of the Initial Order, nor shall and Person be under any obligation on or after the date of the Initial Order to advance or re-advance any monies or otherwise extend any credit to Hudson's Bay Canada. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.*



27. Consequently, the applicant is under no obligation to lend, or otherwise leave in the hands of HBC, the sums to which it is entitled by right, pursuant to the judgment rendered by the Honourable Justice Osborne.
28. The initial order of March 7, 2025, issued by the Honourable Judge Osborne, therefore does not apply to the defendant's claim, has no binding force on the plaintiff with respect to the property belonging to it and held by the defendant HBC, and does not result in any stay of proceedings with respect to the plaintiff's claim.
29. The question before this court is one of purely civil law, which would in any event be referred to a domestic court in Quebec pursuant to section 17 of the CCAA;
30. The defendant erroneously considers that the CCAA judgment applies and that there is a stay of proceedings on grounds that remain unclear with respect to the plaintiff, given the exceptions specifically mentioned by the Honourable Justice Osborne, which apply in full to the plaintiff's situation, prohibiting any application of the stay of proceedings applicable to other elements.
31. The plaintiff considers that the parties are in a situation that constitutes a real difficulty between the parties, as well as the plaintiff's status;

#### **JUDICIAL DISTRICT**

32. The plaintiff received acceptance of its offer to contract in the judicial district of Trois-Rivières, which has sole jurisdiction under *articles 1387 C.C.Q. and 42 C.P.C., paragraph 1*.
33. This application is well founded in fact and in law.

#### **FOR THESE REASONS, THE COURT IS REQUESTED TO:**

**GRANT** this application to institute proceedings;

**FIND** that the plaintiff is the owner of the sums representing its sales revenue held by the defendant HBC;

[...]

**FIND** that the plaintiff is in no way subject to the stay of proceedings ordered by the Honourable Judge Osborne in the initial CCAA order of HBC;

**ORDER** the defendant HBC to remit [...] the sum of \$77,991.70 to the plaintiff, together with interest and additional compensation since the summons;

**ORDER** the defendant Alvarez & Marsal Canada Inc., in its capacity as monitor of Hudson's Bay Company SRI and by virtue of the powers vested in it, to remit the sum of \$77,991.70 to the plaintiff, all with interest and additional compensation since the summons:

**THE WHOLE**, with legal costs.

Trois-Rivières, January 13, 2026

*(s) Daigle & Matte, Tax Lawyers Inc.*

DAIGLE & MATTE, TAX LAWYERS INC.

Me François Daigle, M.Fisc.

Me Zaccary Désaulniers

Counsel for the plaintiff 466A

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(Code: BD4012)

Our : 11914/53

CERTIFIED COPY

  
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DAIGLE & MATTE. AVOCATS FISCALISTES INC.



NOTICE OF SUMMONS  
(Art. 145 et seq. C.p.c.)

*Filing of a legal claim*

NOTICE is hereby given that the plaintiff has filed this application to institute proceedings with the clerk of the Court of Quebec for the judicial district of Trois-Rivières.

*Documents in support of the application*

In support of her application to institute proceedings, the applicant relies on the following exhibits

Exhibit P-1	Statement of information for a legal entity in the Quebec enterprise register of the plaintiff
Exhibit P-2	Statement of information for a legal person in the Quebec enterprise register for the defendant;
Exhibit P-3	Agreement between the parties, dates February 1, 2023
Exhibit P-4	Initial order issued on March 7, 2025
Exhibit P-5	<i>En liasse</i> , statements of accountt
Exhibit P-6	Initial order amended on March 21, 2025

These exhibits are available upon request.

*Response to this request*

You must respond to this application in writing, either personally or through counsel, at the Trois-Rivières courthouse, located at 850 Hart Street in Trois-Rivières, within 15 days of service of this application or, if you have no domicile, residence, or place of business in Quebec, within 30 days of service. This response must be notified to the plaintiff's lawyer or, if the plaintiff is not represented, to the plaintiff itself.

*Failure to respond*

If you do not respond within the specified time limit of 15 or 30 days, as applicable,



a default judgment may be rendered against you without further notice upon expiration of that time limit and you may, depending on the circumstances, be required to pay court costs.

### *Contents of the response*

In your response, you must indicate your intention to either:

- To agree to settle the case;
- To propose mediation to resolve the dispute;
- To contest this application and, in cases required by the Code, to establish, in cooperation with the applicant, the protocol that will govern the proceedings. This protocol must be filed with the clerk of the district court mentioned above within 45 days of the service of this notice. However, this period is three months in family matters or if you have no domicile, residence, or establishment in Quebec;
- Propose the holding of a settlement conference.

This response must include your contact details and, if you are represented by a lawyer, their name and contact details.

### *Where to file the lawsuit*

This application shall, with certain exceptions, be heard in the judicial district where your domicile is located or, failing that, your residence or the domicile you have elected or agreed upon with the applicant. If it has not been filed in the district where it may be heard and you want it transferred there, you may file a motion with the court to that effect.

However, if this claim relates to an employment, consumer, or insurance contract, or to the exercise of a mortgage right on the property serving as your primary residence, it shall be heard in the district where the domicile or residence of the employee, the consumer or the insured, whether they are the plaintiff or the defendant, in the district where that property is located or in the district where the loss occurred in the case of property insurance. If the claim has not been filed in the district where it may be heard and you want it to be transferred there, you may, without any agreement to the contrary being enforceable against you, submit a request to that effect to the special clerk of that district.

### *Transferring the claim to the Small Claims Division*

If you are eligible to act as a claimant under the rules governing the recovery of small claims, you may contact the court clerk to have your claim processed under those rules. If you make this request, the claimant's court costs may not exceed the amount of the costs provided for the recovery of small claims.

### *Summon to a case management conference*

Within 20 days of filing the above-mentioned protocol, the court may summon you to a case management conference to ensure that the proceedings run smoothly. Otherwise, this protocol will be deemed to have been accepted.

### *Request accompanied by a notice of presentation*

A request submitted during proceedings or a request referred to in Books III or V, with the exception of those relating to family matters referred to in Article 409 and those relating to securities referred to in Article 480, or certain requests referred to in Book VI of the Code, including appeals for judicial review, shall be accompanied not by a summons but by a notice of presentation. In such cases, the preparation of a protocol for the proceedings is not required.

COURT OF QUEBEC  
(Civil Division)  
DISTRICT OF TROIS-RIVIÈRES  
No.: 400-22-011943-251

GLASSES GALLERY AI VISION TECHNOLOGY INC.,  
a legal entity with its principal place of business  
at 2545 Sidbec Sud, Trois-Rivières, Province of  
Quebec, G8Z 4M6

Defendant

C.

ALVAREZ & MARSAL CANADA INC. in  
its capacity as monitor of HUDSON'S  
BAY COMPANY SRI, a legal entity with its  
registered office at 200 Bay Street, Suite 3501,  
PO Box 22, Toronto, Ontario, M5J 2J1

Defendant

ORIGINATING APPLICATION  
FOR RECOVERY OF FUND MODIFIED ON JANUARY 13,  
2026

Code: BD4012

CERTIFIED COPY

N/ft:11B]4/53



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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

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

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**SUPPLEMENT TO THE**  
**TWELFTH REPORT OF THE MONITOR**

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as Monitor and not in its personal or corporate capacity