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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

SUPPLEMENTARY RESPONDING MOTION RECORD OF EMPLOYEE REPRESENTATIVE COUNSEL

July 31, 2026

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TO: SERVICE LIST

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TAB 1

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Applicants

SUPPLEMENTARY AFFIDAVIT OF RITA DE FAZIO

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

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

2. This Affidavit is affirmed in relation to the motion by Royal Trust Corporation of Canada ("**RT**") for advice and directions of the of the Superior Court of Justice (Commercial List) (the "**Court**") in its capacity as trustee of trust funds related to four retirement compensation arrangements ("**RCAs**") for former executives of the Hudson's Bay Company and its predecessors (the "**Company**").

3. Except where otherwise defined, all capitalized terms in my affidavit have the same meaning as defined in the Affidavit of Susannah B. Roth sworn February 10, 2026 (the "**Roth Affidavit**") and my affidavit affirmed July 17, 2026 in connection with the RT motion for directions (the "**July 17 De Fazio Affidavit**").

4. In para. 35 of the July 17 De Fazio Affidavit, I excerpted the relevant terms of the Employment Contracts of the two Additional SERP Participants in anticipation that ERC would also file a Supplementary Motion Record with copies of the Employment Contracts themselves that contained redactions to the identifying information, monetary compensation, and notice periods listed in the Employment Contracts to protect the privacy of the Additional SERP Participants.

5. This Court's endorsement of July 24, 2026 (the "**July 24 Endorsement**") authorized ERC to serve on the Service List and file its Supplementary Responding Motion Record containing a redacted copy of the Employment Contracts pending the final determination of ERC's redaction (sealing) request, which is expected to be made at the return of the motion on September 25, 2026 as originally directed in this Court's endorsement of June 26, 2026. A copy of the July 24 Endorsement is attached as **Exhibit "A"**

6. Further to the July 24 Endorsement, this supplementary affidavit attaches:

   (a) as **Exhibit "B"**, a true copy of the Employment Contract of the Additional SERP Participant whose employment was terminated on or about July 17, 2008, with the redactions authorized by the July 24 Endorsement; and

(b) as **Exhibit "C"**, a true copy of the Employment Contract of the individual whose employment was terminated on or about June 30, 2010, with the redactions authorized by the July 24 Endorsement.

7. As set out in para. 35 of the July 17 De Fazio Affidavit, the terms of the Employment Contracts that are relevant to the RT motion for directions and that are described at para. 35 are identical in both Employment Contracts.

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

AFFIRMED remotely by Rita De Fazio stated as being located in the City of Toronto before me at the City of Toronto on July 30, 2026 in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely.	Rita De Fazio

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

This is **Exhibit "A"** referred to in the
Supplementary Affidavit of **Rita De Fazio**
affirmed before me at the City Of Toronto,
in the Province Of Ontario, this 30th day of July, 2026,
in accordance with O. Reg. 431/20, Administering Oath
or Declaration Remotely

A Commissioner for taking Affidavits

ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

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

DATE READ: July 23, 2024

NO. ON LIST: In Writing Request RE Redaction Order on Motion for Advice and Directions

TITLE OF PROCEEDING: HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI; HBC CANADA PARENT HOLDINGS INC; HBC CANADA PARENT HOLDINGS 2 INC; HBC BAY HOLDINGS I INC; HBC BAY HOLDINGS II ULC; HBC HOLDINGS GP INC; THE BAY HOLDINGS ULC; HBC CENTERPOINT GP INC; HBC YSS2LP INC; SN OSPMIS LIMITED; HBC YSS 1 LP INC; 2472596 ONTARIO INC; 2472598 ONTARIO INC v. REVENU QUÉBEC; Chelsey Boucher; Lucio Cammisa; Orazio Mazzotta; Mozac Mohammed-Ali; SCHINDLER ELEVATOR CORPORATION; His Majesty the King in Right of Canada as represented by the Minister of National Revenue; INDO COUNT INDUSTRIES INDIA LIMITED; DIESEL CANADA INC; UNITED STEELWORKERS Local 1-417; LEVI STRAUSS & CO; RICHEMONT CANADA INC; MAPLE LEAF SPORTS & ENTERTAINMENT PARTNERSHIP; HIS MAJESTY THE KING IN RIGHT OF ONTARIO; HIS MAJESTY THE KING IN RIGHT OF MANITOBA; Restore Capital LLC, in its capacity as FILO AGENT; HCS 102, LLC; Tiger Asset Solutions Canada, ULC; 1903 Partners, LLC; WESTCLIFF MANAGEMENT LTD.; GA Group Solutions LLC; ATTORNEY GENERAL OF CANADA; RAPID CONSTRUCTION SOLUTIONS INC.; DKRT FAMILY CORP.; THE ASSOCIATION FOR MANITOBA ARCHIVES; RUBY LIU COMMERCIAL INVESTMENT CORP. ; ROYAL TRUST CORPORATION OF CANADA

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Representative Counsel:

Name of Person Appearing	Name of Party	Contact Info
Susan Ursel Karen Ensslen Catherine Fan	Employee Representative Counsel	sursel@upfhlaw.ca kensslen@upfhlaw.ca cfan@upfhlaw.ca

ENDORSEMENT OF JUSTICE KIMMEL:

[1] Royal Trust Corporation of Canada ("Royal Trust") has filed a motion (the "RT Motion") seeking directions on twelve questions concerning four retirement compensation arrangements ("RCAs") related to various Supplementary Employee Retirement Plans ("SERPs") created for the benefit of executive employees of 1242939 B.C. ULC, formerly known as Hudson's Bay Company (the "Company"). On June 26, 2026, the court approved a bifurcated approach to this motion, with the first hearing scheduled on September 25, 2026 for the court to consider certain questions that ERC and the Applicants are expected to have a consensus position on.

[2] The court's Endorsement of June 26, 2026 directed, among other things, as follows:

> [8] A half day in person hearing has been scheduled in this matter on September 25, 2026 before Justice Steele to consider a sub-set of questions that are expected to be put forward with proposed consensus responses. *It is anticipated that a sealing order will be sought in connection with some of the material for this motion, and the court has directed that the party requesting the sealing order shall complete the Notice of Request for Publication Ban form on the Court's website and comply with the specific notice requirements set out under the Consolidated Civil Practice Direction, Part 9- Publication Bans, paragraphs 113-117.*
>
> [9] *Pending the outcome of the confidentiality and sealing order motion, the parties will adopt a protocol for dealing with the evidence on this motion that does not involve filing any materials with the court that contain the evidence sought to be sealed. The sealing order request is expected to be narrow and accordingly can be addressed at the hearing of the motion.*
>
> [10] The parties shall develop a timetable and protocol for briefing this part of the motion that ensures that all materials (including anticipated further materials from the parties present at this case conference as well as any that any stakeholder may later wish to file in response to this motion) have been served, filed and uploaded into the appropriate hearing bundle in case center by no later than September 23, 2026 at 2:30 p.m. That protocol shall be served on all potentially interested stakeholders sufficiently in advance that they will have a reasonable opportunity to participate, should they wish to do so. The protocol shall include clear instructions for how an interested stakeholder can participate and the timing for such, in an effort to avoid any last-minute adjournment requests.

[3] As was anticipated in the court's June 26, 2026 endorsement, ERC, the Monitor, the Company and Royal Trust have consulted and developed a Final Schedule and Protocol by which to notify stakeholders and provide an opportunity for them to participate at the hearing of this part of RT's motion. Their proposed Final Schedule and Protocol has been provided to the Secured Lenders. It was provided to the court as an attachment to a letter delivered on Friday July 17, 2026. ERC indicated in that letter that, if the court was

agreeable, it would serve the Final Schedule and Protocol on the Service List and post it on their website on the following Monday, and would also be requesting that the Monitor post it on its website. ERC advised the court that it will take the steps noted in the Final Schedule and Protocol to bring it to the attention of their constituents who are the beneficiaries of the HBC RCAs as well.

[4] The July 17, 2026 letter to the court also had appended to it a document entitled ERC Milestones for RT Motion, which contained ERC's more detailed milestones in furtherance of this motion, for the Court's information. ERC Milestones for RT Motion #2 stated that: "By July 17, 2026 — ERC must serve and file its notice of motion, motion record, and factum in support of its motion for an order authorizing ERC to file unredacted employment agreements under seal; *the motion is to be heard in writing*." [italics are mine, added for emphasis]

[5] The court asked for clarification of this Milestone item in a July 20, 2026 email, because the provision for a sealing order motion to be heard in writing (noted in italics immediately above) had not been contemplated and appeared to be inconsistent with the italicized portions of paragraph 8 and 9 of that endorsement (also excerpted above). ERC's July 20, 2026 response explained the rationale for this changed approach to be to narrow the requested redactions and avoid having to ask for a complete sealing order. ERC explained:

> To that end, ERC has filed an affidavit describing the material terms of the employment contracts but not the contracts themselves. Upon obtaining confirmation from the Court that it is content to proceed in this manner, ERC proposes to file a supplementary motion record containing the redacted employment contracts themselves for use on the main motion. The details of ERC's proposal (including the proposed redactions) are set out in our motion record and factum filed Friday in support of the requested redaction order.

[6] What is now being sought is described by ERC as not a "sealing order" but rather a limited "redaction order", allowing ERC to "serve on the Service List and file a Supplementary Responding Motion Record containing a redacted copy of the Employment Contracts, in the form appended as Exhibit C to the De Fazio Affidavit.".

[7] ERC still went ahead and provided formal Notice to the Media of its intention to request a publication ban on July 17, 2026. The scope is more limited, but redactions are nonetheless considered to be infringements upon the open court principle and ERC's approach to seek the court's permission to do so, on notice to the media in accordance with the court's original direction, is appropriate.

[8] The justification for granting the requested redaction order is supported by the evidence filed on this motion and the legal analysis in ERC's factum. There is, however, a procedural irregularity in the manner in which this has evolved and now come before the court that I am not able to resolve at this time. That is, the original anticipation was a motion for a sealing request that would be returnable at the outset of the hearing of the motion scheduled for September 25, 2026. The Notice to the Media sent on July 17, 2026 indicates that the hearing of the motion is on September 25, 2026 but notes that ERC has requested that the hearing to decide its motion to permit service and filing of redacted Employment Contracts will be in writing. This may be confusing to a recipient of that notice since the hearing date in the Notice to the Media should be the date on which the motion for the sealing request will be heard.

[9] While it may well be that there is no media interest in this sealing request, there is no procedure for a motion such as this, on Notice to the Media, to proceed in writing, and no mechanic for them to make submissions

if they wish to do so. Accordingly, I cannot sign the requested order on the basis of the now filed in-writing motion. I note, as an aside, that the in-writing motion was filed through the portal without any advance direction from the court, which led to some difficulty in locating the motion, since it was not expected. Absent advance direction, it would have been processed in the normal course which at the moment could have taken weeks if not longer for it to be processed and sent to me.

[10] While I have located the motion, I am not granting the motion at this time. I am adjourning it to the September 25, 2026 hearing. The material will need to be uploaded by ERC manually into the September 25, 2026 hearing bundle as it will not otherwise find its way there since it was filed in writing. This endorsement and the ERC July 17, 2026 letter with attachments and the court's June 26, 2026 endorsement should all also be uploaded by ERC into the September 25, 2026 hearing bundle so that they are all readily available to the presiding judge.

[11] On July 23, 2026, ERC sent a further letter to the court seeking leave to file a factum of up to 35 pages.

[12] It is inefficient and inconvenient for the court to be receiving piecemeal correspondence on files outside of scheduled events on the court docket. It would have been preferable and more consistent with the practice on the Commercial List for the matters that have been raised by way of correspondence from ERC to the court over the past week to have been addressed at a case conference. Those can be scheduled by a request form submitted to the Commercial List Scheduling office and are generally accommodated within a very short time frame. In future, the court expects that practice to be followed.

[13] For the immediate purposes, given some of the existing time constraints and so as not to delay the planned notifications to stakeholders, I will grant ERC permission to file a factum (due July 24, 2026) on this motion of up to 35 pages double spaced based on the justification for this need set out in the July 23, 2026 correspondence. While I am unable to grant the requested redaction (sealing) order for the reasons noted earlier in this endorsement, I will grant permission to ERC to serve on the Service List and file its Supplementary Responding Motion Record containing a redacted copy of the Employment Contracts, in the form appended as Exhibit C to the De Fazio Affidavit, pending the final determination of this redaction (sealing) request, which is expected to be made at the return of the motion on September 25, 2026 as originally directed.

[14] ERC shall serve a copy of this endorsement on all counsel who have been copied on their correspondence over the past week and on any counsel that appeared on June 26, 2026 and received a copy of that endorsement.

Kimmel J.

Date: July 24, 2026

Jessica Kimmel

This is **Exhibit "B"** referred to in the
Supplementary Affidavit of **Rita De Fazio**
affirmed before me at the City Of Toronto,
in the Province Of Ontario, this 30th day of July, 2026,
in accordance with O. Reg. 431/20, Administering Oath
or Declaration Remotely

A Commissioner for taking Affidavits

PRIVATE AND CONFIDENTIAL

EMPLOYMENT CONTRACT

between

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

and

[redacted]

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

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

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

Title/Position: [redacted]

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

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

Compensation Provisions

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

Annual Incentive:

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

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

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

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

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

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

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

Mid-Term Incentive

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

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

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

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

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

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

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

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

Termination Provisions

Termination for Cause:

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

"Cause" means:

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

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

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

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

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

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

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

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

Termination with Severance:

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

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

(i) Eighteen (18) months or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Severance Provisions Where Termination Follows a Change of Control

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

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

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

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

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

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

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

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

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

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

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

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

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

(xii) Any other material breach of this Agreement.

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

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

Change of Control Severance.

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

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

Change of Control Severance:

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

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

b) The "Severance Period" for the purposes of benefit continuation will be Eighteen (18) months from the date that notice of termination is given by HBC or the date that [redacted] Resigns for Good Reason, ("Change of Control Termination Date")

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

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

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

<u>Other Provisions</u>

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

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

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

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

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

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

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

Assignment of Rights: The rights which accrue to the Company under this Agreement shall pass to and be binding upon and enforceable by its successors or assigns. The rights of [redacted] under this Agreement are not assignable in any manner except as otherwise provided herein.

Severability: In the event that any paragraph, provision or part of this Agreement shall be deemed void or invalid, the remaining paragraphs, provisions or parts shall be and remain in full force and effect.

Agreement This Agreement constitutes the entire agreement between the parties with respect to the employment of [redacted] and, excepting [redacted]'s fiduciary and other common law duties and obligations which shall survive and continue beyond the termination of this Agreement and all previous agreements, understandings or representations, written or oral, express or implied, between the parties on their behalf relating to the employment of [redacted] by the Company are terminated and cancelled and are of no further force or effect.

Modification: Any modification of this Agreement must be in writing and signed by the parties or it shall have no effect and shall be void. Any failure to enforce, or waiver of, rights under this Agreement by either party shall not operate as a waiver or otherwise stop or impair the ability of such party to thereafter rely upon the strict rights in this Agreement except as otherwise provided in this Agreement.

Independent Legal Advice: [redacted] acknowledges having been advised to seek independent legal advice, and that [redacted] was given the opportunity to seek and obtain such advice, prior to the execution of this Agreement. [redacted] acknowledges having read the entire agreement, having understood the contents and having relied on [redacted]'s own sources of information in signing the Agreement and not having relied on any assertions, promises or information from the Company other than those set out in the terms of this Agreement.

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

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

For the Company: For the employee:

[redacted]

This is **Exhibit "C"** referred to in the
Supplementary Affidavit of **Rita De Fazio**
affirmed before me at the City Of Toronto,
in the Province Of Ontario, this 30th day of July, 2026,
in accordance with O. Reg. 431/20, Administering Oath
or Declaration Remotely

A Commissioner for taking Affidavits

PRIVATE AND CONFIDENTIAL

EMPLOYMENT CONTRACT

between

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

and

[redacted]

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

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

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

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

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

Title/Position: [redacted]

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

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

Compensation Provisions

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

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

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

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

For fiscal 2009, the EBITDA target is $292.5 million and the EBITDA threshold is $220 million. For all fiscal periods after fiscal 2009, the EBITDA target and threshold will be determined by the Board proximate to the commencement of the period.

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

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

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

Mid-Term Incentive

[redacted] is entitled to participate in a Mid-Term Incentive Plan, as it may be amended from time to time (the "MIP"). The incentive payment will be determined in accordance with the terms of the MIP and the grant agreement (the "Grant Agreement") issued under the MIP for the applicable three year period. Where there is a discrepancy between this Agreement and the MIP plan text or its ancillary Grant Agreement text solely as it relates to the mid-term incentive, this Agreement will govern. The following is a summary of the potential mid-term incentive bonus for the 2009-2011 grant period:

Under the MIP, [redacted] will be entitled to mid-term incentive bonus (the "MIP Bonus") which for the 2009-2011 Grant will be [redacted], if the three year cumulative EBITDA target is achieved. 100% of the MIP Bonus will be based on the achievement of the three year cumulative EBITDA target.

If the EBITDA target is not met, [redacted] will not be entitled to any MIP Bonus except in accordance with the terms of the Grant Agreement issued under the MIP. [redacted] may be entitled to an increased MIP Bonus if the EBITDA target is exceeded only in accordance with the terms of the Grant Agreement issued under the MIP.

For the fiscal period 2009 to 2011, the three year cumulative EBITDA target is $780 million. The MIP and the Grant Agreement issued under the MIP may be amended for future years with the approval of the Board. Changes may include increasing or decreasing the thresholds and targets for the chosen metrics, the definitions of the metrics or choosing different metrics.

Car:

HBC will provide [redacted] with a leased car with a capital value limit of [redacted] and shall pay for [redacted]'s operating costs and

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

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

Termination Provisions

Termination for Cause:

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

"Cause" means:

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

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

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

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

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

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

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

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

Termination with Severance:

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

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

(i) *Twenty-four (24) months* or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Severance Provisions Where Termination Follows a Change of Control

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

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

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

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

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

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

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

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

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

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

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

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

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

(xii) Any other material breach of this Agreement.

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

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

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

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

Change of Control Severance:

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

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

b) The "Severance Period" for the purposes of benefit continuation will be Twenty-four (24) months from the date that notice of termination is given by HBC or the date that [redacted] Resigns for Good Reason, ("Change of Control Termination Date")

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

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

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

<u>Other Provisions</u>

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

agent, director or shareholder.

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

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

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

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

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

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

Resignation or retirement from Company:

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

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

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

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

[redacted]

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

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

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

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

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Employee Representative Counsel

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