

THE HUDSON'S BAY COMPANY SERIES OF ONLINE AUCTION SALES PRIORITY SPECIAL TERMS & CONDITIONS OF BUSINESS

A. SALE NOTICE

On April 24, 2025, the Ontario Superior Court of Justice granted an Amended and Restated SISP Approval Order, Court File No. CV-25-00738613 ("Court Order") that approved the engagement of Heffel Gallery Limited as Auctioneer ("Auction House") to conduct the auction sale. In accordance with an order issued by the Court on September 25, 2025, a series of online auction sales is scheduled to begin on November 12, 2025, or such other date as determined by the Auction House and the Consignor in consultation with Alvarez & Marsal Canada Inc. in its capacity as monitor of the Applicants (in such capacity, the "Monitor"). The following are the *Priority Special Terms & Conditions of Business* which are in addition to the Auction House standard *Terms and Conditions of Business*, as published by the Auction House.

The purchase price shall be the Hammer Price plus the Buyer's Premium calculated at a rate of twenty-five percent (25%) of the Hammer Price of the Lot up to and including \$25,000; plus twenty percent (20%) on the part of the Hammer Price over \$25,000 plus applicable Sales Tax.

Please note that the Hudson's Bay Company Series of Online Auction Sales is subject to the *Priority Special Terms & Conditions of Sale*. Prior to bidding, bidders are advised to review these terms in full. Auction registration is available in person at our offices and online at Heffel.com.

B. PRIORITY SPECIAL TERMS & CONDITIONS OF BUSINESS

The Buyer and the Consignor are hereby advised to read fully the *Terms and Conditions of Business* and *Catalogue Terms*, which set out and establish the rights and obligations of the Auction House, the Buyer and the Consignor, and the terms by which the Auction House shall conduct the sale and handle other related matters. The following *Priority Special Terms & Conditions of Business & Registration* are in addition to, and will take precedence over, the Auction House standard *Terms and Conditions of Business*, *Code of Business Conduct*, *Ethics and Practices* and *Privacy Statement*.

This agreement shall be governed by and construed in accordance with Ontario Law and the laws of Canada, applicable therein. Any dispute, controversy or claim arising out of, relating to, or in connection with this Agreement, or the breach, termination, or validity thereof ("Dispute"), shall be submitted to the Ontario Superior Court of Justice, Commercial List.

1. a) "As Is, Where Is":¹
The Property will be sold on an "as is, where is" basis as per the Court Order. The Auction House provides no warranties with respect to the state of the Property. The

Buyer accepts the Property in its actual physical condition and at the location specified.

- b) "Free of Any and All Claims and Interests":¹
Pursuant to the Court Order, the sale of the Property and all of the rights, title and interests in and to the Property will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against (collectively, the "Claims and Interests").
- c) The Buyer shall be responsible for ascertaining the condition of the Lot. Additional images, beyond those posted on www.heffel.com, and condition reports will not be provided by Heffel. Artwork frames may have defects that may not be noted on our website.
- d) Notwithstanding any other terms in this Agreement, the only indemnity obligations of each party are the following: Each party shall indemnify the other party completely, including reasonable legal fees, against all costs, Expenses, claims, actions, damages, awards, settlements or liabilities such party may incur as a result of (a) any breach by such party of their obligations, warranties or representations made with respect to the Property or any terms of this Agreement; or (b) the gross negligence, fraud or misconduct by such party or such party's employees or agents.

2. Export Control

Without limitation, the Buyer acknowledges that the Property may be of Canadian cultural importance as sold by the Auction House and will be subject to the provisions of the *Cultural Property Export and Import Act* (RSC, 1985, c C-51) ("the Act") and its two regulations, the *Canadian Cultural Property Export Control List* ("the Control List") and the *Cultural Property Export Regulations*, and that compliance with the provisions of the Act is the lawful responsibility of the Buyer. Failure by the Buyer to obtain any necessary Export Permit shall not affect the finality of the sale of the Property or the obligations of the Buyer.

3. Preview of the Property

The Property can be viewed online at Heffel.com including detailed cataloguing and digital images. Please consult Heffel.com for published in-person auction preview times and location.

1. As approved by the Ontario Superior Court of Justice on September 25, 2025.

4. Payment and Collection Notice

- a) All auction purchases must be paid for in full by 4:30 p.m. on the seventh (7th) day following the close of the auction. Purchases must be paid for in full prior to the works being released.
- b) Following the close of the auction sale, all works located at Heffel Toronto must be picked up by the Buyer within seven (7) days.
- c) The Auction House will provide a listing of recommended third-party shipping firms to assist Buyers with their shipping requirements if required. The Auction House's standard packing and shipping service, together with the Auction House's online shipping tools will not be available for the Hudson's Bay Company Series of Online Auction Sales.

Any sold Lots remaining at Heffel ten (10) days after the close of the auction will be in default of the sale terms and may be transferred to a third-party storage facility at the Buyer's expense and subject to a delinquency charge and storage fees as follows:

- * Late Pickup Delinquency Charge \$10.00
- ** Monthly Storage Fee of \$30.00 per month, levied at the beginning of each month.

5. Payment of Proceeds of Sale

- a) The Auction House shall pay the Proceeds of Sale to the Court-appointed Monitor twenty-one (21) days after the close of the auction, if the Auction House has been paid the Purchase Price in full by the Buyer;
- b) If the Auction House has not received the Purchase Price from the Buyer within the time period specified, then the Auction House will pay the Proceeds of Sale within seven (7) working days following receipt of the Purchase Price from the Buyer; and
- c) If before the Purchase Price is paid in full by the Buyer, the Auction House pays the Consignor an amount equal to the Proceeds of Sale, title to the Property in the Lot shall pass to the Auction House.

6. Non-payment of Debt

If the Buyer fails either to pay for or to take away any Lot by 4:30 p.m. on the seventh (7th) day following the date of the auction sale, the Auction House, with the consent of the Consignor and the Court-appointed Monitor, may in its absolute discretion be entitled to one or more of the remedies listed in the standard *Terms and Conditions of Business*.

THE HUDSON'S BAY COMPANY SERIES OF ONLINE AUCTION SALES

HEFFEL PAYMENT, COLLECTION & SHIPPING OPTIONS

PAYMENT

AS PER THE *Hudson's Bay Company Series of Online Auction Sales Priority Special Terms & Conditions of Business* and our published standard *Terms & Conditions of Business*, payment must be made by 4:30 p.m. on the seventh (7th) day following the auction, payable to Heffel Gallery Limited ("Heffel" or "Auction House"). Heffel will accept the following methods of payment for purchases:

Bank Wire

In all circumstances, the Auction House prefers payment by bank wire direct to Heffel's account.

Bank wire payments should be made to the Royal Bank of Canada as per the account transit details provided on the invoice. Buyers for assistance can contact Meredith Longridge, by e-mail (meredith@heffel.com) or telephone (604-732-6505 ext. 134 or 1-888-818-6505 ext. 134) prior to, and immediately after transmitting a bank wire for payment.

Credit Card

Online

Heffel accepts online payment by Visa, Mastercard, UnionPay or American Express for purchases. Online credit card payments are subject to our acceptance and approval and to a maximum of \$25,000. Such credit card payment limits apply to the value of individual transactions for separate Lots. A two percent (2.00%) Convenience Fee will apply to all credit card payments. Buyers should refer to the e-mail they received following the auction (including their invoice) to locate their unique online payment link.

E-mail, Telephone or Fax

Heffel accepts payment by Visa, Mastercard, UnionPay or American Express for purchases. Credit card payments are subject to our acceptance and approval and to a maximum of \$5,000 if the Buyer is providing their credit card details by e-mail, telephone or fax. Such credit card payment limits apply to the value of individual transactions for separate Lots. A two percent (2.00%) Convenience Fee will apply to all credit card payments.

If you prefer to send your credit card information by e-mail or fax, please use the following form. Please sign and submit this form via e-mail to payments@heffel.com or fax to 604-900-7755.

Credit Card Payment Details

BILLING NAME

ADDRESS

CITY

PROVINCE/STATE, COUNTRY

POSTAL CODE

E-MAIL ADDRESS

CREDIT CARD NUMBER

EXPIRY DATE

CVV NUMBER

SIGNATURE

DATE

Interac e-Transfer

Heffel accepts e-Transfers for payment.

Interac e-Transfer Instructions:

1. Log in to your financial institution's online or mobile banking and navigate to the Interac e-Transfer Send Money webpage.
2. Select the account you would like the funds transferred from.
3. Add Heffel Gallery Limited as the recipient and select e-mail address as the contact method; enter etransfer@heffel.com as the e-mail address.
4. Enter the amount you are sending.
5. Include the invoice number (e.g. A0LO624-h001) in the message section to indicate which Lot has been paid for.

THE HUDSON'S BAY COMPANY SERIES OF ONLINE AUCTION SALES HEFFEL RECOMMENDED THIRD PARTY PACKING & SHIPPING PROVIDERS

THIRD PARTY PACKING & SHIPPING PROVIDERS

For Toronto Lots stored offsite, please contact Museumpros directly at info@museumpros.com or 416-588-0568 to coordinate pickup, shipment, storage, and applicable fees.

Third-Party Shippers for Toronto Lots

Museumpros — Local delivery within GTA, National & International Shipments
info@museumpros.com
416-588-0568

Stellar Fine Art Services — Local delivery within GTA
info@stellarart.ca
647-977-7789

PakShip — National & International Shipments
taurus@pakship.ca
905-470-6874

Safer Shipping (formerly Envoy) — National & International Shipment
perry@safershipping.ca
416-299-3367

COLLECTION, DELIVERY AND SHIPPING ARRANGEMENTS

All purchases must be paid for in-full prior to the works being collected or shipped. For works that require shipping, please arrange directly with the above third party shipping providers, or a shipper of your choice. A signed release will be required for any works released to a third party.

Collection must be made within seven (7) days following the auction date. The shipping dispatch date cannot exceed thirty (30) following the auction date.

Works left with Heffel for more that 30 days will be transferred to storage. The storage rate per item is \$30.00 per month or portion thereof.

PAYMENT AND POST-SALE SUPPORT CONTACTS

Toronto Lots

Meg Farrar
meg@heffel.com
416-961-6505 ext. 348

If you have further questions regarding this specialty auction, please contact:

Rebecca Rykiss
rebecca@heffel.com
416-961-6505 ext. 323