Court File No. 09-8503-00CL

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 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

MOTION RECORD
(Returnable on April 15, 2010)

April 9, 2010

BENNETT JONES LLP
Barristers and Solicitors
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario M5X 1A4

Derek Bell (LSUC #43420J)
Raj Sahni (LSUC #42942U)
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Lawyers for the Applicant

Court File No. 09-8503-00CL

ONTARIO
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Court File No. 09-8503-00CL

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

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Applicant

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

NOTICE OF MOTION

(Returnable April 15, 2010)

The Applicant will make a motion to the Honourable Mr. Justice Campbell of the Ontario Superior Court of Justice (Commercial List) on Thursday, April 15, 2010 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING:

The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order, if necessary, abridging the time for service of the Notice of Motion and the Motion Record and that the Notice of Motion is properly returnable on April 15, 2010 and that further service of the Notice of Motion on any interested party, other than those served, may be dispensed with.

2. An Order extending the Stay Period referred to in the Initial Order (defined below) to August 16, 2010.

3. An Order permitting the Applicant to make certain 'non status quo' payments relating to the Plans (defined below).

4. An Order authorizing and directing the Applicant to not file an updated cost certificate and not to commence any employer contributions in respect of one of the registered pension plans.

5. An Order authorizing the Applicant to undertake a survey process to update retiree information (the "Retiree Audit Survey Process").

6. An Order authorizing the Applicant to administer a claims procedure (the "Claims Procedure") to identify any creditor claims other than claims in respect of the Plans (defined below).

7. An Order directing the Royal Bank of Canada and Bank of Montreal to release monies held in dormant bank accounts for the benefit of the Applicant, under a predecessor name.

8. An Order authorizing and directing the Applicant to not take any action with respect to an appeal before the Alberta Court of Appeal in the *Vue Weekly* litigation, described below.

9. Such further and other Orders as counsel may request and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. On December 10, 2009, the Court granted the initial order in these proceedings (the "Initial Order") wherein a stay of proceedings was granted in favour of the Applicant and the Stay Period was to expire on January 8, 2010.

2. On January 6, 2010, the Court granted an extension of the stay provided for in the Initial Order to April 15, 2010 (the "First Extension Order").

3. Since the granting of the First Extension Order, the Applicant, with the oversight of the Monitor, has been worked diligently to continue to administer its pension and other post-retirement plans (collectively, the "Plans") in accordance with the Initial Order, respond to enquiries from Plan members, implement the Initial Order and work toward compiling the necessary information for the establishment of a long term plan to address the Applicant's liabilities, including the Plans.

4. The Applicant requires additional time to continue compiling the necessary information to allow Mercer (Canada) Ltd. ("Mercer") to prepare valuation reports in respect of each of the Plans.

5. Additionally, the Applicant has identified certain procedures that will assist in or are required to complete the valuation reports of certain of the Plans, identify additional outstanding liabilities and secure access to assets of the Applicant that Court assistance is requested in respect of.

6. The Applicant is proceeding in good faith and with due diligence.

7. The Applicant has sufficient liquidity to be able to continue operating in the ordinary course during the requested stay extension timeframe.

8. The Monitor supports the motion for an extension of the stay.

9. Paragraphs 14 and 62 of the Initial Order.

10. Rules 3.02 and 37.02(1) of the *Rules of Civil Procedure*.

11. Such further and other grounds as counsel may advise and this Honourable Court may permit.

April 9, 2010

BENNETT JONES LLP
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IN THE MATTER OF THE *COMPANIES CREDITORS' ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

Court File No. 09-8503-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

NOTICE OF MOTION

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
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Tel: 416-863-1200
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Lawyers for the Applicant

Court File No. 09-8503-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MR.	) THURSDAY, THE
JUSTICE CAMPBELL	) 15th DAY OF APRIL, 2010
	)

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.

ORDER
(Stay Extension)

THIS MOTION, made by Hollinger Canadian Publishing Holdings Co. (the "**Applicant**" or "**HCPH**")), for an Order extending the Stay Period referred to in the Initial Order (defined below) and extended by Order of this Court dated January 6, 2010, and for certain other relief, was heard this day at 330 University Avenue, Toronto, Ontario. Any capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Initial Order.

ON READING the Notice of Motion, the affidavit of Dennis M. Byrd sworn April •, 2010, the Second Report of the Monitor dated April •, 2010 (the "**Monitor's Second Report**") and on hearing the submissions of counsel for the Applicant, the Monitor and Representative Counsel,

Service

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record and the Factum of the Applicant be and it is hereby abridged and that the motion is properly returnable today and further that service thereof upon any interested party other than those served is hereby dispensed with.

Extension of Stay Period

2. **THIS COURT ORDERS** that the Stay Period referred to in paragraph 14 of the Order dated December 10, 2009 (the "**Initial Order**") and extended pursuant to paragraph 2 of the Order dated January 6, 2010, is further extended to August 16, 2010.

Certain Payments Relating to Pension Plans

3. **THIS COURT ORDERS** that HCPH is authorized, but not required, to refund employee contributions (plus interest thereon at the prescribed rate as required by the *Pension Benefits Act* (Ontario) or equivalent legislation in the member's province of employment) made by non-vested members of registered pension plans of HCPH who are entitled, whether before or after the date of this Order, to a refund of such contributions pursuant to the terms of the applicable pension plan and applicable pension legislation and who have not previously received such refunds.

4. **THIS COURT ORDERS** that HCPH is authorized, but not required, to make retroactive lump-sum payments, without interest, in respect of any missed pension payments to any members of registered pension plans or non-registered pension plans of HCPH who were entitled, whether before or after the date of this Order, to receive payments from such registered or non-registered pension plans and who have not previously received such payments.

5. **THIS COURT ORDERS** that HCPH is authorized, but not required, to make lump-sum payments (plus interest thereon, if any, as required by the *Pension Benefits Act* (Ontario) or equivalent legislation in the member's province of employment) of the commuted value of a member's pension in respect of any members of registered pension plans of HCPH who are entitled, whether before or after the date of this Order, to a commuted value payment where the amount of the member's benefit does not exceed the statutory threshold permitted for commutation of benefits pursuant to the terms of the applicable pension plan and the *Pension Benefits Act* (Ontario) or equivalent legislation in the member's province of employment and

who have not previously received such payments. For greater certainty, unless otherwise ordered by this Court, HCPH shall not make any commuted value payments in respect of any registered or non-registered pension plans except as permitted above.

HCPH Retirement Plan Cost Certificate and Employer Contributions

6. **THIS COURT ORDERS** that, notwithstanding the requirements of the Ontario *Pension Benefits Act* and regulations thereunder, HCPH and Mercer, as the actuary (the "**Plan Actuary**") of the Hollinger Canadian Publishing Holdings Co. Retirement Plan (the "**HCPH Retirement Plan**") shall not file with the Superintendent of Financial Services an updated cost certificate in respect of the HCPH Retirement Plan and HCPH shall not commence making any employer contributions in respect of the HCPH Retirement Plan during the Stay Period pending further Order of this Court.

Retiree Audit Survey Process

7. **THIS COURT ORDERS** that HCPH and the Monitor are hereby authorized and directed to engage in the process set out below (the "**Retiree Audit Survey Process**"), with such modifications as HCPH and the Monitor may deem necessary or advisable, to update and verify HCPH's records in respect of the members of and beneficiaries entitled to receive benefits under HCPH's pension and benefits plans, including registered and unregistered pension and retirement plans and other benefits plans (collectively, the "**Plans**" and all such members of and beneficiaries entitled to receive benefits under any of the Plans collectively referred to as the "**Plan Members**").

8. **THIS COURT ORDERS** that as soon as practicable after the date of this Order, HCPH shall provide to the Monitor a complete list of persons who are Plan Members according to HCPH's books and records (the "**Known Plan Members**"). All persons who have information or records necessary for HCPH to compile the list of Known Plan Members, including the Plan Actuary and any other actuaries or service providers with whom HCPH has contracted to administer or assist with the administration of any of the Plans and who have notice of this Order (collectively, the "**Third Party Service Providers**") are hereby ordered to cooperate forthwith with HCPH and the Monitor and to provide them with such information and records in the

possession or control of such Third Party Service Providers about each Plan Member without requirement to obtain the express consent of the Plan Member to disclose the information to HCPH or the Monitor.

9. **THIS COURT ORDERS** that within five days of receiving the list of Known Plan Members from HCPH, the Monitor shall send to each Known Plan Member, by ordinary prepaid mail at the last known address of such Known Plan Member according to the books and records of HCPH, a copy of the personal information statement (the "**Personal Information Statement**") substantially in the form attached as Schedule "**A**" to this Order, setting out the Plan(s) under which such Known Plan Member is a member.

10. **THIS COURT ORDERS** that within ten days of receiving the list of Known Plan Members from HCPH, the Monitor shall also publish a copy of the notice substantially in the form attached as Schedule "**B**" to this Order (the "**Retiree Survey Process Notice**") in the Globe and Mail (National Edition) for one Business Day and, within five days of receiving such list of Known Plan Members from HCPH, the Monitor shall post the Retiree Survey Process Notice on the Monitor's website (at www.ey.com/ca/hcph) to notify any Plan Members who may not receive the Personal Information Statement of the Retiree Audit Survey Process.

11. **THIS COURT ORDERS** that any Known Plan Member who disputes any of the information set out in the Personal Information Statement sent to it by the Monitor must file a corrected Personal Information Statement with the Monitor by no later than 5:00 p.m. (Toronto time) on June 18, 2010 in accordance with the instructions set out in the Personal Information Statement, failing which all information set out in the Personal Information Statement sent to such Known Plan Member will be deemed to be correct and complete in all respects and may be relied upon for all purposes by HCPH, the Monitor and the Third Party Service Providers, including, without limitation, for certification to the Plan Actuary of the completeness and accuracy of such information for valuation purposes and for determining entitlements and potential claims of Plan Members, and such Plan Member shall be forever barred from asserting any other or additional right, claim or entitlement under or in respect of any Plan

12. **THIS COURT ORDERS** that any person who does not receive a Personal Information Statement from the Monitor and who believes that he or she is a Plan Member may obtain a copy

of the Personal Information Statement by contacting the Monitor and file the completed Personal Information Statement with the Monitor by no later than 5:00 p.m. (Toronto time) on June 18, 2010 in accordance with the instructions set out in the Personal Information Statement, failing which:

(a) if such person is a Plan Member according to the books and records of HCPH, such Plan Member's information as set out in the books and records of HCPH shall deemed to be correct and complete in all respects and may be relied upon for all purposes by HCPH, the Monitor and the Third Party Service Providers, including, without limitation, for certification to the Plan Actuary of the completeness and accuracy of such information for valuation purposes and for determining entitlements and potential claims of Plan Members, and such Plan Member shall be forever barred from asserting any other or additional right, claim or entitlement under or in respect of any Plan; or

(b) if such person is not a Plan Member according to the books and records of HCPH, such person shall be forever barred from asserting any right, claim or entitlement under or in respect of any Plan, shall not be entitled to any further notice in respect of any Plan and shall not be entitled to participate as a Plan Member in these proceedings.

13. **THIS COURT ORDERS** that HCPH and the Monitor are authorized to collect and utilize all personal information contained in all Personal Information Statements received by the Monitor for the purposes of these proceedings, including without limitation, to confirm and update HCPH's books and records in respect of the Plans and the Plan Members, and HCPH and the Monitor are authorized to share such personal information with each other, their respective counsel and other professional advisors in connection with these proceedings, the Court-appointed Representative Counsel in these proceedings, any Third Party Service Providers and any other party that this Court may order. Any personal information about Plan Members shared pursuant to this Order may be used by the recipients of that personal information only to the extent necessary and solely for the purpose of ensuring the accuracy of the personal information

for valuation purposes and for determining entitlement and potential claims of Plan Members entitled to benefits under or in respect of any Plans.

14. **THIS COURT ORDERS** that HCPH, with the assistance of the Monitor will review all Personal Information Statements returned to the Monitor and attempt to verify the information set out therein. If HCPH and the Monitor are not able to verify such information, they may request additional information from, and attempt to resolve any discrepancies with, the applicable Plan Member(s) and may apply to this Court for resolution of such discrepancies or for further directions of this Court with respect thereto. All persons who have information or records necessary for HCPH and the Monitor to verify such information, including any Third Party Service Providers, shall cooperate with HCPH and the Monitor in providing them with such information and records as may be requested by HCPH or the Monitor.

15. **THIS COURT ORDERS** that the provision of the personal information to HCPH and the Monitor as required by this Order and the use and disclosure of that personal information by HCPH and the Monitor in accordance with the terms of this Order shall be pursuant to this Order and are therefore in compliance with all applicable privacy statutes.

Funds in Bank Accounts

16. **THIS COURT ORDERS THAT** Royal Bank of Canada distribute to the Applicant all funds currently held by Royal Bank of Canada in account no. 01309-103-125-1 identified as being a bank account of "Southam Inc.".

17. **THIS COURT ORDERS THAT** Bank of Montreal distribute to the Applicant all funds currently held by Bank of Montreal in account no. 0001 0002-456 identified as being a bank account of "The Gazette – a Division of Southam Inc.".

18. **THIS COURT ORDERS THAT** Royal Bank of Canada and Bank of Montreal are hereby fully released from any and all claims that could or may arise in connection with or in relation to any actions they take in respect of this Order and the funds identified herein or any further action taken in compliance with this Order.

Vue Weekly Litigation

19. **THIS COURT ORDERS THAT** the Applicant is not required to participate, seek standing to participate or otherwise take any action in respect of the appeal being brought by the Attorney General of Canada scheduled to be heard on May 26, 2010 in the action styled *783783 Alberta Ltd. carrying on business as Vue Weekly* v. *The Attorney General of Canada et al.* and identified as Court File No. 0503 18023 in the Court of Queen's Bench of Alberta, Judicial District of Edmonton.

Approval of Activities

20. **THIS COURT ORDERS** that the Monitor's Second Report and the activities described therein are hereby approved and the activities of the Chief Restructuring Officer, described in the affidavit of Dennis M. Byrd sworn April •, 2010, are hereby approved.

SCHEDULE "A"

HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

PERSONAL INFORMATION STATEMENT

IMPORTANT: MEMBERS OF PENSION AND/OR POST-RETIREMENT BENEFITS PLANS OF HOLLINGER CANADIAN PUBLISHING HOLDINGS CO. PLEASE READ AND FOLLOW BELOW INSTRUCTIONS

This Personal Information Statement has been sent to you pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated April **[15]**, 2010 (the "**April [15] Order**"), in order to confirm information contained in the records of Hollinger Canadian Publishing Holdings Co. ("**HCPH**") with respect to your participation in one or more pension and/or other post-retirement benefits plans (collectively, the "**Plans**") administered by HCPH. **In** accordance with the April **[15]** Order, HCPH shall be entitled to rely on the information set out below for all purposes in these proceedings (the "**CCAA Proceedings**"), including, without limitation, for determining your claims or entitlements, if any, in respect of the Plans. Accordingly, it is important that you confirm the correctness of the information set out below or amend the information so that it is accurate, and return this form to Ernst & Young Inc. as the Monitor of HCPH (the "**Monitor**") in accordance with the instructions below, by no later than 5:00 p.m. (Eastern Standard Time) on June 18, 2010. ***If you do not return this form to the Monitor, the information below will be deemed to be correct and will be relied upon by HCPH in accordance with the April [15] Order.*** Any amendments or corrections you provide relating to the Plans will be subject to verification by HCPH and the Monitor in accordance with the April **[15]** Order. A copy of the April **[15]** Order and other public documents relating to these proceedings can be found on the Monitor's website at www.ey.com/ca/hcph.

Personal Information Statement for: ____________

«Name»
«Address»
«CITY» «PROV» «PCODE»

Please review the information below and amend any information that is incorrect. Please return this document to the Monitor with your confirmation/amendments by email or by fax or mail to the address below, by no later than 5:00 p.m. (Eastern Standard Time) on June 18, 2010:

Ernst & Young Inc.
Court-appointed Monitor of Hollinger Canadian Publishing Holdings Co.
222 Bay Street
P.O. Box 251
Toronto, ON M5K 1J7

Fax #: 416 943 3300

Attn: Franca Mazzulla
Email : hcph@ca.ey.com

If you have any questions, please contact the Monitor at:
Tel: 1-888-274-4344
Email : hcph@ca.ey.com

In order for us to confirm the accuracy of our records and accurately administer and determine potential claims and entitlements relating to the post-retirement benefits including pension benefits for which you are currently eligible, please review the information shown under sections (A), (B), (C) and (D) and ensure that any required corrections to your pension and other benefit plan information, personal data, spousal information and work history are indicated in the right-hand column. **Please complete section (B) if you are a member or other recipient of benefits (e.g. a surviving spouse) under any of the Plans listed below.** Please complete section (E) ***ONLY*** if it applies to you.

The personal information (about yourself or, if applicable, your spouse/beneficiaries) which you provide or confirm to the Monitor and HCPH on this form will be used (i) to communicate with you (or your spouse/beneficiaries) about, (ii) to administer any post-retirement benefits (including pension benefits) in which you are currently a participant, arising from your (or your spouse's) employment or former employment with HCPH (or any of its predecessor companies) in accordance with the governing terms of the applicable benefit plans, (iii) to determine your claims and entitlements, if any, in connection with the Plans and (iv) for other purposes in connection with HCPH's CCAA Proceedings. The personal information contained in this form, once finalized, may be shared with HCPH's counsel and other professional advisors in connection with the CCAA Proceedings, the Monitor and its counsel, the Court-appointed Representative Counsel in the CCAA Proceedings, the Court, any actuary retained in connection with the Plans, any third party service providers with whom HCPH has contracted to administer or assist with the administration of the various Plans and any other party that the Court may order. If the personal information is provided by a Power of Attorney, it will be used for the same purposes and disclosed in the same manner as if the information was provided by the retiree.

The information below relates only to your entitlements, if any, under one or more pension and/or OPEB plans administered by HCPH. *OPEB* refers to post retirement benefits other than the pension plan(s) in which you are enrolled and can include such benefits as medical, dental or life insurance benefits provided during retirement or benefits provided while on long-term disability. If you believe you have other claims unrelated to a pension plan or OPEB plan administered by HCPH, please contact the Monitor at the phone number or email address set out above.

(A) Plans:

HCPH's records indicate that you are a recipient of or entitled to benefits under the following HCPH Plans:

	HCPH Plan Name	HCPH Plan Number	Description of HCPH Plan
Registered Pension Plan			
Unfunded Pension Plan			
OPEB			
OPEB			

OPEB			
OPEB			

If you believe that the information noted above is incorrect please provide corrections below together with supporting documentation:

	HCPH Plan Name	HCPH Plan Number	Description of HCPH Plan
Registered Pension Plan			
Unfunded Pension Plan			
OPEB			
OPEB			
OPEB			
OPEB			

(B) Personal Data:

	Per HCPH's records	Mark an « X » if you agree	Provide Correction to 'ersonal Data with supporting documentation if HCPH's records are incorrect
Name			
Address			
Phone Number			
Date of Birth			
Social Insurance Number			
Gender			
Designated Beneficiary per HCPH's records			

Please provide an e-mail address if available

____

(C) Spousal Information (to be completed if you have a spouse who is entitled to receive benefits under one or more of the above-noted Plans as a surviving spouse):

	Per HCPH's records	Mark an « X » if you agree	Provide Correction to Spousal information with supporting documentation if HCPH's records are incorrect
Name of Spouse, if any			
Spouse's Date of Birth			
Surviving Spouse Benefit (Y/N)			
Spouse's Address			

Spouse's Social Insurance Number	______	______	______

Please provide an e-mail address if available

____

(D) Work History:

	Per HCPH's records	Mark an « X » if you agree	Provide Correction to Work History information with supporting documentation if HCPH's records are incorrect
Employment Status (retired, active, LTD)	______	______	______
Date of retirement	______	______	______
Name of Employer at the time of retirement	______	______	______

(E) Section to be completed only if you are a Power Of Attorney ("POA"):

If, as a holder of a valid power of attorney, you have completed and signed this questionnaire on behalf of the retiree, please print below your full name, address, telephone number, and e-mail address. In addition to this questionnaire, please send us a copy of the power of attorney.

Name ______________________________
Address ______________________________
Phone Number ______________________________
E-mail Address ______________________________

(F) Confirmation of Personal Information:

I have read this Personal Information Statement and I confirm that (*check one*):

☐ the information shown above under section (A), (B), (C) and (D) are accurate; **OR**

☐ I have indicated any required corrections above, in the right hand column of sections (A), (B), (C) and (D); and

☐ if I have provided or confirmed personal information of any spouse or beneficiary on this Personal Information Statement, I have the consent of the spouse or beneficiary to provide the personal information.

Name of person completing this form: ______________________________
Day time phone number ______________________________
Evening phone number (if different from above) ______________________________
E-mail Address ______________________________

Mailing Address ______________________________

______________________________ ______________
Signature Date

____
Status (e.g. retiree, surviving spouse, POA, other)

( )

______________________________ ______________________________ ______________
Signature of witness (other than the spouse or children) Name of witness (print) Telephone number of witness

ONE COPY OF THIS FORM MUST BE RETURNED TO THE MONITOR, BY NO LATER THAN 5:00 P.M. (EASTERN STANDARD TIME) ON JUNE 18, 2010

SCHEDULE "B"

HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

NOTICE OF RETIREE AUDIT SURVEY PROCESS

To: Members of pension and post-retirement benefits plans (the "**Plans**") of Hollinger Canadian Publishing Holdings Co. ("**HCPH**").

Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated April **[15]**, 2010 (the "**April [15] Order**"), Ernst & Young Inc., as the Court-appointed Monitor of HCPH (the "**Monitor**") will be sending members of the Plans administered by HCPH a Personal Information Statement in order to confirm information contained in the records of HCPH with respect to the Plans. Upon receiving the Personal Information Statement, it is important that you review it carefully to confirm that all of the information is correct and that you make any corrections and return the Personal Information Statement to the Monitor in accordance with the instructions set out therein by no later than 5:00 p.m. (Toronto time) on June 18, 2010.

If you are receiving any payments or benefits under one or more Plans administered by HCPH or believe that you are entitled to participate in such Plans and you do not receive a Personal Information Statement, you can obtain a Personal Information Statement by contacting the Monitor at the contact information below and you must return the completed Personal Information Statement to the Monitor in accordance with the instructions set out therein by no later than 5:00 p.m. (Toronto time) on June 18, 2010.

If you do not complete and return a copy of the Personal Information Statement to the Monitor by the deadline set out above, your information as set out in the books and records of HCPH (if such books and records show you as being a member of a Plan) shall be deemed to be correct and complete in all respects and may be relied upon for all purposes by HCPH, the Monitor and HCPH's actuaries and administrators in respect of the Plans, including, without limitation, for certification to the Plan Actuary of the completeness and accuracy of such information for valuation purposes and for determining entitlements and potential claims of members entitled to benefits under or in respect of any of the Plans, and you will be forever barred from asserting any other or additional right, claim or entitlement under or in respect of any Plan. If you do not complete and return a copy of the Personal Information Statement to the Monitor by the deadline set out above and you are not a member of any Plan according to the books and records of HCPH, you will be forever barred from asserting any right, claim or entitlement under or in respect of any Plan, shall not be entitled to any further notice in respect of any Plan and shall not be entitled to participate as a Plan Member in these proceedings.

If you have any questions, please contact the Monitor at:

Tel: 1-888-274-4344
Email : hcph@ca.ey.com
Fax: : 416 943 3300 (Attention: Franca Mazzulla)

A copy of the April **[15]** Order and other public documents relating to these proceedings can be found on the Monitor's website at www.ey.com/ca/hcph

Court File No. 09-8503-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MR.	) THURSDAY, THE
JUSTICE CAMPBELL	) 15th DAY OF APRIL, 2010
	)

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.

CLAIMS PROCEDURE ORDER

THIS MOTION, made by Hollinger Canadian Publishing Holdings Co., for an Order establishing a claims procedure pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Second Report of the Monitor dated April **[•]**, 2010, and the affidavit of Dennis M. Byrd, sworn April **[•]**, 2010, and on hearing the submissions of counsel for the Applicant, the Monitor and Representative Counsel, and on being advised that the Service List was served with the Notice of Motion herein:

DEFINITIONS

1. **THIS COURT ORDERS** that the following terms in this Order shall have the following meanings ascribed thereto:

(a) "Applicant" means Hollinger Canadian Publishing Holdings Co.;

(b) "Business Day" means a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, in the Province of Ontario, Canada;

(c) "CCAA" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

(d) "CCAA Proceedings" means the proceedings commenced by the Applicant in the Court under Court File No. 09-8503-00CL;

(e) "Claim" means:

(i) Any right of any Person against the Applicant in connection with any indebtedness, liability or obligation of any kind of the Applicant in existence on the Filing Date and any interest accrued thereon and costs payable in respect thereof to and including the Filing Date, whether or not such right is reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety, insurance deductible or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced or arising in the future, which indebtedness, liability or obligation is based in whole or in part on facts existing prior to the Filing Date, and includes any other claims that would have been claims provable in bankruptcy had the applicable Applicant become bankrupt on the Filing Date; and

(ii) any Restructuring Claim;

provided however, that in any case, "Claim" shall not include an Excluded Claim;

(f) "Claims Bar Date" means 5:00 p.m. (Eastern Standard Time) on **[June 18]**, 2010;

(g) "Claims Package" means the document package which shall include a copy of the Instruction Letter, a Proof of Claim and such other materials as the Applicant, in consultation with the Monitor, considers necessary or appropriate;

(h) "Claims Procedure" means the procedures outlined in this Order for the purpose of facilitating the identification, settlement and resolution of Claims;

(i) "Court" means the Ontario Superior Court of Justice (Commercial List) ;

(j) "Creditor" means any Person having a Claim;

(k) "CRO" means Dennis M. Byrd, the Chief Restructuring Officer appointed by the Court to oversee these proceedings pursuant to the Initial Order;

(l) "Excluded Claim" means, without prejudice to the Applicant's right to seek amendments to this Claims Procedure Order and to propose a treatment of claims under the Plan and subject to further order of this Court, and only for the purposes of the Claims Procedure described herein:

   (i) any Pension or Benefit Claim; and

   (ii) any claims secured by the Charges, as defined in the Initial Order, and any further charge ordered by this Court;

(m) "Filing Date" means December 10, 2009;

(n) "Government Agency" means any federal, provincial, state or local government, agency or instrumentality thereof or similar entity, howsoever designated or constituted exercising executive, legislative, judicial, regulatory or administrative functions in Canada, the United States, or elsewhere;

(o) "Initial Order" means the Order of the Court, as may be amended, extended, varied or restated, made in respect of the Applicant in the CCAA Proceedings on December 10, 2009;

(p) "Instruction Letter" means the instruction letter to Creditors regarding the completion of a Proof of Claim, which letter shall be substantially in the form attached hereto as Schedule **["B"]**;

(q) "Known Creditors" means the Creditors who, according to the Applicant's books and records, may be owed any amounts by the Applicant in respect of a debt existing as at the Filing Date or in respect of goods or services supplied to HCPH prior to the Filing Date or in respect of a Restructuring Claim, except in respect of any Excluded Claims;

(r) "Monitor" means Ernst &Young Inc. in its capacity as Court-appointed monitor of the Applicant pursuant to the Initial CCAA Order;

(s) "Notice to Creditors" means the notice substantially in the form attached hereto as Schedule **["A"]** hereto;

(t) "Pension or Benefit Claim" means a claim, right or entitlement of any Person in respect of post-retirement benefits, post-employment benefits and pension plans of HCPH, including, without limitation, any right, claim or entitlement in respect of the Applicant's retirement plans (funded or unfunded), post-employment benefit plans, and registered pension plans;

(u) "Person" means any individual, partnership, firm, joint venture, association (incorporated or unincorporated), organization, corporation, trust, entity, fund, trade union, employee, Government Agency, or entity wherever situate or domiciled and the Crown, municipalities or any other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to a government in Canada or elsewhere (collectively, "Persons" and, individually, "Person");

(v) "Plan" means any plan of compromise or arrangement filed by the Applicant pursuant to the CCAA, as the same may be amended, supplemented or restated from time to time;

(w) "Proof of Claim" means the form to be completed and filed by a Creditor setting forth its purported Claims, which proof of claim shall be substantially in the form attached hereto as Schedule **["C"]**;

(x) "Restructuring Claim" means any claim arising after the Filing Date from or caused by any action taken by the Applicant from and after the Filing Date including the restructuring, termination, disclaimer or repudiation after the Filing Date by the Applicant of any contract, lease, employment agreement, or other arrangement or agreement of any nature whatsoever, whether oral or written, and any amending agreement related thereto in existence as at the Filing Date or other obligation incurred by the Applicant before the Filing Date; provided that "Restructuring Claim" shall not include any Excluded Claim;

(y) "Restructuring Claims Bar Date" means 5:00 p.m. (Eastern Standard Time) on the date established for such purposes by further order of this Court.

SERVICE

2. **THIS COURT ORDERS**: the time for service of the Notice of Motion, the Motion Record and the Factum of the Applicant be and it is hereby abridged and that the motion is properly returnable today and further that service thereof upon any interested party other than those served is hereby dispensed with.

DELIVERY OF CLAIMS PACKAGES

3. **THIS COURT ORDERS** that, as soon as practicable after the date of this Order, the Applicant shall provide the Monitor with a list of Known Creditors according to the Applicant's books and Records.

4. **THIS COURT ORDERS** that the Monitor shall cause a Claims Package to be sent to each Known Creditor by regular prepaid mail to the last known address of each such Known Creditor shown on the books and records of the Applicant within five days of receiving the list of Known Creditors from the Applicant of the date of this Order.

5. **THIS COURT ORDERS** that within ten days of receiving the list of Known Creditors from the Applicant, the Monitor shall cause the Notice to Creditors to be placed in the Globe and Mail (National Edition) for one Business Day.

6. **THIS COURT ORDERS** that the Monitor shall cause the Notice to Creditors and the Claims Package to be posted on the Monitor's website (at www.ey.com/ca/hcph) within five days of the date of this Order.

7. **THIS COURT ORDERS** that the Monitor shall cause a copy of the Claims Package to be sent to any Person requesting such material as soon as practicable.

8. **THIS COURT ORDERS** that, in the event that the Monitor believes that any action taken by the Applicant or the CRO may give rise to a Restructuring Claim, or the Monitor is advised by any Person that such Person believes it has a Restructuring Claim, the Monitor shall thereafter cause a copy of the Claims Package to be sent to the Person;

FILING OF PROOFS OF CLAIM

9. **THIS COURT ORDERS** that every Creditor asserting a Claim, including a Restructuring Claim that arises before May 15, 2010 shall set out its aggregate Claim in a Proof of Claim and deliver that Proof of Claim to the Monitor so that it is received by the Monitor no later than the Claims Bar Date.

10. **THIS COURT ORDERS** that any Person asserting a Restructuring Claim which arises after May 15, 2010 shall file a Proof of Claim with the Monitor on or before the Restructuring Claims Bar Date.

11. **THIS COURT ORDERS** that any Creditor who does not deliver a Proof of Claim in respect of a Claims Procedure Claim in accordance with paragraph 9 (or paragraph 10 in respect of Restructuring Claims arising after May 15, 2010) shall be forever barred from asserting such Claim against the Applicant and such Claim shall be forever extinguished and any holder of such Claim shall not be entitled to participate as a Creditor in these proceedings or receive any further notice in respect of these proceedings, the Claims Procedure or any Plan and shall not be entitled

to vote on any Plan or receive any distribution from any Plan or otherwise from the Applicant, or the Monitor on behalf of the Applicant, in respect of such Claim.

12. **THIS COURT ORDERS** that each Creditor shall reduce its Claim by the amount of any payment thereon made by the Applicant to the Creditor and any other subsequent credit applied by the Applicant or the Creditor against such Claim.

DETERMINATION OF CLAIMS

13. **THIS COURT ORDERS** that if the Applicant or the Monitor dispute the amount of a Claim set forth in a Proof of Claim, the Applicant and the Monitor may:

(a) request any additional evidence and documentation to support such Claim and attempt to consensually resolve the amount of the Claim with the Creditor;

(b) establish a procedure for resolution of such Claim acceptable to the Applicant, the Monitor and the applicable Creditor; and/or

(c) apply to the Court for a determination of, a procedure for the determination of, or further directions in respect of such Claim, on no less than five days' notice to the applicable Creditor.

14. **THIS COURT ORDERS** that no Claim will be accepted or deemed to be accepted unless notice of the acceptance of such Claim is delivered to the applicable Creditor in writing by the Monitor and the Applicant or acceptance of such Claim is ordered by this Court.

EXCLUDED CLAIMS

15. **THIS COURT ORDERS** that no Person shall file a Proof of Claim in this Claims Procedure in respect of an Excluded Claim, including, without limitation, any Pension or Benefit Claim, and that the Monitor and the Applicant shall disregard any Proof of Claim or part thereof filed in respect of an Excluded Claim.

GENERAL PROVISIONS

16. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA and under the Initial Order, shall assist the Applicant in connection with the matters described herein, and is hereby authorized and directed to take such other actions and fulfill such other roles as are contemplated by this Order and such other roles in keeping with its position as an officer of this Court.

17. **THIS COURT ORDERS** that the Applicant and the Monitor are hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which Proofs of Claim and Notices of Revision or Disallowance are completed and executed, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order as to completion and execution of Proofs of Claim, and to request any further documentation the Applicant or Monitor may require in order to enable it to determine the validity of a Claim.

18. **THIS COURT ORDERS** that any Claim denominated in any currency other than Canadian dollars shall, for the purposes of this Claims Procedure Order only (and without prejudice to the terms of the Plan), be converted to and shall constitute obligations in Canadian dollars, such calculation to be effected using the Bank of Canada noon spot rate on the Filing Date.

19. **THIS COURT ORDERS** that any notice or communication (including, without limitation, Proofs of Claim) to be given under this Order by a Creditor to the Monitor or the Applicant shall be in writing and, where applicable, in substantially the form provided for in this Order and will be sufficiently given only if delivered by registered mail, personal delivery, electronic mail (in PDF format), courier or facsimile transmission at the following addresses:

Ernst & Young Inc.
Court-appointed Monitor of
Hollinger Canadian Publishing Holding Co.
Ernst & Young Tower
222 Bay Street
Toronto, ON M5K 1J7
E-mail: hcph@ca.ey.com
Fax: (416) 943-3300

Attention: Franca Mazzulla re: HCPH Claim

Any such notice or other communication by a Creditor shall be deemed received only upon actual receipt thereof by the Monitor during normal business hours on a Business Day.

20. **THIS COURT ORDERS** that all references to time herein shall mean Eastern Standard Time and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. Eastern Standard Time on such Business Day unless otherwise indicated herein.

21. **THIS COURT ORDERS** that in the event that the day on which any notice or communication is required to be delivered pursuant to the Claims Procedure is not a Business Day then such notice or communication shall be required to be delivered on the next Business Day.

22. **THIS COURT ORDERS** that references to the singular shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender.

SCHEDULE "A"

NOTICE TO CREDITORS OF HOLLINGER CANADIAN PUBLISHING HOLDINGS CO. ("HCPH")

Re: NOTICE OF CLAIMS PROCEDURE FOR HCPH PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMNT ACT* ("CCAA")

NOTICE IS HEREBY GIVEN pursuant to an order of the Superior Court of Justice of Ontario (the "Court") dated April 15, 2010 (the "Claims Procedure Order") that the Court has ordered a procedure for the filing of Claims against HCPH other than Excluded Claims (as defined in the Claims Procedure Order). A copy of the Order and the Claims Package can be obtained from the website of Ernst & Young Inc., as the Court-appointed monitor (the "Monitor") of HCPH at www.ey.com/ca/hcph.

Any person who believes that they have a claim against HCPH whether liquidated, contingent or otherwise, (other than an Excluded Claim (as defined in the Claims Procedure Order)) should send a Proof of Claim to the Monitor so that it is received by the Monitor no later than 5:00 p.m. (Eastern Standard Time) on **[June 18]**, 2010 (the "Claims Bar Date").

A separate claims bar date will be set by further order of the Court for Restructuring Claims (as defined in the Claims Procedure Order) arising after **[May 15]**, 2010, including claims arising from the restructuring, repudiation or termination of any contract, lease or other agreement after **[May 15]**, 2010.

Proofs of Claim are <u>not</u> to be filed in respect of any pension, retirement or post retirement benefits plans of HCPH or other Excluded Claims (as defined in the Claims Procedure Order). Members of such pension, retirement or post retirement benefits plans of HCPH will receive a Personal Information Statement to be completed and returned to the Monitor pursuant to a separate Order of the Court made on April 15, 2010 and may contact the Monitor as set out below if they have not received a Personal Information Statement.

CLAIMS (OTHER THAN EXCLUDED CLAIMS) WHICH ARE NOT RECEIVED BY THE CLAIMS BAR DATE (OR SUCH LATER DATE ESTABLISHED BY THE COURT IN RESPECT OF ANY RESTRUCTURING CLAIMS ARISING AFTER MAY 15, 2010) WILL BE BARRED AND EXTINGUISHED FOREVER AND SUCH CREDITORS WILL NOT BE ENTITLED TO PARTICIPATE IN ANY PLAN OF ARRANGMENT OR COMPROMISE.

Creditors who have not received a Claims Package can obtain a copy from the website of the Monitor at www.ey.com/ca/hcph or by contacting the Monitor as follows:

E-mail: hcph@ca.ey.com
Telephone: (888) 274-4344
Fax: (416) 943-3300
Attention: Franca Mazzulla re: HCPH Claim

DATED April •, 2010

SCHEDULE "B"

HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

INSTRUCTION LETTER – CLAIMS PROCEDURE

Hollinger Canadian Publishing Holdings Co. ("**HCPH**") was granted an initial order (the "Initial Order") by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") on December 10, 2009 (the "**CCAA Filing Date**"). Pursuant to the Initial Order, Ernst & Young Inc., was appointed by the Court as the monitor (the "**Monitor**") of HCPH.

Pursuant to an order dated April 15, 2010 (the "**Claims Procedure**"), the Court has approved a procedure (the "**Claims Procedure**") for filing of claims other than Excluded Claims (as defined in the Claims Procedure Order) against HCPH. A copy of the Claims Procedure Order and other documents pertaining to HCPH's CCAA proceedings can be found on the Monitor's website at www.ey.com/ca/hcph.

Filing your Proof of Claim

If you do not have any claims against the Applicants, there is no need to file a Proof of Claim.

If you have any claims under or arising from pension, retirement or post retirement benefits plans of HCPH or other Excluded Claims (as defined in the Claims Procedure Order), you should ***not*** *file a Proof of Claim in respect of those claims. Members of such pension, retirement or post retirement benefits plans of HCPH will receive a Personal Information Statement to be completed and returned to the Monitor pursuant to a separate Order of the Court made on April 15, 2010 and may contact the Monitor as set out below if they have not received a Personal Information Statement.*

If you believe that you have a claim (other than an Excluded Claim) against HCPH, you should file a Proof of Claim (in the form enclosed herewith) and any supporting documentation with the Monitor. *The Proof of Claim must be delivered to, and received by the Monitor by the Claims Bar Date of 5:00 p.m. Eastern Standard Time on* ***[June 18]****, 2010 (the "Claims Bar Date").*

Failure to deliver a Proof of Claim so that it is received by the Monitor by the Claims Bar Date will result in any claims (other than Excluded Claims) you may have against HCPH being forever extinguished and barred.

A separate claims bar date will be set by further order of the Court for Restructuring Claims (as defined in the Claims Procedure Order) arising after **[May 15]**, 2010, including claims arising from the restructuring, repudiation or termination of any contract, lease or other agreement after **[May 15]**, 2010. *If you have a Restructuring Claim arising before* ***[May 15]****, 2010, you must file your Proof of Claim prior to the Claims Bar Date of 5:00 p.m. Eastern Standard Time on* ***[June 18]****, 2010, failing which your Restructuring Claim will be forever extinguished and barred.*

Proofs of Claim may be delivered to the Monitor by registered mail, personal delivery, electronic mail (in PDF format), courier or facsimile transmission at the following addresses:

Ernst & Young Inc.
Court-appointed Monitor of
Hollinger Canadian Publishing Holding Co.
Ernst & Young Tower
222 Bay Street
Toronto, ON M5K 1J7
E-mail: hcph@ca.ey.com
Fax: (416) 943-3300
Attention: Franca Mazzulla re: HCPH Claim

Any questions or enquiries with respect to the Claims Procedure should be directed to the Monitor by phone at: (888) 274-4344 or by Email at: hcph@ca.ey.com

SCHEDULE "C"

PROOF OF CLAIM AGAINST

HOLLINGER CANADIAN PUBLISHING HOLDING CO.
(hereinafter referred to as "HCPH")

Please read the enclosed Instruction Letter carefully prior to completing this Proof of Claim. Defined terms not defined within this Proof of Claim form shall have the meaning ascribed thereto in the Claims Procedure Order dated [April 15, 2010] as may be amended from time to time.

This Proof of Claim form should not be used to assert any claims under or arising from pension, retirement or post retirement benefits plans of HCPH or other Excluded Claims (as defined in the Claims Procedure Order). Members of such pension, retirement or post retirement benefits plans of HCPH will receive a Personal Information Statement to be completed and returned to the Monitor pursuant to a separate Order of the Court made on April 15, 2010 and may contact the Monitor as set out below if they have not received a Personal Information Statement.

1. **Particulars of Creditor**

(a) Full Legal Name of Creditor: ______________________ (the "**Creditor**") (Full legal name should be the name of the original Creditor of the Applicant, regardless of whether an assignment of a Claim has been made, or a portion thereof, has occurred prior to or following the Filing Date.)

(b) Full Mailing Address of the Creditor (*the original Creditor, not the Assignee*):

____

____

____

____

(c) Telephone Number: ______________________
E-mail Address: ______________________
Facsimile Number: ______________________

Attention (Contact Person): ______________________

(d) Has the Claim been sold, transferred or assigned by the Creditor to another party?

Yes: [___]

No: [___]

2. **Particulars of Assignee(s) (If any):**

(a) Full Legal Name of Assignee(s): ____________________________ (If a portion of the Claim has been assigned, insert full legal name of assignee(s) of the Claim. If there is more than one assignee, please attach a separate sheet with the required information.)

(b) Full Mailing Address of Assignee(s): ____________________

(c) Telephone Number of Assignee(s): ____________________

(d) Facsimile Number of Assignee(s): ____________________

(e) E-mail Address: ____________________

(f) Attention (Contact Person): ____________________

3. **Proof of Claim:**

I, ____________________________________ (*name of individual Creditor or Representative of Corporate Creditor*), of ______________________________ (*City, Province or State*) do hereby certify:

(i) that I

[____] am the Creditor of HCPH; OR

[____] am ____ *(state position or title)* of ________________________________ *(name of Creditor)*

(ii) that I have knowledge of all the circumstances connected with the Claim referred to below;

(iii) HCPH was and still is indebted to the Creditor as follows;

A. PRE-FILING CLAIM:

CDN$ ________________________________ (*insert $ value of Claim*)

B. RESTRUCTURING CLAIM:

CDN$ ________________________________ (*insert $ value of Claim*) (any claim arising after the Filing Date from or caused by any action taken by HCPH from and after the Filing Date including the restructuring, termination, disclaimer or repudiation after the Filing Date by HCPH of any contract, lease, employment agreement, or other arrangement or agreement of any nature whatsoever, whether oral or written, and any amending agreement related thereto)

C. The Creditor's Claim is denominated in:

[ ] Canadian Dollars
[ ] U.S. Dollars
[ ] Other: ______________ (stipulate other currency referenced)

D. TOTAL CLAIM(S) $

(Note: Claims in a foreign currency are to be converted to Canadian Dollars at the noon spot rate of the Bank of Canada as at the Filing Date.)

4. **Nature of Claim:**

(Check and complete appropriate category)

[___] A. UNSECURED CLAIM OF $________________. That in respect of this debt, no assets of the Applicant are pledged as security.

[___] B. SECURED CLAIM OF $________________.

That in respect of this debt, assets of the Applicant valued at $________________ are pledged to me as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

5. **Particulars of Claims:**

Other than as already set out herein, the particulars of the undersigned's total Pre-Filing Claim and/or Restructuring Claim are attached.

(Provide all particulars of the claims and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the claims, name of any guarantor which has guaranteed the claims, and amount of invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the Applicant to the Creditor and estimated value of such security.)

6. **Filing of Claims:**

This Proof of Claim must be received by no later than 5:00 p.m. (Eastern Standard Time) on **[June 18]**, 2010 (the "**Claims Bar Date**") if your claim is not a Restructuring Claim arising after **[May 15]**, 2010.

The bar date for filing Proofs of Claim for any Restructuring Claims arising after **[May 15]**, 2010 will be set by further Order of the Court but should be filed as soon as possible.

FAILURE TO FILE YOUR PROOF OF CLAIM AS DIRECTED BY THE CLAIMS BAR DATE OR, AS APPLICABLE, WILL RESULT IN YOUR CLAIM BEING BARRED AND EXTINGUISHED FOREVER, AND YOU WILL BE PROHIBITED FROM MAKING OR ENFORCING A CLAIM AGAINST THE APPLICANT.

This Proof of Claim must be delivered by registered mail, personal delivery, e-mail (in PDF format), courier or facsimile transmission at the following addresses:

Ernst & Young Inc.
Court-appointed Monitor of
Hollinger Canadian Publishing Holding Co.
Ernst & Young Tower
222 Bay Street
Toronto, ON M5K 1J7
E-mail: hcph@ca.ey.com
Fax: (416) 943-3300
Attention: Franca Mazzulla re: HCPH Claim

Any questions or enquiries with respect to the Claims Procedure should be directed to the Monitor by phone at: (888) 274-4344 or by Email at: hcph@ca.ey.com

DATED this _______ day of ____________________, 20__.

______________________________ Per: ______________________________
Witness:

Print name of Creditor:

____

If Creditor is other than an individual, print name and title of authorized signatory

Name: ____________________________

Title: ____________________________

Court File No. 09-8503-00CL

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 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

AFFIDAVIT OF DENNIS M. BYRD
(Sworn April 9, 2010)

Court File No. 09-8503-00CL

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 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

AFFIDAVIT OF DENNIS M. BYRD
(Sworn April 9, 2010)

I, Dennis M. Byrd of the City of Chicago, in the State of Illinois in the United States of America, **MAKE OATH AND SAY:**

1. I am the Chief Restructuring Officer ("CRO") of the Applicant, Hollinger Canadian Publishing Holdings Co. ("HCPH"). I have personal knowledge of the matters to which I herein depose. To the extent that I do not have such personal knowledge and am advised by others who are identified in this affidavit, I believe such information to be true.

2. On December 10, 2009, the Court granted the initial order in these proceedings (the "Initial Order"). A copy of the Initial Order and the associated endorsement of the Honourable Mr. Justice Campbell are attached as Exhibit "**A**".

3. On January 6, 2010, the Court granted an extension of the stay provided for in the Initial Order (the "Stay Period") to April 15, 2010 (the "First Extension Order"). A copy of the First Extension Order and the associated endorsement of the Honourable Mr. Justice Campbell is attached as Exhibit "**B**".

4. In order to conserve resources, HCPH is requesting the Court's direction and approval on a number of issues to be dealt with at the same time as the stay extension motion, rather than bringing numerous individual motions. In this "omnibus" motion, HCPH is seeking the following relief:

(a) An extension of the stay of proceedings to August 16, 2010;

(b) Authorization and/or direction to pay certain 'non status quo' amounts relating to the registered pension plans and non-registered pension plans;

(c) Authorization and direction not to file an updated actuarial cost certificate and not to commence any employer contributions in respect of one of the registered pension plans;

(d) Authorization for a survey process to update retiree information (the "Retiree Audit Survey Process");

(e) Authorization to administer a claims procedure (the "Claims Procedure") to identify any creditor claims *other* than claims in respect of the pension and benefit plans that are being administered by HCPH;

(f) Direction to the Royal Bank of Canada and Bank of Montreal to release certain funds held in dormant bank accounts; and

(g) Authorization and direction to not take any action with respect to an appeal before the Alberta Court of Appeal in the *Vue Weekly* litigation, described below.

ACTIVITIES OF THE CRO AND NEED FOR STAY EXTENSION

5. Since the granting of the First Extension Order, HCPH, with the oversight of the Monitor, has worked diligently to continue to administer its pension and other post-retirement plans

(collectively, the "Plans") in accordance with the Initial Order, respond to enquiries from Plan members, implement the Initial Order and work toward compiling the necessary information for the establishment of a long term plan to address HCPH's liabilities, including the Plans. The tasks undertaken since the date of the First Extension Order include:

(a) Working with Mercer (Canada) Ltd. ("Mercer") and the Monitor in compiling a list of Plan members in each of Plans including detailed information regarding the Plan members.

(b) Working to locate Plan members for whom detailed information is unavailable or out of date and attempting to reconcile and update Plan member information.

(c) Working with Mercer with respect to required Plan members' information and responding to inquiries from Mercer with respect to the various Plans.

(d) Working with the Monitor and legal counsel towards resolving unique Plan member concerns brought to HCPH's attention.

(e) Engaging with Manulife, together with the Monitor, to identify potential long term alternatives and solutions regarding certain of the Plans.

(f) Working on developing, in conjunction with Monitor, Mercer, Representative Counsel (as defined in the Initial Order) and legal counsel, a process to confirm and update Plan member information as more particularly discussed in paragraphs 22 to 26 below.

(g) Working with the Monitor and Representative Counsel to ensure consistent and open communications with Plan members, generally and in the administration of the Plans and Mercer's communications to Plan members.

(h) Working on corporate administrative matters including overseeing the preparation of required corporate filings and reports and establishing non-resident tax accounts.

(i) Working towards the release of the letter of credit applicable to HCPH.

6. As described in greater detail below, while HCPH and the Monitor have been working with Mercer since prior to the date of the First Extension Order to obtain, compile and analyze information relating to the Plans, Mercer has advised that the Retiree Audit Survey Process is required to update personal and Plan information in respect of Plan members in order for Mercer

to produce updated valuations and to enable HCPH and the Monitor to develop a long term plan to address the Plans and HCPH's liabilities.

7. In order to provide HCPH and the Monitor with sufficient time to conduct the Retiree Audit Survey Process as described below, evaluate information received from Mercer after completion of such process, administer the Claims Procedure described below for claims (if any) other than Plan-related claims, and work toward development of a long-term plan to address the Plans and HCPH's liabilities, an extension of the Stay Period to August 16, 2010 is being requested by HCPH.

PAYMENT OF CERTAIN 'NON-STATUS QUO' AMOUNTS TO MEMBERS RELATING TO THE REGISTERED PENSION PLANS AND NON-REGISTERED PENSION PLANS

8. Since the date of the Initial Order, HCPH has continued to administer the Plans on a "status quo" basis in accordance with the terms of the Initial Order. In doing so, HCPH has also been working toward verifying and updating its records and has located several individuals who have entitlements under the registered pension plans for whom no current address or contact information was previously available.

9. A small number of Plan members have not received payments due to documentation not having been updated or provided to HCPH or the service providers assisting in the administration of the Plans. For example, one member's periodic pension payments had been suspended due to the return of an electronic funds transfer from the person's bank. In another case, the member had not completed and returned his election form in a timely manner in order to commence his pension prior to the time of the Initial Order (and which has been received by HCPH subsequent to the date of the First Extension Order). Each of these situations has led to certain lump sum amounts becoming payable to the aforementioned few Plan members. In another case, an

amount has become payable to a Plan member in a form other than as a periodic pension entitlement. For ease of reference, these amounts are collectively referred to as the "Lump Sum Pension Payments".

10. The Lump Sum Pension Payments fall into three categories: (1) refunds of employee contributions plus statutory interest payable to certain non-vested members of a registered pension plan of HCPH who are entitled to payment of such amounts pursuant to the terms of the pension plan and applicable pension legislation and who did not previously receive such a refund; (2) lump sum amounts equal to retroactive missed pension payments in respect of certain members entitled to a pension under a registered pension plan of HCPH; and (3) lump sum amounts equal to the commuted value of the member's pension in respect of certain members entitled to an amount of pension that is below the statutory threshold amount that may be commuted and paid in a lump sum pursuant to the terms of the pension plan and applicable pension legislation.

1. Refunds of Employee Contributions Plus Statutory Interest

11. In respect of the payment of refunds of employee contributions plus interest from a registered pension plan, I am advised by counsel that these amounts consist of funds that the member contributed to the registered pension plan during the course of his or her employment, but because the member was not vested and entitled to a pension under the terms of the pension plan, the person is entitled by virtue of the plan terms and applicable pension legislation to be paid a lump sum amount equal to a refund of his or her employee contributions plus interest accumulated at the rate and calculated in the manner prescribed by applicable pension legislation. HCPH has not, following the date of the Initial Order, made any lump sum payments

to Plan members in respect of refunds of employee contributions plus interest from a registered pension plan. I am informed by counsel that the amounts of such refunds are expected to be relatively small (i.e., in the range of $2,000.00 to $3,000.00).

2. Lump Sum Payments for Retroactive Missed Pension Payments

12. In respect of those members who are entitled to be paid a lump sum amount equal to their retroactive missed pension payments, I am advised by counsel that this entitlement arises by virtue of the fact that such pension payments were payable commencing from their retirement date in accordance with the terms of the pension plan but payment was not made because it was not administratively possible to make such payment at the relevant time. While it might be typical practice outside of the context of CCAA proceedings to make such lump sum payments calculated with interest from the date that the amounts became payable, I am advised by counsel that there does not appear to be a clear statutory entitlement to such interest under applicable pension legislation and, subject to this Honourable Court's direction, HCPH has determined that interest should not be paid on such lump sum payments in respect of missed pension payments as it could prejudice the remaining members of the Plans. While HCPH has commenced pension payments to such individuals on a prospective basis (i.e., after the date of the Initial Order) on the basis that the commencement of their pension falls within the ordinary course administration of such Plans, it has not made any lump sum payments in respect of missed retroactive pension payments that were payable in respect of the period prior to the date of the Initial Order pending Court authorization.

13. In addition, one of the individuals described above who is entitled to a retroactive lump sum in respect of missed pension payments under a registered pension plan is also entitled to a

corresponding amount equal to missed payments under an unfunded pension plan of HCPH. In the case of missed pension payments under a non-registered or unfunded pension plan, I am advised by counsel that there is no statutory requirement to credit or to pay interest on any such amounts. I am informed by counsel that the amount of such lump sum payments in respect of missed retroactive pension payments which have arisen since the date of the Initial Order vary and range in approximate amounts from $750.00 up to $30,000.00.

3. Lump Sum Payments of Commuted Value

14. Since the date of the Initial Order, HCPH has not made any payments of commuted values from any of the registered pension plans of HCPH where a member has requested the payment of their benefit in the form of a lump sum transfer of the commuted value of their benefit. The reasons for this are: (a) such payments are not considered to be the "ordinary course"; and (b) the payment of commuted values may result in the payment to such individuals of the full value of their benefit and thus unfairly prejudice the potential entitlements of remaining members under the pension plan.

15. For those same reasons, HCPH has not, following the date of the Initial Order, made any payment of lump sum commuted value amounts in situations where the amount of the pension is below the statutory threshold that may be commuted and paid in a lump sum pursuant to the terms of the pension plan and applicable pension legislation.

16. In respect of the lump sum payment of the commuted value of such small pension amounts, I am advised by counsel that HCPH as administrator of the registered pension plans is entitled to make payment of the commuted value of small pension amounts in a lump sum under the plan terms and applicable pension legislation, and that the terms of the applicable HCPH

registered pension plan further mandate HCPH to make payment of such small benefits in a lump sum. HCPH has determined, subject to the direction of this Honourable Court, that lump sum commuted value payments should generally not be made following the date of the Initial Order as such lump sum commuted values could potentially prefer some Plan members and prejudice others if such Plans are in deficit. However, for administrative efficiency and cost savings, HCPH is asking for the Court's authorization to permit HCPH to make certain lump sum commuted value payments to those members whose benefit does not exceed the statutory threshold amount that is permitted to be commuted and paid in a lump sum under the terms of the relevant plan and applicable pension legislation, since it is expected that such payments would be small and do not warrant the expense of administering monthly pension payments.

4. Relief Requested with Respect to Lump Sum Pension Payments

17. HCPH is therefore requesting the Court's authorization and direction to: (1) make payment of any refunds of employee contributions (plus statutory interest, where required, at the prescribed rate and calculated in the prescribed manner) from a registered pension plan to those persons who are entitled to such refunds; (2) make lump sum payments in respect of retroactive missed pension payments under a registered pension plan or unfunded pension plan in respect of those persons who are entitled to receive such payments, excluding interest on any such amounts; and (3) make any further payments in respect of any other persons who may become entitled to any such amounts from the date of this Order.

18. HCPH is also asking the Court to authorize and permit, but not to require, HCPH to make payment of certain lump sum amounts equal to the commuted value of the member's pension under a registered pension plan to those members whose benefit is below the statutory threshold

amount permitted to be commuted and paid in a lump sum under the terms of the relevant plan and applicable pension legislation, and to make any further payments in respect of any other individuals who may become entitled to a small pension that meets the foregoing conditions, provided that no other payments or transfers of commuted values under any of the registered or non-registered pension plans shall be made by HCPH.

FILING OF UPDATED COST CERTIFICATE AND NON-RESUMPTION OF CURRENT SERVICE CONTRIBUTIONS UNDER THE HCPH RETIREMENT PLAN

19. I have been advised by Mercer, the actuaries for HCPH that, in relation to the Hollinger Canadian Publishing Holdings Co. Retirement Plan (the "Retirement Plan") and the Hollinger Canadian Publishing Holdings Co., Windsor Star Employees' Pension Plan (the "Windsor Star Plan"), if an actuarial cost certificate for the fiscal year is not prepared by the actuary and filed with the Superintendent of Financial Services by March 31, 2010 demonstrating that the plan has sufficient funding excess to pay all or a portion of the normal cost for the year, HCPH must cease taking contribution holidays and resume current service contributions under these plans pursuant to the Regulations under the *Pension Benefits Act* of Ontario.

20. An updated cost certificate for the Windsor Star Plan was filed by Mercer on behalf of HCPH on March 31, 2010 reflecting that there was sufficient funding excess not to resume current service contributions under this plan in 2010, as the information necessary to prepare this cost certificate was readily available to Mercer.

21. In the case of the Retirement Plan, however, the information necessary for the actuaries to prepare a cost certificate in respect of this plan was not readily available. Further, it is expected that the liabilities of the Retirement Plan may be materially affected by the updated member information obtained through the Retiree Audit Survey Process (due to the higher

number of deferred vested and retired members in this plan), as well as by other factors. Given that HCPH is in the process of updating the valuation data applicable to and the financial position of the Retirement Plan with a view to winding-up this plan as well as its other registered pension plans, and in order to avoid any potential prejudice to the members of its other Plans as a result of the making of such current service contributions, HCPH is seeking authorization and direction not to file an updated cost certificate for, and not to commence making any employer contributions under, the Retirement Plan at this time.

UPDATING RETIREE INFORMATION

22. In my last affidavit filed with this Court in respect of the motion for the First Extension Order, I explained that HCPH and the Monitor would be working with Mercer, who would be commencing the process of preparing the valuations necessary for HCPH and the Monitor to analyze liabilities relating to HCPH's pension and benefits plans and working toward developing a long term plan to address those liabilities. Since the date of that affidavit, HCPH and the Monitor have continued to work diligently with Mercer and have been in regular contact with them.

23. Mercer has advised that, in order complete its valuations, it requires updated information from the retirees on which Mercer can rely. In that respect, HCPH and the Monitor, in consultation with the Representative Counsel and Mercer has prepared a form of questionnaire to update information on retirees (the "Personal Information Statement"). A copy of the Personal Information Statement is attached as Schedule "A" to the draft stay extension order being sought by HCPH in this motion (the "Stay Extension Order").

24. HCPH, in consultation with the Monitor, is proposing a process that will be similar to a claims bar process, in that the retirees will be sent the Personal Information Statement and will have an opportunity to correct their personal information as set out in the Personal Information Statement relating to the plans of which they are members. If the retirees do not dispute the information set out in their respective Personal Information Statement, that information will be deemed to be correct and, subject to the direction of this Court, can be relied upon by Mercer, HCPH, the Monitor and other parties involved in the administration of the Plans for the purposes of determining the Plan members' claims and entitlements and other purposes in these proceedings.

25. In summary, the major steps in the Retiree Audit Survey Process, subject to the approval of this Honourable Court, are as follows:

(a) HCPH will provide the Monitor with a complete list of persons who are Plan members according to HCPH's records (the "Known Plan Members"). The Monitor will send to each Known Plan Member a Personal Information Statement substantially in the form attached as Schedule "A" to the Stay Extension Order, setting out the Plan(s) under which such Known Plan Member is a member.

(b) The Monitor will also publish a copy of the notice substantially in the form attached as Schedule "B" to the Stay Extension Order in the *Globe and Mail* and on the Monitor's website to notify any Plan members who may not receive the Personal Information Statement of the Retiree Audit Survey Process.

(c) Plan members will have until June 18, 2010 to correct any information set out in their respective Personal Information Statement by filing a corrected Personal Information Statement with the Monitor.

(d) HCPH, with the assistance of the Monitor, will review all Personal Information Statements returned to the Monitor and attempt to verify the information set out therein. If HCPH and the Monitor are not able to verify such information, they may request additional information from, and attempt to resolve any discrepancies with, the applicable Plan Member(s) and may apply to the Court for resolution of such discrepancies or further direction.

26. The Retiree Audit Survey Process is necessary to update and verify HCPH's information with respect to the Plans and their members and in order to allow Mercer to complete the necessary valuations to allow HCPH and the Monitor to analyze liabilities relating to the Plans and working toward developing a long term plan to address those liabilities. The process set out above has been developed by HCPH, in consultation with the Monitor, Mercer and Representative Counsel for the Plan members in order to provide an efficient and timely manner to update and verify such information.

CLAIMS PROCEDURE FOR OTHER CREDITOR CLAIMS

27. As described in the affidavit of Thomas L. Kram sworn December 8, 2009 and filed in support of the motion for the Initial Order (the "Kram Affidavit"), the majority of HCPH's media and publication assets were sold in 2000 and its remaining newspapers were sold in 2006 and the only ongoing operations of HCPH are the administration of the Plans. Accordingly, HCPH is not aware of any significant creditors other than those set out in the Kram Affidavit and the

retirees in respect of the Plans. However, in structuring a long term plan for HCPH, it would benefit HCPH, the Monitor and all stakeholders to confirm whether there are any other creditors that have claims against HCPH in order to have a complete picture of HCPH's liabilities. For that reason, HCPH is proposing that the Court authorize a Claims Procedure to identify any such other claims.

28. The Claims Procedure is not intended to be utilized to assert or determine any claims in respect of the Plans; rather, it is intended to seek out any other claims or purported claims that may exist against HCPH.

29. In summary, the major steps in the Claims Procedure, subject to the approval of this Honourable Court, are as follows:

(a) HCPH will provide the Monitor with a complete list of creditors who, according to HCPH's records, are owed any amounts by HCPH in respect of a debt existing as at the date of the Initial Order (except under or in respect of any of the Plans and except in respect of other Excluded Claims, as defined in the Claims Procedure Order) or in respect of goods or services supplied to HCPH prior to the date of the Initial Order (the "Known Creditors"). The Monitor will send to each Known Creditor a proof of claim form substantially in the form attached as Schedule "C" to the Claims Procedure Order.

(b) The Monitor will also publish a copy of the notice substantially in the form attached as Schedule "A" to the Claims Procedure Order in the Globe and Mail and on the Monitor's website to notify any creditors who may not receive the proof of claim form of the Claims Procedure.

(c) Known Creditors and any other person who wishes to assert a claim (other than an Excluded Claim) shall be required to file a proof of claim with the Monitor by no later than June 18, 2010, failing which any claims which such persons may have (other than Excluded Claims) against HCPH shall be forever extinguished and barred.

(d) Any Restructuring Claims (as defined in the draft Claims Procedure Order) arising up to May 15, 2010 must be asserted by the claims bar date of June 18, 2010. The extent that there are any Restructuring Claims arising after May 15, 2010, the draft Claims Procedure Order contemplates that a further bar date will be set by the Court for such Restructuring Claims. Upon receiving a proof of claim, the Monitor will review such proof of claim with HCPH and may request any additional information and may attempt to resolve any disputed claim with an applicable claimant and, where such claim is not so resolved, may apply to this Court for determination of any claim, a process for the determination of any claim or for further direction with respect to any claim.

DIRECTION TO RBC AND BMO REGARDING DORMANT ACCOUNTS

30. Since my appointment as CRO, I have made efforts in consultation with the Monitor to identify and realize upon all of HCPH's assets. This includes locating and consolidating any cash balances held in HCPH's bank accounts. HCPH requires the assistance of the Court to obtain funds from two dormant bank accounts, as described below.

31. The Kram Affidavit identified certain restrictive cash holdings, including holdings at Royal Bank of Canada. In my January 4, 2010 affidavit, I identified similarly situated cash holdings at the Bank of Montreal.

32. I have directly and through counsel undertaken efforts to correspond with both the Royal Bank of Canada and the Bank of Montreal for the purposes of obtaining access to the cash holdings being held by those banks on behalf of HCPH or its inactive subsidiaries.

33. I am advised by counsel that communications with the Royal Bank of Canada have established that the Royal Bank of Canada seeks an indemnity and release in association with distributing the funds they hold or, alternatively a court order directing the distribution of the funds. The bank account at issue is in the former name of HCPH, Southam Inc.

34. Counsel initially engaged with a legal representative of the Royal Bank of Canada between March and July 2009 concerning the subject funds in the context of the arbitration involving CanWest Global Communications Corp. as described in the affidavit of Thomas L. Kram filed with the Court in association with the return of the Initial Order.

35. At my request, counsel re-engaged with the Royal Bank of Canada in January 2010. Communications with the Royal Bank of Canada have been with Carla Swansburg, senior counsel, RBC Law Group. A copy of an email chain from March 2009 to February 2010 is attached as Exhibit "**C**". In addition to that "primary" email chain, an email exchange from April 2009 is attached as Exhibit "**D**" and an email exchange from July 2009 is attached as Exhibit "**E**".

36. I am advised by counsel that communications with the Bank of Montreal commenced in January 2010 at my request. Communications with the Bank of Montreal have been with Nathalie Pelletier, Commercial Accounts Manager.

37. The account at the Bank of Montreal is in the name of "The Gazette – a Division of Southam Inc.". While the Bank of Montreal has not identified a procedure that it would like followed in addressing the outstanding bank account, I believe that a court direction accompanied with a court-ordered release for complying with the direction should satisfy any of the Bank of Montreal's concerns.

38. A copy of an email chain from January 2010 to March 2010 is attached as Exhibit "**F**". In addition to that "primary" email chain, an email of January 13, 2010 is attached as Exhibit "**G**" and an email of January 20, 2010 is attached as Exhibit "**H**".

39. We are providing counsel to the Royal Bank of Canada with a draft of the Order relating to this relief. While we have not similarly be able to have discussions with the Bank of Montreal, I expect that the language that satisfies the Royal Bank of Canada will satisfy the Bank of Montreal as well. In any event, we will serve both of the banks with the motion material, including the draft order.

ALBERTA LITIGATION

40. The last item addressed in this affidavit deals with certain litigation commenced against HCPH and others in Alberta. For reasons described in this section, HCPH is asking for authorization to not participate in an appeal in that litigation which is scheduled to be heard in May 2010.

41. HCPH is named as a defendant in litigation commenced in Alberta in 2005 by the plaintiff, Vue Weekly. The statement of claim was amended in August 2006 and further amended in November 2006. A copy of the Amended Amended Statement of Claim is attached as Exhibit "I". I am advised by counsel in respect of the matters relating to the Vue Weekly litigation.

42. The plaintiff, Vue Weekly, is a free newspaper publication distributed in and around Edmonton. Vue Weekly was a competitor to SEE Magazine, also a defendant in the Alberta litigation and a free weekly newspaper publication. It is alleged that at the relevant time, HCPH was a majority owner in Great West Newspaper Group Ltd., which in turn owned SEE Magazine.

43. Vue Weekly has alleged that as a result of Conrad Black renouncing his Canadian citizenship in 2001, HCPH's ultimate parent company, The Ravelston Corporation Limited ("RCL"), became foreign-owned with corresponding implications on other corporations owned by RCL within the Hollinger empire.

44. Vue Weekly has alleged that SEE Magazine and its advertisers were not entitled to certain tax treatment in respect of advertising expenses and revenue as a result of SEE Magazine allegedly no longer being a Canadian company. Vue Weekly has sued the Attorney General of Canada for accepting the treatment of See Magazine as a Canadian company, and in that same litigation has also named all of the Hollinger empire companies in any way associated with See Magazine and against Conrad Black personally, essentially alleging conspiracy and that the various entities benefited from unlawful competitive benefits.

45. SEE Magazine, Great West Newspaper Group, Gazette Press Ltd., Jamison Newspapers Inc., HCPH, and Sun-Times Media Group Inc. (formerly known as Hollinger International Inc.) ("STMG") are all represented by counsel. I am advised by counsel that neither RCL nor Hollinger Inc. has taken any steps in this proceeding in light of their respective CCAA proceedings.

46. As described below, this litigation has somewhat bifurcated in that the claims against the Attorney General of Canada are being dealt with first (by way of preliminary motions) while the claims against the Hollinger entities are held in abeyance. By order dated December 19, 2006, HCPH and other defendants were relieved of the obligation to deliver a statement of defence until such time as agreed to by counsel or ordered by the Court. A copy of the December 19, 2006 order is attached as Exhibit "**J**".

47. In May 2007, the Attorney General of Canada brought a motion to strike the Amended Amended Statement of Claim as against it. The Attorney General of Canada was successful in its motion and an order was issued May 22, 2007 dismissing the action as against the Attorney General of Canada.

48. Vue Weekly appealed the May 22, 2007 order. The Hollinger entities represented by counsel participated in that appeal. The appeal was successful, in part, and reasons for judgment were issued March 12, 2009. Vue Weekly was directed to seek a determination from the Tax Court of Canada concerning whether it was the correct Court from which Vue Weekly would need to seek a declaration that the tax assessments of SEE Magazine were in error. If the Tax Court of Canada declined jurisdiction Vue Weekly was directed to return to the Albert Court of Queen's Bench for a determination of that issue. The tort claim advanced by Vue Weekly was

struck on the basis that Vue Weekly would first need to obtain declarations in respect of SEE Magazine's tax assessments before any claim in tort could be allowed to proceed.

49. The Attorney General of Canada is appealing the March 2009 decision to the Alberta Court of Appeal. The appeal is currently scheduled to be argued in May 2010.

50. The Hollinger entities represented by counsel, including HCPH, participated in the motion to strike and subsequent appeals. They have also filed joint materials in connection with the May 2010 appeal.

51. On my instructions, Bennett Jones became counsel of record for HCPH in this litigation on February 22, 2010. Alternative counsel continues to represent the other Hollinger entities set out above.

52. I am advised by counsel that the parties in this litigation have been advised of the CCAA proceeding and the effect of the stay of proceedings on that litigation, as it relates to HCPH. However, out of an abundance of caution, HCPH is seeking authorization to not participate in the May 2010 appeal. The claims advanced against HCPH and the other Hollinger entities are virtually identical, and the position taken by HCPH on the appeal would only be duplicative of what counsel to the other Hollinger entities would be advancing. Given the existence of the stay, the marginal benefit of having duplicative representation for the Hollinger entities, and the cost that would be incurred in participating in the appeal, it is not believed that this would be a prudent use of company funds. Accordingly, HCPH is seeking authorization to not participate in the appeal any further.

53. I swear this affidavit in support of HCPH's request for an extension of the stay imposed by the Initial Order, as extended by the First Extension Order, and for the other relief set out herein, and for no other or improper purpose.

SWORN BEFORE ME at the City of Chicago, in the State of Illinois this 9th day of April 2010.	
A commissioner of oaths, etc.	Dennis M. Byrd

53. I swear this affidavit in support of HCPH's request for an extension of the stay imposed by the Initial Order, as extended by the First Extension Order, and for the other relief set out herein, and for no other or improper purpose.

SWORN BEFORE ME at the City of Chicago, in the State of Illinois this 9th day of April 2010.

A commissioner of oaths, etc.

JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011
NOTARY PUBLIC
OFFICIAL SEAL
STATE OF ILLINOIS

Dennis M. Byrd

THIS IS EXHIBIT "A" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC
OFFICIAL SEAL
STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

Court File No. 09-8503-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MR.	) THURSDAY, THE
JUSTICE CAMPBELL	)
	) 10th DAY OF DECEMBER, 2009

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.

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

INITIAL ORDER

THIS APPLICATION, made by Hollinger Canadian Publishing Holdings Co. (the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Thomas L. Kram, sworn December 8, 2009 (the "**Kram Affidavit**"), and the Exhibits thereto, the consent of Ernst & Young Inc. to act as the Monitor (the "**Monitor**"), the consent of Dennis Byrd to act as chief restructuring officer, the consent of Koskie Minsky LLP to act as representative counsel and on hearing the submissions of counsel for the Applicant,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

3. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**") in accordance with the CCAA.

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the engagement of Marianne Desaulniers, Fey Kakaroukas and Bina Benoit by the Applicant as Assistants in accordance with the retention agreements entered into between such persons and the Applicant, as may be modified or amended between the Applicant and such Assistants in consultation with the Monitor (as defined below), is hereby authorized and approved.

6. **THIS COURT ORDERS** that, subject to paragraphs 46 and 47, the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, employee benefits (including, without limitation, employee and retiree medical, dental, disability, life insurance and similar benefit plans or arrangements, employee assistance programs, other retirement benefits and employee and employer current service, special and other contributions and payments in respect of pensions), vacation pay, bonuses and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

(b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicant following the date of this Order.

8. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

9. **THIS COURT ORDERS** that until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any arrears relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances

upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA, have the right to:

(a) permanently or temporarily cease, downsize or shut down any of its business or operations and to dispose of redundant or non-material assets not exceeding $250,000 in any one transaction or $1,000,000 in the aggregate;

(b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the Applicant and such employee, or failing such agreement, to deal with the consequences thereof in the Plan; and

(c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days' notice to such landlord and any such secured creditors. If the Applicant disclaims or resiliates the lease governing such leased premises in accordance with Section 32 of the

CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicant of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

14. **THIS COURT ORDERS** that until and including January 8, 2010, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of

the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) exempt the Applicant from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

16. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence, sub-licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

18. **THIS COURT ORDERS** that as and from the date of this Order, neither Chicago Newspaper Liquidation Corp. (formerly Sun-Times Media Group, Inc.) ("**STMG**") nor any of

the other shareholders of the Applicant, nor any of the officers, directors or employees of STMG or of any such other shareholders shall have any authority or responsibility for any action or decision taken by or in respect of the Applicant, its Business or its Property.

19. **THIS COURT ORDERS** that the Applicant is hereby authorized and directed to enter into a transition services agreement substantially in the form attached as Exhibit P to the Kram Affidavit (the "**TSA**") and that the TSA and the actions required of the Applicant thereunder are hereby authorized and approved.

NON-DEROGATION OF RIGHTS

20. **THIS COURT ORDERS** that, notwithstanding anything else contained herein, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

21. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant, including any person who manages or supervises the management of the business or affairs of the Applicant or is deemed by law to be a director or officer of the Applicant (referred to collectively as the "**directors and/or officers**") with respect to any claim against the directors and/or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors and/or officers are alleged under any law to be liable in their capacity as directors and/or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

APPOINTMENT OF MONITOR

22. **THIS COURT ORDERS** that Ernst & Young Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

23. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicant's receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) assist the Applicant, to the extent required by the Applicant, in connection with the Pension and Benefits Plans (as defined below) and the Pension and Benefits Payments and Contributions (as defined below);

(d) advise the Applicant in its development of the Plan and any amendments to the Plan;

(e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

(f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

(g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

(h) assist the Applicant in pursuing offers for material parts of the Business or Property, in whole or in part, as contemplated in paragraph 11 of this Order; and

(i) perform such other duties as are required by this Order or by this Court from time to time.

24. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall cause the Monitor to be deemed to be an employer of any of the Applicant's employees or an employer in respect of any of the Pension and Benefit Plans.

25. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

26. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

27. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

28. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a weekly (or such other interval as may be mutually agreed) basis and, in addition, the Applicant is hereby authorized to pay retainers to the Monitor, counsel to the Monitor, and counsel to the Applicant, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

29. **THIS COURT ORDERS** that the Monitor and its legal counsel may, and at the request of the Applicant shall, pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

30. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, the Applicant's counsel and Representative Counsel (as defined below) shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of $750,000, as security for their professional fees and

disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 39 and 41 hereof. The priority of the Administration Charge and the provisions of this Order relating thereto shall survive any bankruptcy of the Applicant and shall be binding upon any trustee in bankruptcy, receiver or like person appointed in respect of any of the Applicant or the Property.

APPOINTMENT OF CHIEF RESTRUCTURING OFFICER

31. **THIS COURT ORDERS** that the agreement (the "**CRO Agreement**"), substantially in the form attached as Exhibit "O" to the Kram Affidavit, to engage Dennis Byrd ("**Byrd**") as the chief restructuring officer ("**CRO**") of the Applicant and the engagement of Byrd as the CRO in accordance with the CRO Agreement are hereby authorized and approved, effective immediately upon the making of this Order.

32. **THIS COURT ORDERS** that, in addition to the powers, duties and responsibilities set out in the CRO Agreement, the CRO shall, subject in all cases to prior approval of the Monitor or order of this Court, have and exercise the following powers, duties and responsibilities, together with such additional or other powers, responsibilities and duties as hereafter may be approved by the Monitor, or as may be ordered by this Court:

(a) to assist the Monitor as requested from time to time in connection with its duties and responsibilities, including without limitation, (i) in securing the books and records of the Applicant, (ii) by providing to the Monitor information and copies of documents (if in the possession or control of the Applicant) relating to the Applicant, including without limitation, relating to its operations, its former employees, its retirees, its pension and benefit plans, and its assets and liabilities, and (iii) in responding to enquiries from creditors, former employees, retirees and other persons in relation to the Applicant;

(b) to, on behalf of the Applicant, retain and terminate such Assistants as it considers necessary and appropriate to assist the Applicant or the CRO in the performance of its duties, on such terms as may be approved by the Monitor or this Court, and may provide instructions and directions to any and all Assistants, counsel and advisors retained by the Applicant;

(c) to provide such assistance to the Applicant in the administration of the Pension and Benefits Payments and Contributions (as defined below) as is consistent with the manner in which such Pension and Benefits Payments and Contributions were administered prior to the date of this Order, but as modified or amended pursuant to this Order or as may be may be modified by further Order of this Court;

(d) to assist the Applicant in the administration of the Applicant's Business, including causing the Applicant to pay accounts for goods or services rendered to the Applicant from and after the date of this Order and approved by the Monitor or this Court;

(e) to approve and execute any and all agreements, documents, instruments, cheques, wire payments and transactions and to take such actions and steps on behalf of the Applicant to cause the Applicant to do all things authorized and directed by this Order or as may be approved by the Monitor or further Order of this Court;

(f) to file, on behalf of the Applicant, one or more Plans, for approval by one or more classes of the Applicant's creditors; and

(g) to seek the direction of this Court at any time and from time to time with respect to any matter relating to its duties and responsibilities and the exercise of its powers or otherwise in relation to the Applicant.

33. **THIS COURT ORDERS** that the CRO shall be paid by the Applicant for all services rendered pursuant to the CRO Agreement and this Order in accordance with the terms of the CRO Agreement.

CRO INDEMNITY AND CHARGE

34. **THIS COURT ORDERS AND DIRECTS** that the CRO shall not incur any liability or obligation as a result of the performance of his duties or his engagement as contemplated hereunder, save and except for any liability or obligation found by this Court to have arisen

from gross negligence or wilful misconduct on his part, and that no action or proceedings may be commenced against the CRO, except with the prior leave of this Court obtained on at least twenty-one (21) days' notice to the Applicant, the CRO and the Monitor.

35. **THIS COURT ORDERS** that, without diminishing any rights of the CRO to indemnification or insurance under any insurance policy, by-law, resolution, agreement or otherwise at law, the Applicant shall indemnify the CRO from any and all claims, losses, damages, costs, charges and expenses which the CRO sustains or incurs by reason of or relating to the exercise of any power or authority or in the performance of any responsibility, duty or obligation in his capacity as CRO, save and except to the extent of any loss found by the Court to have been caused by any gross negligence or wilful misconduct on his part (the "**CRO Indemnity**").

36. **THIS COURT ORDERS** that the CRO shall be entitled to the benefit of and is hereby granted a charge (the "**CRO Charge**") on the Property as security for (i) the CRO's fees and disbursements incurred in accordance with the terms of the CRO Agreement and (ii) the CRO Indemnity. The CRO Charge shall have the priority set out in paragraphs 39 and 41 of this Order. The CRO Indemnity and CRO Charge shall be in addition to any coverage available to the CRO and the Applicant under any insurance policy and nothing in this Order shall absolve, reduce or diminish the obligation of any insurer to provide any payment or coverage under any insurance policy.

37. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, no insurer shall be entitled to be subrogated to or claim the benefit of the CRO Charge.

38. **THIS COURT ORDERS** that the CRO Indemnity and CRO Charge and the provisions of this Order relating thereto shall survive any bankruptcy of the Applicant and shall be binding upon any trustee in bankruptcy, receiver or like person appointed in respect of any of the Applicant or the Property.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

39. **THIS COURT ORDERS** that the priorities of the Administration Charge and the CRO Charge (collectively, the "**Charges**") as among them, shall be as follows:

First, the Administration Charge, to the maximum amount of $750,000; and

Second, the CRO Charge.

40. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

41. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

42. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, either of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the Charges, or further Order of this Court.

43. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or

(e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

(a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by the creation of the Charges; and

(c) the payments made by the Applicant pursuant to this Order and the granting of the Charges, do not and will not constitute fraudulent preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable, voidable or reviewable transactions under any applicable law.

44. **THIS COURT ORDERS** that any Charge created by this Order over leases or real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

INTERIM ADMINISTRATION OF THE PENSION AND BENEFIT PLANS

45. **THIS COURT ORDERS** that the Applicant shall continue to act as the administrator of all of its pension and benefits plans (the "**Pension and Benefits Plans**"), subject to the supervision and overview of the CRO and the Monitor and subject to this and any further Orders of this Court from and after the date hereof.

46. **THIS COURT ORDERS** that any persons or entities performing administrative or payment functions in respect of the Pension and Benefits Plans ("**Administrative Entities**") are authorized and directed to continue acting in their current capacity and to continue performing such administrative and payment functions, provided that from and after the date of this Order (i) reports of all contributions and payments made in respect of each of the Pension and Benefits Plans shall be provided to the Applicant and the Monitor on the same

periodic basis as such reports are currently generated; (ii) all contributions and payments in respect of the Applicant's non-registered Pension and Benefits Plans shall require the prior approval of the Monitor; (iii) all contributions by the Applicant in respect of the Thomson Plan, the Sterling Plan, the Hollinger Sterling Plan and the Journal Plan (all as defined in the Kram Affidavit) shall require the prior approval of the Monitor.

47. **THIS COURT ORDERS** that until further order of this Court, the Applicant, together with any Administrative Entities on the Applicant's behalf, shall continue to make payments to the members or beneficiaries of the Pension and Benefits Plans and contributions to the Pension and Benefits Plans, as the case may be, as prescribed by the terms of the Pension and Benefits Plans, applicable legislation and as amended or modified by this Order or any subsequent orders of this Court (the "**Pension and Benefits Payments and Contributions**").

48. **THIS COURT ORDERS AND DECLARES** that any and all Pension and Benefits Payments and Contributions made from and after the date of this Order in respect of any non-registered Pension and Benefits Plans shall (unless otherwise provided for in the Plan or further Order of this Court) be credited against the ultimate entitlements of each member or beneficiary under such Pension and Benefits Plans pursuant to any final resolution or restructuring approved by this Court or in any bankruptcy of the Applicant.

49. **THIS COURT ORDERS AND DECLARES** that any and all Pension and Benefits Payments and Contributions made by the Applicant or an Administrative Entity in accordance with this Order do not and will not constitute fraudulent preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable, voidable or reviewable transactions under any applicable law.

PENSION AND BENEFIT PLANS - REPRESENTATIVE COUNSEL

50. **THIS COURT ORDERS** that Koskie Minsky LLP ("**Representative Counsel**") is hereby appointed as counsel for all members and beneficiaries of the OPEB Plans (as defined in the Kram Affidavit) in these proceedings for or in respect of any issues affecting the members and/or beneficiaries of the OPEB Plans in these proceedings.

51. **THIS COURT ORDERS** that the Applicant shall provide to Representative Counsel, without charge:

(a) the names, last known addresses and last known e-mail addresses (if any) of all of the members of the OPEB Plans, as well as applicable data regarding their entitlements, only to be used for the purposes of these proceedings and subject to confidentiality arrangements satisfactory to the Applicant and Monitor and applicable privacy laws; and

(b) upon request of Representative Counsel, such documents and data as may be relevant to matters relating to the issues in these proceedings including documents and data pertaining to the OPEB Plans, including available financial and actuarial information regarding the funding and investments of the OPEB Plans.

52. **THIS COURT ORDERS** that Representative Counsel may, with prior approval of the Monitor and the Applicant or further order of this Court, retain such actuarial and other advisors and assistants as may be necessary in connection with its duties as Representative Counsel.

53. **THIS COURT ORDERS** that all reasonable professional fees and disbursements that may be incurred by Representative Counsel and in respect of its advisors and assistants retained pursuant to paragraph 52 above shall be paid by the Applicant on a monthly basis, forthwith upon the rendering of accounts to the Applicant. In the event of any disagreement regarding such fees and disbursements, such disagreement may be remitted to this Court for determination.

54. **THIS COURT ORDERS** that Representative Counsel is authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including dealing with any Court, regulatory body and other government ministry, department or agency, and to take all such steps as are necessary or incidental thereto.

55. **THIS COURT ORDERS** that any individual member of the OPEB Plans who does not wish to be represented by Representative Counsel in these proceedings shall, within 30 days of publication of notice of the appointment of Representative Counsel pursuant to

paragraph 59(b) below, notify the Monitor and Representative Counsel, in writing, by delivering an executed copy of the opt-out form attached to the Plan Members Notice (as defined below) by facsimile or registered mail (the "**Opt-Out Notice**"), and shall thereafter not be bound by the actions of Representative Counsel and shall represent themselves or be represented by any counsel that they may retain exclusively at their own expense.

56. **THIS COURT ORDERS** that, with the exception of persons who have delivered the Opt-Out Notice to the Monitor and Representative Counsel in accordance with paragraph 55 above, Representative Counsel shall represent and act for all individual members and beneficiaries of the OPEB Plans in these proceedings and such individual members and beneficiaries and any person who may be entitled to claim payments, benefits or reimbursements under any OPEB Plans through such individual members or beneficiaries or because such individuals are members or beneficiaries of any OPEB Plan shall be bound by the actions of Representative Counsel in these proceedings.

57. **THIS COURT ORDERS** that Representative Counsel shall have no liability as a result of their appointment or the fulfilment of their duties in carrying out the provisions of this Order and any subsequent Orders in these proceedings, save and except for any gross negligence or wilful misconduct on their part and that no action or proceedings may be commenced against the Representative Counsel, except with the prior leave of this Court obtained on at least twenty-one (21) days' notice to the Applicant, the Representative Counsel the CRO and the Monitor.

58. **THIS COURT ORDERS** that Representative Counsel shall be at liberty and are authorized at any time to apply to this Court, on proper notice to the Monitor and the Applicant, for advice and directions in the performance or variation of their powers and duties.

SERVICE AND NOTICE

59. **THIS COURT ORDERS** that the Monitor shall:

(a) without delay, publish in the national edition of The Globe and Mail a notice:

(i) containing the information prescribed under the CCAA; and

(ii) of the appointment of Representative Counsel pursuant to this Order, in a form to be agreed upon by Representative Counsel, the Applicant and the Monitor or, failing such agreement, approved by further order of this Court;

(b) within ten days after the date of this Order:

(i) send notice of the making of this Order and the appointment of Representative Counsel pursuant to this Order, substantially in the form attached as Schedule "A" to this Order, to the members of the Pension and Benefits Plans (the "**Plan Members**") by ordinary mail at the address of each such Plan Member as shown on the books and records of the Applicant (the "**Plan Member Notice**");

(ii) post this Order and the Plan Member Notice on the Website (as defined below); and

(iii) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than $1000, other than the Plan Members, and prepare a list showing the names and addresses of such creditors (which, for greater certainty, shall not include the Plan Members) and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

60. **THIS COURT ORDERS** that the Applicant and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

61. **THIS COURT ORDERS** that the Applicant, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, in accordance with the E-filing protocol of the Commercial List to the extent practicable, and the Monitor may post a copy of any or all such materials on its website (http://documentcentre.eycan.com) (the "**Website**").

GENERAL

62. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

63. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

64. **THIS COURT ORDERS** that this Order and any other Order in these proceedings shall have full force and effect in all provinces and territories in Canada, in the same manner in all respects as if the Order had been made by the court enforcing it, and shall have full force and effect outside Canada.

65. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

66. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or

administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

67. **THIS COURT ORDERS** that any interested party (including the Applicant, the Monitor and the Representative Counsel) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

68. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard Time on the date of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

DEC 10 2009

PER / PAR: TV

SCHEDULE "A"

December •, 2009

<u>VIA FIRST CLASS MAIL</u>

Dear Sir/Madam:

Re: Hollinger Canadian Publishing Holdings Co. – CCAA Proceedings and Appointment of Representative Counsel

On December •, 2009, Hollinger Canadian Publishing Holdings Co. (formerly •) ("**HCPH**") commenced court-supervised restructuring proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). Ernst & Young Inc. has been appointed by the court as Monitor in HCPH's CCAA proceedings pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on December •, 2009 (the "**Initial Order**").

Several years ago, HCPH sold its various newspaper businesses and, for some period of time, it has had no ongoing business activity. However, it continues to administer post-employment benefits, post-retirement benefits and pension plans for in excess of 3,000 former employees of what once was the Southam newspaper chain. HCPH has commenced CCAA proceedings with a view to implementing arrangements to deal with its remaining assets and liabilities in a fair and orderly manner that takes into account the best interests of all stakeholders.

In its CCAA proceedings, HCPH has sought and obtained permission from the court to continue to provide, on an interim basis, all existing benefits to beneficiaries of its pension and benefit plans (the "**Plan Members**"), thereby avoiding any sudden interruption in benefits that could otherwise potentially affect former employees, retirees and others receiving them.

In addition, as part of the Initial Order HCPH has sought and obtained an order of the court (the "**Representation Order**"), appointing the law firm Koskie Minsky LLP as representative counsel ("**Representative Counsel**") to act on behalf of all Plan Members in respect of issues arising from HCPH's CCAA proceedings that affect the post-employment and post-retirement benefits, other than registered pension plan benefits, of Plan Members ("**OPEB Benefits**"). Under the terms of Initial Order, Koskie Minsky LLP is not appointed to represent individuals with respect to any registered pension plan matters at this time.

As the Representation Order requires HCPH to pay all reasonable professional fees and expenses of Representative Counsel you will not be required to pay legal fees for Koskie Minsky LLP's role as your Representative Counsel in HCPH's CCAA proceedings.

HCPH will be providing Representative Counsel with individual contact information for all Plan Members. Individuals that have received this letter directly from the Monitor do not need to forward their contact information to Koskie Minsky LLP. If you need to for any reason, you can contact Representative Counsel at:

Koskie Minsky LLP
Suite 900, Box 52
20 Queen Street West
Toronto, ON M5H 3R3

Email: hcph@kmlaw.ca
Tel: •
Website: www.kmlaw.ca

If you do not wish to be bound by the Representation Order, you must submit an opt-out letter to the Monitor and the Representative Counsel on or before •, 2009. A form of opt-out letter is attached to this letter for your convenience. Individuals who opt-out and wish to appear in HCPH's CCAA proceedings must obtain independent legal representation or represent themselves before the court, all at their own expense.

For the time-being, your payments under HCPH's pension and benefits plans will continue and **you are not required to take any action**. However, OPEB Benefits are not insured or pre-funded. They are paid from the available assets of HCPH, which may not be sufficient to fully fund all OPEB Benefits over the long-term. As a result, it is possible that your OPEB Benefits may be altered in the future. For this reason, Representative Counsel has been appointed to represent the interests of Plan Members who do not opt-out, in respect of issues arising from HCPH's CCAA proceedings that affect OPEB Benefits.

At this time, Plan Members are not required to file a proof of claim in respect of their OPEB Benefits (or any pension or other claims). A special process may be established for claims, and Plan Members will be notified of such a process if and when it occurs.

Individuals can obtain more information about HCPH's ongoing CCAA proceedings and can view the Initial Order and other public court documents at the Monitor's website. In that regard, as required by the CCAA, the Monitor has prepared and filed with the Court a report on the cash-flow statement filed by HCPH in connection with the Initial Order. That report is available on the Monitor's website. Contact information for the Monitor is as follows:

Ernst & Young Inc.
Court-appointed Monitor of Hollinger Canadian Publishing Holdings Co.
222 Bay Street
P.O. Box 251
Toronto, ON M5K 1J7

Tel: 1-888-274-4344
Website: www.ey.com/ca/HCPH

Court File No.

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.

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

OPT-OUT NOTICE

Ernst & Young Inc.
Court-appointed Monitor of Hollinger Canadian Publishing Holdings Co.
Ernst & Young Tower
222 Bay Street
P.O. Box 251
Toronto, Ontario M5K 1J7
Attention: •
Tel: •
Fax: •

I, ____________________, am a former employee of Hollinger Canadian Publishing Holdings Co. ("**HCPH**"), and am a member or beneficiary of one or more OPEB Plans (as defined in the Order of Justice • dated •, 2009) (the "**Initial Order**").

Under Paragraph **[55]** of that Order, former employees who do not wish Koskie Minsky LLP (the "**Representative Counsel**") to act as their representative counsel may opt out.

I hereby notify the Monitor that I do not wish to be represented by or bound by the actions of Representative Counsel in these proceedings and will be represented as an independent individual party to the extent I wish to appear in these proceedings. This Notice shall be binding upon me and any person to whom I am related or who may otherwise be entitled to claim payments, benefits or reimbursement under an OPEB Plan under or through me or because I am a member or beneficiary under such OPEB Plan.

________________________ ________________________
Date Signature

IN THE MATTER OF THE *COMPANIES CREDITORS' ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

Court File No. 09-8503-00LL

ONTARIO

SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

INITIAL ORDER

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario M5X 1A4

Derek Bell (LSUC #43420J)
Raj Sahni (LSUC #42942U)

Tel: 416-863-1200
Fax: 416-863-1716

Lawyers for the Applicant

COURT FILE NO.: 09-8503-00CL
DATE: 20091210

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

ONTARIO

SUPERIOR COURT OF JUSTICE

B E T W E E N:

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

REASONS FOR JUDGMENT

Campbell J.

Released: December 10, 2009

THIS IS EXHIBIT "B" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

Jennifer M Streff

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC
OFFICIAL SEAL
STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

Court File No. 09-8503-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	) WEDNESDAY, THE
JUSTICE CAMPBELL	) 6th DAY OF JANUARY, 2010
	)

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.

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

ORDER
(Stay Extension)

THIS MOTION, made by Hollinger Canadian Publishing Holdings Co. (the "**Applicant**"), for an Order extending the Stay Period referred to in the Initial Order (defined below) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the affidavit of Dennis Byrd sworn January 4, 2010, the First Report of the Monitor dated January 5, 2010 (the "Monitor's Report") and on hearing the submissions of counsel for the Applicant, the Monitor and Representative Counsel,

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record be and it is hereby abridged and that the motion is properly returnable today and further that service thereof upon any interested party other than those served is hereby dispensed with.

2. **THIS COURT ORDERS** that the Stay Period referred to in paragraph 14 of the Order dated December 10, 2009 (the "Initial Order") is extended to April 15, 2010.

3. **THIS COURT ORDERS** that the Monitor's Report and the monitor's activities described therein are hereby approved and the activities of the Chief Restructuring Officer, described in the affidavit of Dennis M. Byrd sworn January 4, 2010, are hereby approved.

Pepall J.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

JAN 06 2010

PER / PAR: JSN

Joanne Nicoara
Registrar, Superior Court of Justice

IN THE MATTER OF THE *COMPANIES CREDITORS' ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

Court File No. 09-8503-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

ORDER

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario M5X 1A4

Derek Bell (LSUC #43420J)
Raj Sahni (LSUC #42942U)

Tel: 416-863-1200
Fax: 416-863-1716

Lawyers for the Applicant

6 JAN 2010

IN THE MATTER OF THE *COMPANIES CREDITORS' ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND
IN THE MATTER OF HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

Court File No. 09-8503-00CL

Jan. 6/10

Having read the motion record the first report of the Monitor & heard from Counsel I am satisfied that the stay extension is justified & so approve in terms of the draft order filed & signed

[illegible signature]

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

MOTION RECORD

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

Derek Bell (LSUC #43420J)
Raj Sahni (LSUC #42942U)
Mark Smyth (LSUC #47278L)
Tel: 416-863-1200
Fax: 416-863-1716

Lawyers for the Applicant

WSLegal\063914\00001\5705587v1

THIS IS EXHIBIT "C" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

Jennifer M Streff

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC OFFICIAL SEAL STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

Mark Smyth

From: Swansburg, Carla [carla.swansburg@rbc.com]
Sent: 25 February 2010 9:40 AM
To: Mark Smyth
Subject: RE: Hollinger Canadian Publishings Holdings Co. - RBC Account

Mark,

In the circumstances, the alternative to an indemnity/release would, from our perspective, be a court Order. If an Order is sought and you are not willing to ask for consent to provide an indemnity or release, we would likely have counsel attend to make that request; on the other hand, a court Order would likely suffice for us to return the funds. Are the currently court proceedings in which such an order could easily be sought? We have been unwilling to incur the significant costs in preparing and filing a form of separate application but if there is a forum for you/the CRO to seek an Order that would be ideal.

Carla

From: Mark Smyth [mailto:SmythM@bennettjones.com]
Sent: 2010, February, 19 8:15 AM
To: Swansburg, Carla
Subject: RE: Hollinger Canadian Publishings Holdings Co. - RBC Account

I do not believe that the CRO or monitor would be able to sign an indemnity or a release without a court order authorizing same. Please speak with your client/business people to see if there is any other way of proceeding. I suspect that if we are required to go the way of a court order our instructions will be to simply seek immediate return of the monies and not to seek authority to execute an indemnity or release. That being said, maybe a court order compelling return of the monies without an indemnity or release is an acceptable alternative to your client.

Please let me know if your client considers any other options acceptable.

Regards,
Mark

Mark W. Smyth

Bennett Jones LLP T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Swansburg, Carla [mailto:carla.swansburg@rbc.com]
Sent: 16 February 2010 11:21 AM
To: Mark Smyth
Subject: RE: Hollinger Canadian Publishings Holdings Co. - RBC Account

Hello Mark,

Believe it or not it has landed back full circle with me! I am advised by our business person that they are still very firm on wanting the indemnity and release (as per my last detailed message). Is that something the CRO is willing to discuss?

Carla

From: Mark Smyth [mailto:SmythM@bennettjones.com]
Sent: 2010, February, 16 10:54 AM
To: Swansburg, Carla
Subject: RE: Hollinger Canadian Publishings Holdings Co. - RBC Account

Do you have any further information concerning the procedure RBC would like followed in resolving this outstanding account issue (see email chain below). Our client would like this matter resolved as soon as possible.

I understood from our last conversation that this matter would likely fall to someone else for handling, however, I have not received any communications since our last exchange.

Regards,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP

T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Mark Smyth
Sent: 12 January 2010 3:43 PM
To: 'carla.swansburg@rbc.com'
Subject: Hollinger Canadian Publishings Holdings Co. - RBC Account

Further to our brief telephone discussion, below is the chain of emails that ended last April. HCPH is now in CCAA protection and the CRO (chief restructuring officer) is looking to close the RBC account at issue.

Once you have had an opportunity to review this matter, or advise whomever is now responsible for the file, we would appreciate a telephone conference between RBC, ourselves and the CRO (Mr. Byrd) to discuss what arrangements will need to be made concerning closing the account.

Regards,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP

T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Swansburg, Carla [mailto:carla.swansburg@rbc.com]
Sent: 07 April 2009 10:58 AM
To: Coleman, Allan; Lincoln Caylor; Barnes, Lyndon; Kevin Zych
Cc: Mark Smyth
Subject: RE: Southam Inc. - RBC Accounts

Good morning Allan, Linc, Lyndon and Mark,

Apologies for my delayed response - I was out of the country for a few days and was just catching up.

Our authorizations group has pushed back, suggesting that we are still missing the evidence they would like to release the funds. However, they have agreed that if we can get a release and indemnity, we will release the funds as requested.

Would it be possible for us to be provided a draft release and indemnity which accomplishes the following:

1. Releases and indemnifies RBC from any claims, actions, etc. arising from our payment out and closure of the accounts as directed (the release should include the specific directions, including to whom the funds should be payable and how they should be paid and delivered);

2. Binds the parties and their affiliates/subsidiaries/etc. to the extent possible; and

2. Confirms that the executing parties are not aware of competing third party claims over the funds (e.g. to the best of the parties' knowledge).

Please let me know if you can agree to this and if so, if one of you could prepare a draft for our review I would be grateful!

I'm sure it seems RBC is being difficult, but we must be extra vigilant in these circumstances and want to ensure we are protected before we act on instructions to liquidate the accounts.

I appreciate your cooperation and understanding,

Carla

From: Coleman, Allan [mailto:AColeman@osler.com]
Sent: Friday, April 03, 2009 10:05 AM
To: Swansburg, Carla; Lincoln Caylor; Barnes, Lyndon; zychk@bennettjones.com
Cc: 'smythm@bennettjones.ca'
Subject: RE: Southam Inc. - RBC Accounts

Carla:

I hope this email finds you well.

I am writing on behalf of Canwest Global Communications Corp. ("Canwest") to advise that, as Canwest and Sun-Times Media Group Inc. ("STMG") and Hollinger Canadian Publishing Holdings Co. (formerly, Southam Inc.) have reached a settlement of the disputes between them, Canwest is no longer asserting any claim over the funds held in the account at RBC in the name of Southam Inc. described in your email below (the "Account").

Pursuant to a letter from Sun-Times to RBC dated February 27, 2009, a copy of which is enclosed, STMG was to provide Canwest with two business days notice of any intention to withdraw funds from the Account. We hereby advise RBC that Canwest is waiving the requirement that it receive such notice and will not object to any funds being withdrawn from the Account at the sole direction of STMG, without notice to Canwest. I have copied Mark Smyth of Bennett Jones LLP, the solicitors for STMG, on this email.

Please do not hesitate to contact me if you have any questions in respect of the above.

Regards,
Allan

OSLER

Allan D. Coleman
Partner

416.862.4941 DIRECT
416.862.6666 FACSIMILE
acoleman@osler.com

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
Toronto, Ontario, Canada M5X 1B8

osler.com

-----Original Message-----
From: Swansburg, Carla [mailto:carla.swansburg@rbc.com]
Sent: Wednesday, March 04, 2009 12:03 PM
To: Lincoln Caylor; Coleman, Allan; Barnes, Lyndon; zychk@bennettjones.com
Subject: Southam Inc. - RBC Accounts

Good afternoon gentlemen,

I am writing with respect to certain linked bank accounts at RBC held in the name of Southam Inc. (the

"Accounts"). I understand there may be a disagreement between your clients as to the authority over the Accounts. RBC is anxious to close the Accounts and disburse the net remaining funds to the appropriately authorized entity.

While we appear to have received a number of corporate documents and records, to date, we have not received sufficient evidence of legal authority over the Accounts to permit us to close the Accounts and disburse the net funds. In order to do so, we require acceptable documentation that clearly supports your respective clients' right and entitlement to the funds in the Accounts. Specifically, please provide us with documentation that demonstrates that your client is the legal successor to the entity known as Southam Inc. as the resolutions and signing delegations that RBC has on file for the Accounts remain in the name of Southam Inc.

We would ask that we be provided with sufficient authority to deal with the Accounts by March 20, 2009. If we have not been provided with appropriate proof of authority by that time, as an alternative, I would suggest that the parties seek direction from the Court and obtain an Order, if possible, directing payment out of the funds to the appropriate entity and ordering closure of the Accounts. Is there an existing Court proceeding in which this can be easily done? If not, as a final alternative, we are considering whether RBC might commence its own Application for directions and/or a payment into court of the remaining net funds. If we are required to do so, we will recover the costs of doing so out of the proceeds of the Accounts, as permitted under the terms of the Agreement governing the operation of the Accounts.

I would be happy to discuss this matter with you at your convenience and I look forward to hearing from you regarding your respective clients' positions on the Accounts.

Kind regards,

Carla Swansburg

Carla Swansburg
Senior Counsel, RBC Law Group
14th Floor, North Tower, Royal Bank Plaza
200 Bay Street, Toronto Ontario
M5J 2J5
416.974.6712 (phone)
416.974.2217 (fax)

****

The contents of this message may contain confidential and/or privileged subject matter. If this message has been received in error, please contact the sender and delete all copies. Like other forms of communication, e-mail communications may be vulnerable to interception by unauthorized parties. If you do not wish us to communicate with you by e-mail, please notify us at your earliest convenience. In the absence of such notification, your consent is assumed. Should you choose to allow us to communicate by e-mail, we will not take any additional security measures (such as encryption) unless specifically requested.

The contents of this message may contain confidential and/or privileged subject matter. If this message has been received in error, please contact the sender and delete all copies. Like other forms of communication, e-mail communications may be vulnerable to interception by unauthorized parties. If you do not wish us to communicate with you by e-mail, please notify us at your earliest convenience. In the absence of such notification, your consent is assumed. Should you choose to allow us to communicate by e-mail, we will not take any additional security measures (such as encryption) unless specifically requested.

THIS IS EXHIBIT "D" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

Jennifer M. Streff

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC OFFICIAL SEAL STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

Mark Smyth

From: Swansburg, Carla [carla.swansburg@rbc.com]
Sent: 07 April 2009 10:41 AM
To: Mark Smyth
Subject: RE: Southam Inc. - RBC Accounts

Mark, I am still speaking to our internal authorizations people to see if we can get them to release the funds. I am being told at the moment that while we can see that Hollinger Canadian Publishing Holdings Co is likely a subsidiary in the STMG group, we don't have any evidence of that fact or of what entitlement STMG has to the funds (i.e. what authority it has to give instructions). However, we are working toward a solution that allows us to resolve this as quickly as possible. At a minimum, we will likely require a release and indemnity, so I will get back to you shortly with what we propose in that regard.

As you know from my voicemail, I was away on business for the latter half of last week, and I did not have a chance to get back to you yesterday as I was still doing my best to catch up.

Carla Swansburg

From: Mark Smyth [mailto:SmythM@bennettjones.com]
Sent: Tuesday, April 07, 2009 8:12 AM
To: Swansburg, Carla
Subject: Southam Inc. - RBC Accounts

This email is further to the below email, my voicemail message from last week and my voicemail message from yesterday.

You are now in possession of all necessary documentation concerning the bank accounts at RBC held in the name of Southam Inc., including evidence of corporate identity and the waiver of all claims by CanWest Global Communications Corp.

Please confirm that RBC will be proceeding with closing out the relevant accounts and distributing the proceeds accordingly. We look forward to hearing from you in due course.

Regards,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP
T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Coleman, Allan [mailto:AColeman@osler.com]
Sent: 03 April 2009 10:05 AM
To: 'Swansburg, Carla'; Lincoln Caylor; Barnes, Lyndon; Kevin Zych
Cc: Mark Smyth
Subject: RE: Southam Inc. - RBC Accounts

Carla:

I hope this email finds you well.

I am writing on behalf of Canwest Global Communications Corp. ("Canwest") to advise that, as Canwest and Sun-Times Media Group Inc. ("STMG") and Hollinger Canadian Publishing Holdings Co. (formerly, Southam Inc.) have reached a settlement of the disputes between them, Canwest is no longer asserting any claim over the funds held in the account at RBC in the name of Southam Inc. described in your email below (the "Account").

Pursuant to a letter from Sun-Times to RBC dated February 27, 2009, a copy of which is enclosed, STMG was to provide

THIS IS EXHIBIT "E" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

Jennifer M Streff

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC
OFFICIAL SEAL
STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

Mark Smyth

From: Mark Smyth
Sent: 29 July 2009 11:15 AM
To: 'carla.swansburg@rbc.com'
Cc: 'acoleman@osler.com'; Kevin Zych
Subject: Southam Inc. - RBC Accounts

Thank you for your email. We are obtaining instructions from our client and will address your suggestion of an indemnity agreement in due course.

Regards,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Swansburg, Carla <carla.swansburg@rbc.com>
To: acoleman@osler.com <acoleman@osler.com>; Lincoln Caylor; Barnes, Lyndon <LBarnes@osler.com>; Kevin Zych
Sent: Tue Jul 21 07:18:52 2009
Subject: FW: Southam Inc. - RBC Accounts

Good morning once again,

I am following up on my note below. This account remains dormant (and risks, after a period of time, remittance to the Bank of Canada!) and we would like to wrap up the matter at our end.

I look forward to your advice based on my suggestion below.

Kind regards,

Carla Swansburg

Carla Swansburg
Senior Counsel, RBC Law Group
14th Floor, North Tower, Royal Bank Plaza
200 Bay Street, Toronto Ontario
M5J 2J5
416.974.6712 (phone)
416.974.2217 (fax)

From: Swansburg, Carla
Sent: 2009, April, 07 10:58 AM
To: 'Coleman, Allan'; 'Lincoln Caylor'; 'Barnes, Lyndon'; 'zychk@bennettjones.com'
Cc: 'smythm@bennettjones.ca'
Subject: RE: Southam Inc. - RBC Accounts

Good morning Allan, Linc, Lyndon and Mark,

Apologies for my delayed response - I was out of the country for a few days and was just catching up.

Our authorizations group has pushed back, suggesting that we are still missing the evidence they would like to release the

THIS IS EXHIBIT "F" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

Jennifer M Streff

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC
OFFICIAL SEAL
STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

Mark Smyth

From: Mark Smyth
Sent: 05 March 2010 1:40 PM
To: 'Nathalie.Pelletier@bmo.com'
Subject: FW: Gazette a Division of Southam Inc. - outstanding account

Subject to you identifying an alternative procedure, we anticipate proceeding with a motion for the return of our client's monies.

Regards,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP
T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Mark Smyth
Sent: 22 February 2010 10:46 AM
To: 'Nathalie.Pelletier@bmo.com'
Subject: FW: Gazette a Division of Southam Inc. - outstanding account

Please let us know if there is any further information we can provide you with at this time. We look forward to hearing from you at your convenience.

Regards,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP
T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Mark Smyth
Sent: 16 February 2010 10:50 AM
To: 'Pelletier, Nathalie'
Subject: RE: Gazette a Division of Southam Inc. - outstanding account

Further to your email below, have you now had the opportunity to establish the procedure you would like followed?

Our client is interested in resolving this matter as soon as possible.

Regards,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP
T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Pelletier, Nathalie [mailto:Nathalie.Pelletier@bmo.com]
Sent: 20 January 2010 1:36 PM
To: Mark Smyth
Subject: RE: Gazette a Division of Southam Inc. - outstanding account

Good afternoon,

After discussion with the legal department at BMO Bank of Montreal, we will send you next week what procedure you will have to do regarding the issue below.

The Lawyer will send me the instructions next week and I will send it to you back.

Thank you for your cooperation.

Nathalie Pelletier
BMO Banque de Montréal
Directrice comptes d'entreprises, dépôts / Commercial accounts Manager, deposits

119, St-Jacques
Montréal (Qc) H2Y 1L6
Transit 0001

+:nathalie.pelletier@bmo.com
☎: (514) 877-2535
7 : (514) 877-1712

Merci de penser à l'environnement avant d'imprimer ce courriel.

De : Mark Smyth [mailto:SmythM@bennettjones.com]
Envoyé : January 19, 2010 12:32 PM
À : Pelletier, Nathalie
Objet : RE: Gazette a Division of Southam Inc. - outstanding account

Tomorrow at 10 should be fine.

Mark

Mark W. Smyth

Bennett Jones LLP
T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Pelletier, Nathalie [mailto:Nathalie.Pelletier@bmo.com]
Sent: 19 January 2010 11:00 AM
To: Mark Smyth
Subject: RE: Gazette a Division of Southam Inc. - outstanding account

Hi,

sorry about that, I'm home and I'm sick.
can we set-up an appointment tomorrow at 10am?

thanks,

Nathalie Pelletier
BMO Banque de Montréal
Directrice comptes d'entreprises, dépôts / Commercial accounts Manager, deposits

119, St-Jacques
Montréal (Qc) H2Y 1L6
Transit 0001

+:nathalie.pelletier@bmo.com
☎: (514) 877-2535
7 : (514) 877-1712

Merci de penser à l'environnement avant d'imprimer ce courriel.

De : Mark Smyth [mailto:SmythM@bennettjones.com]
Envoyé : January 19, 2010 9:03 AM
À : Pelletier, Nathalie
Objet : RE: Gazette a Division of Southam Inc. - outstanding account

Please let me know when you have a few minutes to speak.

Thanks,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP
T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Pelletier, Nathalie [mailto:Nathalie.Pelletier@bmo.com]
Sent: 13 January 2010 5:24 PM
To: Mark Smyth
Subject: RE: Gazette a Division of Southam Inc. - outstanding account

Good afternoon,

sorry I was on the road most of the time today.
I will call you tomorrow after my meeting, around 10h30

Thanks,

Nathalie Pelletier
BMO Banque de Montréal
Directrice comptes d'entreprises, dépôts / Commercial accounts Manager, deposits

119, St-Jacques
Montréal (Qc) H2Y 1L6
Transit 0001

+:nathalie.pelletier@bmo.com
☎: (514) 877-2535
7 : (514) 877-1712

Merci de penser à l'environnement avant d'imprimer ce courriel.

De : Mark Smyth [mailto:SmythM@bennettjones.com]
Envoyé : January 13, 2010 8:49 AM
À : Pelletier, Nathalie
Objet : Gazette a Division of Southam Inc. - outstanding account

Further to my voicemail message of earlier today, I am writing to you so that you will have all of my contact particulars. Bennett Jones LLP represents Hollinger Canadian Publishing Holdings Co. ("HCPH").

As I understand the situation, the Bank of Montreal continues to maintain an account for "The Gazette – a Division of Southam Inc.". HCPH is the current corporate entity of what was formerly known as Southam Inc. There have been two name changes; first, Southam Inc. changed its name to XSTM Holdings (2000) Inc. and second, that name was subsequently changed to HCPH. All signing officers under the account are no longer employed by HCPH.

Can you please advise as to what documentation the Bank of Montreal will require to substantiate the name changes and allow the account balance to be released by cheque or wire transfer to "Hollinger Canadian Publishing Holdings Inc.". As an alternative, the Bank of Montreal could simply issue a draft or cheque payable to "The Gazette – a Division of Southam Inc.".

We look forward to speaking with you at your earliest convenience.

Regards,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP
T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

The contents of this message may contain confidential and/or privileged subject matter. If this message has been received in error, please contact the sender and delete all copies. Like other forms of communication, e-mail communications may be vulnerable to interception by unauthorized parties. If you do not wish us to communicate with you by e-mail, please notify us at your earliest convenience. In the absence of such notification, your consent is assumed. Should you choose to allow us to communicate by e-mail, we will not take any additional security measures (such as encryption) unless specifically requested.

The contents of this message may contain confidential and/or privileged subject matter. If this message has been received in error, please contact the sender and delete all copies. Like other forms of communication, e-mail communications may be vulnerable to interception by unauthorized parties. If you do not wish us to communicate with you by e-mail, please notify us at your earliest convenience. In the absence of such notification, your consent is assumed. Should you choose to allow us to communicate by e-mail, we will not take any additional security measures (such as encryption) unless specifically requested.

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The contents of this message may contain confidential and/or privileged

subject matter. If this message has been received in error, please contact the sender and delete all copies. Like other forms of communication, e-mail communications may be vulnerable to interception by unauthorized parties. If you do not wish us to communicate with you by e-mail, please notify us at your earliest convenience. In the absence of such notification, your consent is assumed. Should you choose to allow us to communicate by e-mail, we will not take any additional security measures (such as encryption) unless specifically requested.

THIS IS EXHIBIT "G" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

Jennifer M Streff

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC
OFFICIAL SEAL
STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

Mark Smyth

From: Pelletier, Nathalie [Nathalie.Pelletier@bmo.com]
Sent: 20 January 2010 9:44 AM
To: Mark Smyth
Subject: RE: Gazette a Division of Southam Inc. - outstanding account

Good morning,

I need the see our Lawyer before talking to you.
I will call you around 1h30 this afternoon.

I will have more details.

Nathalie Pelletier
BMO Banque de Montréal
Directrice comptes d'entreprises, dépôts / Commercial accounts Manager, deposits

119, St-Jacques
Montréal (Qc) H2Y 1L6
Transit 0001

+:nathalie.pelletier@bmo.com
: (514) 877-2535
7 : (514) 877-1712

Merci de penser à l'environnement avant d'imprimer ce courriel.

De : Mark Smyth [mailto:SmythM@bennettjones.com]
Envoyé : January 19, 2010 12:32 PM
À : Pelletier, Nathalie
Objet : RE: Gazette a Division of Southam Inc. - outstanding account

Tomorrow at 10 should be fine.

Mark

Mark W. Smyth

Bennett Jones LLP
T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

From: Pelletier, Nathalie [mailto:Nathalie.Pelletier@bmo.com]
Sent: 19 January 2010 11:00 AM
To: Mark Smyth

THIS IS EXHIBIT "H" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

Jennifer M. Streff

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC
OFFICIAL SEAL
STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

Mark Smyth

From: Mark Smyth
Sent: 13 January 2010 8:49 AM
To: 'Nathalie.Pelletier@bmo.com'
Subject: Gazette a Division of Southam Inc. - outstanding account

Further to my voicemail message of earlier today, I am writing to you so that you will have all of my contact particulars. Bennett Jones LLP represents Hollinger Canadian Publishing Holdings Co. ("HCPH").

As I understand the situation, the Bank of Montreal continues to maintain an account for "The Gazette – a Division of Southam Inc.". HCPH is the current corporate entity of what was formerly known as Southam Inc. There have been two name changes; first, Southam Inc. changed its name to XSTM Holdings (2000) Inc. and second, that name was subsequently changed to HCPH. All signing officers under the account are no longer employed by HCPH.

Can you please advise as to what documentation the Bank of Montreal will require to substantiate the name changes and allow the account balance to be released by cheque or wire transfer to "Hollinger Canadian Publishing Holdings Inc.". As an alternative, the Bank of Montreal could simply issue a draft or cheque payable to "The Gazette – a Division of Southam Inc.".

We look forward to speaking with you at your earliest convenience.

Regards,
Mark Smyth

Mark W. Smyth

Bennett Jones LLP

T 416 777 5768 / F 416 863 1716 / E smythm@bennettjones.com
Suite 3400, 1 First Canadian Place / P.O. Box 130 Toronto, Ontario M5X 1A4

THIS IS EXHIBIT "I" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

Jennifer M Streff

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC OFFICIAL SEAL STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

REMOVED FOR A PERIOD OF 3 M... Oct 27/06 BY ORDER OF E.S. Lefsrud
THIS 22 DAY OF Nov A.D. 20 06
CLERK OF THE COURT

AMENDED THIS 27 DAY OF NOV A.D 2006 PURSUANT TO RULE ~~25~~ UNDER ORDER CONSENT DATED 25 DAY OF Oct A.D. 2006 Nov 27/06 CLERK OF THE COURT

Action No. 0503 18023

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF EDMONTON

BETWEEN:

783783 ALBERTA LTD. carrying on business as VUE WEEKLY

-Plaintiff

and

THE ATTORNEY GENERAL OF CANADA, SEE MAGAZINE, GREAT WEST NEWSPAPER GROUP LTD., GAZETTE PRESS LTD., JAMESON NEWSPAPERS INC., HOLLINGER CANADIAN PUBLISHING HOLDINGS CO., HOLLINGER INC., HOLLINGER INTERNATIONAL INC. also known as SUN-TIMES MEDIA GROUP, INC., CONRAD M. BLACK and THE RAVELSTON CORPORATION LIMITED

-Defendants

AMENDED AMENDED STATEMENT OF CLAIM

1. The Plaintiff, Vue Weekly ("Vue"), is an independent weekly news and entertainment magazine published in Edmonton. Vue also provides access to its publication through a website www.vueweekly.com.

2. Vue is distributed free of charge, weekly, in and around Edmonton. Vue relies upon advertising revenues in order to meet its production and distribution costs.

3. Vue's main competitor in its market niche is the Defendant, SEE Magazine ("SEE").

4. SEE is distributed free of charge in and around Edmonton, and operates the website www.seemagazine.com. SEE bills itself as "Edmonton's Weekly Source for News, Arts and Entertainment". SEE relies upon advertising revenues in order to meet its production and distribution costs.

5. Vue and SEE compete for advertising clients ("prospective advertisers") in their shared market niche.

6. SEE is published by Great West Newspaper Group Ltd. ("Great West"), through its wholly-owned operating subsidiary, Gazette Press Ltd.

7. Great West is owned jointly by Jamison Newspapers Inc. ("Jamison") and Hollinger Canadian Publishing Holdings Co. ("HCPH"). Jamison holds a 30 per cent stake, and HCPH holds a 70 per cent stake, in Great West.

8. The Defendant, Hollinger International Inc. also known as Sun-Times Media Group, Inc. ("Hollinger"), directly or indirectly owns 100 per cent of HCPH. Hollinger is a U.S. company, incorporated under the laws of Delaware and with its principal place of business in Chicago, Illinois.

9. The Defendant, Hollinger Inc. ("the Canadian company"), is an international holding company incorporated under the laws of Canada. It is a reporting issuer in Alberta and all other jurisdictions in Canada. Its primary asset is its interest in Hollinger.

9(a) The Defendant Conrad M. Black ("Black") was chairman and Chief Executive Officer ("CEO") of both the Canadian company and Hollinger starting in or around 1978. At the time, Black was a Canadian citizen.

9(b) The Defendant The Ravelston Corporation Limited ("Ravelston") is a privately-held corporation that was incorporated under the laws of Ontario in or around 1968. Black, through a holding company, the name of which is known to the Defendants but not to the Plaintiffs, is or was the controlling shareholder of Ravelston at all material times, and Black used Ravelston as his private investment entity.

10. In this Statement of Claim, the Defendants SEE, Great West, Gazette Press Ltd., Jamison, HCPH, Hollinger, the Canadian company, Black, and Ravelston are collective referred to as "the SEE Defendants".

11. The Minister of National Revenue ("MNR"), is responsible for the administration and

enforcement of the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.) ("ITA").

12. The Defendant the Attorney General of Canada ("Canada"), is named pursuant to s. 23(1) of the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50. Canada is liable for torts committed by Ministers, servants, and agencies of the Crown, including the Minister of National Revenue.

Background

13. From approximately 1985, the Canadian company acquired a number of newspaper holdings.

14. In or around the year 1997, the Canadian company sold substantially all of its operating newspaper assets to Hollinger. From that point, the Canadian company has been an international holding company. Its primary asset has been its investment in Hollinger.

15. As of approximately December 31, 1997, the Canadian company directly or indirectly owned approximately 60 per cent of the equity, and 84 per cent of the voting interest, in Hollinger. Ravelston owned, directly or indirectly, approximately 63 per cent of the Canadian company.

16. <deleted>

17. Black renounced his Canadian citizenship in or around June 2001, in order to accept a peerage in the United Kingdom Parliament's House of Lords.

18. On or around November 19, 2003, Black retired as CEO of Hollinger but remained non-executive Chair. On or around January 17, 2004, Hollinger removed Black as non-executive Chair. On or around November 2, 2004, the Canadian company announced that Black had resigned his positions as Chairman, CEO, and director of the Canadian company.

19. Hollinger filed an annual report on Form 10-K for the year ended December 31, 2003 with the U.S. Securities and Exchange Commission on January 18, 2005. According to this report, the Canadian company now directly or indirectly owns approximately 17.4 per cent of the equity, and 66.8 per cent of the voting interest, in Hollinger.

20. Section 19 of the ITA allows taxpayers to deduct from their income outlays or expenses incurred in advertising to a market in Canada when the advertisement is taken out in a Canadian issue of a Canadian newspaper.

21. SEE is not, or if it currently is, was not for a substantial period of time following Black's renunciation of Canadian citizenship, a Canadian newspaper as that term is defined in the ITA.

The SEE Defendants Unlawfully Interfered with Vue's Economic Interests

22. On numerous occasions after SEE ceased to be a Canadian newspaper, the particulars of which are within the knowledge of the SEE Defendants but not within the knowledge of the Plaintiff, the SEE Defendants or their agents represented to prospective advertisers that SEE was a Canadian newspaper in circumstances where they knew or ought to have known that at all material times this was materially false or misleading, which constitutes negligence.

23. The SEE Defendants knew or ought to have known that there are beneficial tax implications for taxpayers who advertise in Canadian newspapers, and that the SEE Defendants' misrepresentations as to SEE's status as a Canadian newspaper would induce prospective advertisers to place advertisements in SEE.

24. The Plaintiff pleads, and the fact is, the SEE Defendants made the misrepresentations with the intention that prospective advertisers would rely upon it in deciding whether or not to place advertisements in SEE.

25. The SEE Defendants owed a duty of care to prospective advertisers, not to make

negligent representations about SEE's non-status as a Canadian newspaper.

26. All, or substantially all, of the prospective advertisers who placed advertisements in SEE after it ceased to be a Canadian newspaper did so in reliance upon the SEE Defendants' representations that SEE continued to hold status as a Canadian newspaper. Such reliance was detrimental because it rendered prospective advertisers liable to unforeseen tax liability in the future.

27. Had prospective advertisers been aware that SEE was not a Canadian newspaper, and that their outlays and expenses from advertising in SEE would not be tax deductible, it is likely that they would instead have chosen to advertise in a newspaper that did qualify as Canadian, and that therefore would entitle them to the tax deduction.

28. Vue is the only Canadian newspaper that reaches the same demographic readership as SEE. But for the SEE Defendants' negligent misrepresentation, those taxpayers that advertised in SEE would instead have likely sought to advertise in Vue. As a result, it is a fact that Vue suffered a loss of actual advertising revenue.

29. The SEE Defendants made the negligent misrepresentations to the pool of prospective advertisers in the context of SEE's competition with Vue for advertising revenue and with the intention of interfering with Vue's economic interests, which conduct was unlawful. The SEE Defendants were not at liberty to negligently misrepresent SEE's status as a non-Canadian newspaper to prospective advertisers.

30. The SEE Defendants' conduct did, in fact, cause damage to Vue's economic interests, in the form of a loss of advertising revenue.

31. The SEE Defendants' conduct therefore amounted to unlawful interference with Vue's economic interests.

The SEE Defendants' Breaches of the *Competition Act*

32. In addition and in the alternative, the SEE Defendants made the false or misleading representations particularized above, on occasions that are within the knowledge of the SEE Defendants, but not within the knowledge of the Plaintiff, for the purposes of promoting, directly or indirectly, the SEE Defendants' business interests.

33. This in breach of Part VI of the *Competition Act*, R.S.C. 1985, c. C-34, s.52.

34. Vue in fact did suffer damages from this breach, in the form of a loss of advertising revenue.

35. The SEE Defendants are liable to Vue for damages under s. 36 of the *Competition Act*.

The SEE Defendants Negligently Breached Their Duty of Care to Vue

36. In addition and in the alternative, the SEE Defendants and Vue are in a relationship of proximity in that damage to Vue was a reasonably foreseeable consequence of the SEE Defendants' misrepresentations to prospective advertisers.

37. SEE and Vue are direct competitors in a single geographic marketplace with a limited pool of advertisers. The SEE Defendants should reasonably have contemplated that their negligent misrepresentations to prospective advertisers would cause damage to Vue.

38. The SEE Defendants owed a duty of care to Vue not to misrepresent SEE's non-status as a Canadian newspaper in order to compete for advertising revenue by making prospective advertisers believe that there were tax advantages to advertising in SEE when in fact there were not.

39. The class of persons to whom the SEE Defendants owed the duty is limited and distinct. Vue is either the only or one of the few members of this class.

40. The amount of liability is limited to the negligent act and is easily quantifiable.

41. The SEE Defendants breached this duty of care through their misrepresentations to prospective advertisers, which are particularised above, the particulars of which occasions are within the knowledge of the SEE Defendants, but not within the knowledge of the Plaintiff.

42. The breach directly caused damage to Vue, in the form of lost advertising revenues.

43. The SEE Defendants are liable to Vue for damages in negligence.

The SEE Defendants Engaged in Tortious Conspiracy

44. In addition and in the alternative, the SEE Defendants are each and all co-conspirators in a conspiracy, other members of which include various other companies owned or affiliated with the Defendant, Hollinger, to cause injury to Vue by wrongfully inducing prospective advertisers to choose to place advertisements in SEE rather than Vue on the basis of SEE's misrepresented status as a Canadian newspaper, which means are unlawful.

45. The SEE Defendants knew, or ought to have known, that Vue would be injured by this unlawful conduct, which in fact it was.

46. Vue did suffer injury in the form of a loss of actual advertising revenue.

47. The acts of the SEE Defendants constitute the tort of conspiracy.

The SEE Defendants Were Unjustly Enriched

48. In addition or in the alternative, the SEE Defendants have been unjustly enriched in that:

    a. during the period in which the SEE Defendants misrepresented SEE's status as a non-Canadian newspaper, they were enriched through additional advertising revenues, in an amount that is known to the SEE Defendants, but is unknown to the Plaintiff;

b. all or a substantial portion of such revenues would otherwise have gone to Vue, which is in fact a Canadian newspaper that entitles taxpayers advertising within it to make deductions from their reportable income, and therefore Vue was deprived of the same; and

c. there is no juristic reason for the SEE Defendants' enrichment.

The Minister of National Revenue Negligently Breached His Duty of Care to Vue

49. Section 220 of the ITA charges the MNR with the administration and enforcement of that Act.

50. The ITA provides the MNR with broad powers to supervise compliance with the Act. The MNR's principal duty under the ITA is to uphold the integrity of the tax reporting system that underlies the financial regime of the government of Canada.

51. Section 19 of the ITA enables taxpayers to deduct from their income outlays or expenses incurred in advertising to a market in Canada when the advertisement is taken out in a Canadian issue of a Canadian newspaper.

52. The MNR was aware, or was made aware, of the need to investigate SEE's non-status as a Canadian newspaper.

53. The MNR knew, or ought through an exercise of reasonable diligence to have known, that SEE at all material times was not a Canadian newspaper as defined in the ITA, and should have informed taxpayers that they were not entitled to deduct from their income outlays or expenses incurred in advertising in SEE.

54. Section 19 of the ITA is part of a legislative scheme to assist the domestic newspaper industry.

55. The MNR is charged with the administration and enforcement of the ITA, and upholding the integrity of the Canadian taxation system. Vue is a Canadian newspaper that s.19 of the ITA is intended to assist. Damage to Vue, in the form of an actual loss of advertising revenue, was a reasonably foreseeable consequence of the MNR's failure to inform taxpayers that they were not entitled to deduct from their income outlays or expenses incurred in advertising in its competitor, SEE. For all of these reasons, the MNR and Vue are in a relationship of proximity.

56. The MNR should reasonably have contemplated that his negligent enforcement of the ITA would cause damage to Vue, which it did.

57. Canada is liable for the MNR's negligence towards Vue.

57(a) As a direct result of the negligence of the MNR, Vue has been unable to make remittances to the MNR as otherwise required by law in respect of income taxes, GST, and other required remittances. The Plaintiff says that the damages sustained by it as a result of the actions of the MNR as herein alleged should in equity be set off against any monies owing by the Plaintiff to the MNR, and that the MNR is estopped from alleging that any monies are required by law to be paid by the Plaintiff to the MNR until such damages have been paid or set off against any amounts owing by the Plaintiff to the MNR.

58. The Plaintiff pleads and relies upon: s.19 of the *Income Tax Act,* R.S.C. 1985, c.1 (5th Supp.); ss. 3(b) and 23(1) of the *Crown Liability and Proceedings Act,* R.S.C. 1985, c.C-50; ss.36 and 52 of the *Competition Act,* R.S.C. 1985, c. C-34; and the *Tort-feasors Act,* R.S.A. 2000, c.T-5.

59. The Plaintiff proposes that the trial of this action be held at the Law Courts in the City of

Edmonton, in the Province of Alberta. In the opinion of the Plaintiff's counsel, the duration of the trial will be less than 25 days.

WHERE FORE THE PLAINTIFF CLAIMS:

(a) A declaration that SEE Magazine is not, or was not during the material times, a "Canadian newspaper" under s. 19(5) of the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.);

(b) Damages against the SEE Defendants jointly and severally in the sum of at least $5,000,000 or such other sum as may be proven at trial, for the unlawful interference with economic interests, or further or in the alternative, for making false or misleading representations contrary to Part VI of the *Competition Act,* for negligence, for tortuous conspiracy, and/or for unjust enrichment; further, or in the alternative, aggravated or punitive damages in the sum of at least $5,000,000.00, or such other sum as may be proven at trial to be at least equal to the damages sustained by the Plaintiff as a result of the wrongful conduct of the SEE Defendants, including the conduct alleged in the foregoing.

(c) Damages against the Defendant the Attorney General of Canada in the sum of at least $750,000, or such other sum as may be proven at trial, for negligence; further, or in the alternative, aggravated or punitive damages in the sum of at least $750,000.00, or such other sum as may be proven at trial to be at least equal to the damages sustained by the Plaintiff as a result of the wrongful conduct of that Defendant, including the conduct alleged in the foregoing.

(d) A declaration that any monies otherwise payable by the Plaintiff to the Minister of National Revenue, including income taxes and GST, shall be set off against the award of damages made against the Defendant the Attorney General of Canada.

(e) An interim injunction prohibiting the Minister of National Revenue from taking any steps to collect any monies otherwise payable to it by the Plaintiff by law, including further order of this Honourable Court.

(f) All equitable remedies, including restitution, compensation, constructive trust and a full accounting;

(g) Interest pursuant to the *Judgment Interest Act,* R.S.A. 2000, c.J-1 as amended; and

(h) Such further and other remedy as this Honourable court may see fit to grant.

DATED at the City of Edmonton, in the Province of Alberta, this 27th day of October, 2005, AND DELIVERED BY Bradley J. Willis, Barrister and Solicitor, Agent for Messrs. Arvay Finlay, Solicitors for the Plaintiff, whose place of business is 440 – 355 Burrard Street, Vancouver, British Columbia, V6C 2G8.

The Plaintiff's address for service is in care of its said solicitors through their agent Fraser Milner Casgrain LLP, 2900, 10180 – 101 Street, Edmonton, Alberta, Attention: Dennis R. Schmidt; or by fax to its said solicitors Arvay Finaly, Barristers at (604) 687-1941.

Issued out of the Office of The Clerk of the Court of Queen's Bench of Alberta, Judicial District of Edmonton, this 27 day of October, 2005

Clerk of the Court

NOTICE TO THE DEFENDANTS:
THE ATTORNEY GENERAL OF CANADA, SEE MAGAZINE, GREAT WEST NEWSPAPER GROUP LTD., GAZETTE PRESS LTD., JAMESON NEWSPAPERS INC., HOLLINGER CANADIAN PUBLISHING HOLDINGS CO., HOLLINGER INC., HOLLINGER INTERNATIONAL INC., CONRAD M. BLACK and RAVELSTON CORPORATION LIMITED

You have been sued. You are the Defendants. You have only 15 days to file and serve a Statement of Defence or Demand of Notice. You or your lawyer must file your Statement of Defence or Demand of Notice in the office of the Clerk of the Court of Queen's Bench in Edmonton, Alberta. You or your lawyer must also leave a copy of your Statement of Defence or Demand of Notice at the address for service for the Plaintiff named in this Statement of Claim.

WARNING: If you do not do both things within 15 days, you may automatically lose the lawsuit. The Plaintiff may get a Court judgment against you if you do not file, or do not give a copy to the Plaintiff, or do either thing late.

THIS STATEMENT OF CLAIM IS ISSUED BY:

Arvay Finlay
Barristers & Solicitors
Suite 1300, 355 Burrard Street
Vancouver, BC V6C 2G8

and whose address for service is in care of their agent:

Fraser Milner Casgrain LLP
2900, 10180 – 101 Street
Manulife Place
Edmonton, Alberta
T5J 3V5

AND IS ADDRESSED TO the Defendants who reside so far as is known to the Plaintiff in Alberta.

Amendments naming The Attorney General of Canada, CONSENTED TO this 27th day of November, 2006.

Department of Justice Canada

Per: ______________________

Kerry E. S. Boyd, Counsel for the Defendant
The Attorney General of Canada

Action No. 0503 18023

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF EDMONTON

BETWEEN:

783783 ALBERTA LTD. carrying on business as VUE WEEKLY

-Plaintiff

and

THE ATTORNEY GENERAL OF CANADA, SEE MAGAZINE, GREAT WEST NEWSPAPER GROUP LTD., GAZETTE PRESS LTD., JAMESON NEWSPAPERS INC., HOLLINGER CANADIAN PUBLISHING HOLDINGS CO., HOLLINGER INC., HOLLINGER INTERNATIONAL INC. also known as SUN-TIMES MEDIA GROUP, INC., CONRAD M. BLACK and THE RAVELSTON CORPORATION LIMITED

-Defendants

AMENDED AMENDED
STATEMENT OF CLAIM

JUDICIAL DISTRICT OF EDMONTON
FILED
NOV 27 2006
Clerk of the Court

Filed by:

Fraser Milner Casgrain LLP
Barristers & Solicitors
2900, 10180 – 101 Street
Manulife Place
Edmonton, Alberta
T5J 3V5

Agent for:

Solicitors for the Plaintiff
Messrs. Arvay Finlay
Barristers & Solicitors
Suite 1300, 355 Burrard Street
Vancouver, BC V6C 2G8
tel (604) 689-4438 / fax (604) 687-1941

THIS IS EXHIBIT "J" REFERRED TO IN

THE AFFIDAVIT OF DENNIS M. BYRD

SWORN BEFORE ME THIS 9th DAY

OF APRIL, 2010

Jennifer M Streff

A Commissioner for Taking Oaths, etc.

NOTARY PUBLIC
OFFICIAL SEAL
STATE OF ILLINOIS
JENNIFER M. STREFF
MY COMMISSION EXPIRES
FEBRUARY 26, 2011

Action No. 0503-18023

IN THE COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL DISTRICT OF EDMONTON

BETWEEN:

783783 ALBERTA LTD. carrying on business as VUE WEEKLY

Plaintiff

-and-

THE ATTORNEY GENERAL OF CANADA, SEE MAGAZINE, GREAT WEST NEWSPAPER GROUP LTD., GAZETTE PRESS LTD., JAMESON NEWSPAPERS INC., HOLLINGER CANADIAN PUBLISHING HOLDINGS CO., HOLLINGER INC., HOLLINGER INTERNATIONAL INC. also known as SUN-TIMES MEDIA GROUP, INC., CONRAD M. BLACK and THE RAVELSTON CORPORATION LIMITED

Defendants

BEFORE THE HONOURABLE MR. ~~MADAM~~ JUSTICE T.D. Clackson IN CHAMBERS	))	At the Court House, in Edmonton, Alberta, on Tuesday, the 19 day of December, 2006

CONSENT ORDER

UPON hearing that McCarthy Tétrault LLP will be counsel of record for the Defendants See Magazine ("See"), Great West Newspaper Group Ltd. ("Great West"), Gazette Press Ltd. ("Gazette"), Jamison Newspapers Inc. ("Jamison"), Hollinger Canadian Publishing Holdings Co. ("HCPH") and Hollinger International Inc. also known as Sun-Times Media Group, Inc. ("HII"); AND UPON noting that the Order of Mr. Justice Lefsrud dated October 25, 2006 (the "October 25, 2006 Order") was applied for *ex parte* and in particular without notice to the Defendants See, Great West, Gazette, Jamison, HCPH and HII; AND UPON hearing that the timing provided for in paragraph (g) of the October 25, 2006 Order requires extension in the interests of both the Plaintiff and the Defendants See, Great West, Gazette, Jamison, HCPH and HII; AND UPON noting the consent of counsel for the Plaintiff and the consent of counsel for the Defendants See, Great West, Gazette, Jamison, HCPH and HII endorsed below;

IT IS HEREBY ORDERED THAT:

1. Paragraph (g) of the October 25, 2006 Order is hereby amended insofar as it applies to the Defendants See, Great West, Gazette, Jamison, HCPH and HII to provide as follows:

   (g) THAT the Defendants See, Great West, Gazette, Jamison, HCPH and HII shall have such time as may be agreed upon between counsel for such Defendants and counsel for the Plaintiff to respond to the Amended Amended Statement of Claim filed in the within Action by the Plaintiff on November 27, 2006, failing which agreement being reached amongst such counsel, the time for such response will be set by this Honourable Court on application by one or more of such parties with notice to the other such parties.

2. This Order may be consented to and exchanged in facsimile or electronic form, and by counterpart execution.

J.C.Q.B.A.

ENTERED THIS 19th DAY OF December 2006.

CLERK OF THE COURT

SEAL

CONSENTED TO AS TO FORM AND CONTENT:
McCarthy Tétrault LLP

Per:
Mendy Chernos
Solicitors for the Defendants See Magazine, Great West, Gazette, Jamison, HCPH and HII

Arvay Finlay

Per:
Brent B. Olthuis
Solicitors for the Plaintiff

193459-380679
McCarthy Tétrault LLP CAL_DOCS #1556157 v. 1

No. 0503-18023 2006

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF EDMONTON

BETWEEN:

783783 ALBERTA LTD. carrying on business as VUE WEEKLY

Plaintiff

- and -

THE ATTORNEY GENERAL OF CANADA, SEE MAGAZINE, GREAT WEST NEWSPAPER GROUP LTD., GAZETTE PRESS LTD., JAMESON NEWSPAPERS INC., HOLLINGER CANADIAN PUBLISHING HOLDINGS CO., HOLLINGER INC., HOLLINGER INTERNATIONAL INC. also known as SUN-TIMES MEDIA GROUP, INC., CONRAD M. BLACK and THE RAVELSTON CORPORATION LIMITED

Defendants

FILED DEC 1 9 2006 Clerk of the Court EDMONTON

CONSENT ORDER

McCARTHY TÉTRAULT LLP
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Suite 3300, 421-7th Avenue SW
Calgary AB T2P 4K9
Mendy Chernos/Douglas T. Yoshida
Phone: 403-260-3595/3737
Fax: 403-260-3501
File No.: 193459-380679

IN THE MATTER OF THE *COMPANIES CREDITORS' ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

Court File No. 09-8503-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

AFFIDAVIT OF
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Lawyers for the Applicant

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MOTION RECORD

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