

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 in the matter of Hollinger Canadian Publishing Holdings Co.

Applicant

APPLICATION UNDER THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Derek J. Bell and Raj S. Sahni, for the applicant
Heather Meredith, for Ernst & Young Inc.
Andrew Hatnay and Andrew McKinnon, proposed representative counsel

HEARD: December 10, 2009

Campbell J.

[1] This is an Application for an initial order under the CCAA in somewhat unusual circumstances.

[2] At one level the situation of the Applicant is complicated being one part of the former Hollinger empire. At the most basic level however matters are much simpler.

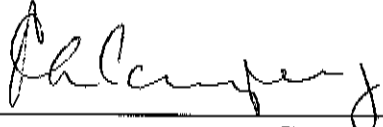
[3] The assets essentially represent cash or cash equivalents of approximately \$33 million. The creditors are members of funded and unfunded pension plans of the Applicant, the beneficiaries being former retired employees. In addition, some employees are entitled to benefits for health and other benefits. The Applicant is a subsidiary of the former Sun-Times Media Group, in Chapter 11 proceedings in the U.S. and now in liquidation and had been managed by Sun-Times, which is no longer in a position to do so.

[4] I am satisfied that in the circumstances that this is an appropriate application of the CCAA powers. The company is insolvent with debts in excess of \$5 million. I am satisfied that the aim of the restructuring is essentially to preserve pension and other retirement benefits for former employees.

[5] All of the proposals are consistent with that goal and the scheme of administration is intended to provide seamless, low cost, reliable continuance of services and benefits.

[6] I am satisfied that the proposed plan including the financial arrangements are appropriate in the circumstances.

[7] The proposed representative counsel and monitors appointment will assure governance. The draft initial order filed which I have signed will, I am satisfied, provide the necessary protection to all parties including potential claimants.


Campbell J.

Released: December 10, 2009

COURT FILE NO.: 09-8503-00CL

DATE: 20091210

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REASONS FOR JUDGMENT

Campbell J.

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