

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**THE HONOURABLE
MR. JUSTICE CAMPBELL**

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**FRIDAY, the 18th DAY
OF FEBRUARY, 2011**

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

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE
OR ARRANGEMENT WITH RESPECT TO **HOLLINGER INC.,
4322525 CANADA INC. AND SUGRA LIMITED**

Applicants

ORDER

(Sealing and Confidentiality Agreement Approval Order)

THIS MOTION made by the Applicants for an Order sealing confidential references in the settlement agreement among Hollinger Inc. ("**Hollinger**"), the Litigation Trustee of the Applicants, Torys LLP (Ontario) and Torys LLP (New York) (collectively, "**Torys**") dated March 26, 2010 (the "**Torys Settlement Agreement**") and in the settlement agreement among the Applicants and their existing subsidiaries (but not including the Chicago Newspapers Liquidation Corp. formerly known as Sun Times Media Group, Inc. and its subsidiaries), the Litigation Trustee and KPMG LLP Canada ("**KPMG**") dated October 1, 2010 (the "**KPMG Settlement Agreement**" and together with the Torys Settlement Agreement, the "**Settlement Agreements**") both attached as Exhibits to the Affidavit of William E. Aziz sworn on November 24, 2010 (the "**CRO Affidavit**"), and for an Order approving the form of confidentiality

agreement attached hereto as Schedule “A” (the “**Confidentiality Agreement**”) to be entered into between Hollinger, Torys and KPMG (the “**Settling Parties**”) and such Responding Parties who agree to be bound by the terms of the Confidentiality Agreement (the “**Contractually Bound Responding Parties**”) which will govern the disclosure of the redacted portions of the Settlement Agreements, was heard on this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Applicants dated November 26, 2010, the Supplemental Motion Record of the Applicants dated January 17, 2011, the Responding Motion Records of the Responding Parties, dated February 1, 2011, the *facta* of the parties, filed, and on hearing the submissions of counsel for the Applicants, Torys, KPMG and such other counsel as were present, and on being advised that the Service List as of November 26, 2010, including all Persons who filed Notices of Appearance in accordance with the Service and Notice Procedure Order dated November 12, 2010, were served electronically with the Applicants’ motion materials:

SERVICE AND NOTICE

1. **THIS COURT ORDERS** that the motion is properly returnable today and that notice of this motion has been given and the service of materials filed in connection with this motion has been conducted in accordance with the Service and Notice Procedure Order dated November 12, 2010 and further that service upon any interested party other than those parties served is hereby dispensed with.

SEALING ORDER

2. **THIS COURT ORDERS** that the settlement amounts set out in the Torys Settlement Agreement and in the KPMG Settlement Agreement (the “**Individual Settlement**”

Amounts”) be and are hereby sealed from the public record until the Settlements are approved and all appeals are resolved in favour of Hollinger, Torys and KPMG, in which case the Individual Settlement Amounts shall be deemed to have entered the public domain such that their disclosure shall not constitute a breach of the Confidentiality Agreement, or if the Settlements are not approved, until further order of this Court.

3. **THIS COURT ORDERS** that paragraphs 1(c) and 7(b) of the Torys Settlement Agreement be and are hereby sealed from the public record until further order of this Court.
4. **THIS COURTS ORDERS** that the redacted version of the CRO Affidavit shall be placed on the public record and served on the parties to the motion pursuant to which the Applicants seek court approval of the Settlement Agreements, and the unredacted version of the CRO Affidavit shall be filed with the Court under seal from the public record in accordance with paragraphs 2 and 3 of this Order.

APPROVAL OF CONFIDENTIALITY AGREEMENT

5. **THIS COURT ORDERS AND DECLARES** that the redacted portions of the Settlement Agreements may be disclosed to the Settling Parties and to the Contractually Bound Responding Parties on the condition that those Parties agree to be bound by the terms of and validly execute the Confidentiality Agreement attached hereto as Schedule “A”.
6. **THIS COURT ORDERS AND DECLARES** that the terms of the Confidentiality Agreement are incorporated herein by reference and that each of the signatories to the

Confidentiality Agreement are hereby bound by the terms of the Confidentiality Agreement.

7. **THIS COURT ORDERS AND DECLARES** that any breach of the Confidentiality Agreement shall constitute a breach of this Order.

VARIANCE AND AMENDMENT

8. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) 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.

RECOGNITION AND ENFORCEMENT

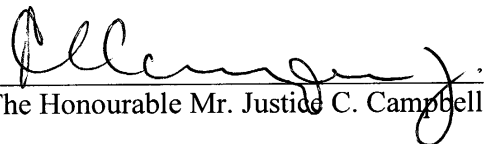
9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this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

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

MAR 07 2011

PER / PAR:




The Honourable Mr. Justice C. Campbell

Schedule "A"

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (the "**Agreement**") is entered into as of March 2011, between Hollinger Inc. ("**Hollinger**"), the Honourable John D. Ground Q.C., as Litigation Trustee of Hollinger (the "**Litigation Trustee**"), KPMG LLP ("**KPMG**"), Torys LLP (Ontario) and Torys LLP (New York) (collectively "**Torys**") and such of the various parties who have filed Notices of Appearance in accordance with the Service and Notice Procedure Order issued by the Ontario Superior Court of Justice (Commercial List) ("**Ontario Court**") dated November 12, 2010 who agree to be bound by the terms of this Agreement (collectively "**Responding Parties**", individually "**Responding Party**") and who intend to respond to Hollinger's pending motions (the "**Settlement Approval Motions**") before the Ontario Court for approval of the Release and Settlement Agreement entered into between KPMG, Hollinger and the Litigation Trustee dated October 1, 2010 ("**KPMG Settlement Agreement**") and the Release and Settlement Agreement entered into between Torys, Hollinger and the Litigation Trustee dated March 26, 2010 ("**Torys Settlement Agreement**") which Hollinger and the Litigation Trustee support and is subject to an Order of the Ontario Court approving this Agreement substantially in the form of the Order attached as **Schedule "A"** to this Agreement ("**Confidentiality Agreement Approval Order**");

WHEREAS the Settlement Amount as defined in the KPMG Settlement Agreement ("**KPMG Settlement Amount**") and the Settlement Amount as defined in the Torys Settlement Agreement ("**Torys Settlement Amount**") (collectively, the "**Settlement Amounts**") have been redacted from the copies of the KPMG Settlement Agreement and the Torys Settlement Agreement attached as **Exhibits "2B"** and "**2A**", respectively, to the Affidavit of William E. Aziz, Hollinger's Chief Restructuring Officer, sworn November 24, 2010 filed by Hollinger in support of the Settlement Approval Motions;

WHEREAS certain of the Responding Parties have advised counsel for Hollinger that they require disclosure of the Settlement Amounts in order to respond to the Settlement Approval Motions;

WHEREAS the Responding Parties expressly represent that they will maintain the confidentiality of the Settlement Amounts and agree that other than as permitted by paragraph 1 below, they will not make any use whatsoever of the Settlement Amounts;

WHEREAS in consideration of the Responding Parties' agreement to maintain the confidentiality of the Settlement Amounts, Hollinger, the Litigation Trustee, KPMG and Torys have agreed to the disclosure to the Responding Parties of the KPMG Settlement Amount and the Torys Settlement Amount for the sole purpose of enabling the Responding Parties to respond to the Settlement Approval Motions and for no other or collateral purpose, subject to the terms and conditions of this Agreement and the Confidentiality Agreement Approval Order;

NOW THEREFORE in consideration of the premises and covenants contained herein, the parties hereto hereby agree as follows:

1. The Litigation Trustee and Hollinger shall be authorized to disclose the KPMG Settlement Amount and the Torys Settlement Amount to the Responding Parties for the sole purpose of enabling the Responding Parties to respond to the Settlement Approval Motions subject to the following limitations and restrictions:

- (a) The Responding Parties acknowledge that they have a duty to maintain the confidentiality of the KPMG Settlement Amount and the Torys Settlement Amount and agree to maintain the confidentiality of the KPMG Settlement Amount and the Torys Settlement Amount, sharing such information only with their respective counsel on a confidential basis and with no one else;
- (b) the Responding Parties shall be entitled to use the terms KPMG Settlement Amount and the Torys Settlement Amount in any written or oral submissions with the Ontario Court relating to the pending Settlement Approval Motions;
- (c) the Responding Parties shall be expressly prohibited from referring to or otherwise suggesting the actual amount of money comprising the KPMG Settlement Amount and the Torys Settlement Amount in any written or oral submissions with the Ontario Court relating to

the pending Settlement Approval Motions or from making any other use whatsoever of the KPMG Settlement Amount and the Torys Settlement Amount or the actual amount of money comprising the KPMG Settlement Amount and the Torys Settlement Amount until such time as the Settlement Approval Motions are approved by orders of the Ontario Court and such orders have become final, not subject to any outstanding appeals;

- (d) the Responding Parties each expressly acknowledge and agree that a breach of this Agreement by a Responding Party or Responding Parties shall also constitute a breach of the Confidentiality Agreement Approval Order and that such breach may result in:
 - (i) the Responding Party, or the Responding Parties, being held in contempt of court and subject to sanction by the Ontario Court;
 - (ii) subject to obtaining an order of the Ontario Court so providing, the deemed withdrawal, release and forfeiture of any claim that a Responding Party may have filed with Ernst & Young Inc. the Court-appointed monitor of Hollinger (the “**Monitor**”) against or in respect of the applicants in Ontario Court file 07-CL-7120 (the “**Applicants**”), and including the release and forfeiture of any other claims, counterclaims or third party claims that might have been filed against or in respect of the Applicants, such claims having been barred by the Claims Bar Order, dated May 21, 2008;
 - (iii) subject to obtaining an order of the Ontario Court so providing, the deemed dismissal with prejudice of any actions, cross-claims, counterclaims, third party claims or any other such claims that Responding Party has asserted against KPMG and/or Torys, as set out in any of the pleadings included in the Omnibus Pleadings Brief filed by Hollinger with the Ontario Court and of any other direct or indirect claim asserted against KPMG and/or Torys by that Responding Party in any way relating to the subject matter of the “**Settled Claims**” as defined in the KPMG Settlement Agreement and the Torys Settlement Agreement with costs payable to KPMG and Torys on a substantial indemnity basis; and

- (iv) such further and other relief as the Ontario Court may consider just.

2. The Litigation Trustee and Hollinger shall be authorized to disclose the KPMG Settlement Amount to Torys and the Torys Settlement Amount to KPMG for the sole purpose of enabling Torys and KPMG to participate in the Settlement Approval Motions subject to the following limitations and restrictions:

- (a) Torys and KPMG acknowledge that they have a duty to and agree to maintain the confidentiality of the KPMG Settlement Amount and the Torys Settlement Amount, sharing such information only with their respective counsel and insurers on a confidential basis and with no one else;
- (b) Torys and KPMG shall be entitled to use the terms KPMG Settlement Amount and the Torys Settlement Amount in any written or oral submissions with the Ontario Court relating to the pending Settlement Approval Motions; and
- (c) Torys and KPMG shall be expressly prohibited from referring to or otherwise suggesting the actual amount of money comprising the KPMG Settlement Amount and the Torys Settlement Amount in any written or oral submissions with the Ontario Court relating to the pending Settlement Approval Motions or from making any other use whatsoever of the KPMG Settlement Amount and the Torys Settlement Amount or the actual amount of money comprising the KPMG Settlement Amount and the Torys Settlement Amount until such time as the Settlement Approval Motions are approved by orders of the Ontario Court and such orders have become final, not subject to any outstanding appeals.

3. The Litigation Trustee and Hollinger shall be authorized to disclose the entirety of sub-paragraphs 1(a), (b) and (c) and paragraph 7(b) of the Torys Settlement Agreement (the “**Torys Redacted Provisions**”) to the Responding Parties and KPMG subject to the following limitations and restrictions:

- (a) The Responding Parties and KPMG acknowledge that they have a duty to maintain the confidentiality of the Torys Redacted Provisions and agree to maintain the confidentiality of the Torys Redacted Provisions, sharing such information only with their respective counsel on a confidential basis;

- (b) The Responding Parties and KPMG shall be expressly prohibited from referring to the contents of the Torys Redacted Provisions in any written or oral submissions with the Ontario Court relating to the pending Settlement Approval Motions.

4. The Litigation Trustee, Hollinger, Torys, KPMG and the Responding Parties hereby acknowledge and agree that any party receiving confidential information under the terms of this Agreement may make unrestricted use of the confidential information once it enters the public domain otherwise than through a breach of this Agreement, and that such use of the confidential information will not constitute a breach of this Agreement. The Litigation Trustee, Hollinger, Torys and KPMG may make unrestricted use of the confidential information once it enters the public domain, otherwise than through a breach of this Agreement, and such use of the confidential information will not constitute a breach of this Agreement.

5. Any waiver, modification or amendment of any provision of this Agreement shall be effective only if in writing in a document that specifically refers to this Agreement and such document is signed by all parties to this Agreement.

6. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario. This Agreement shall enure to the benefit of and be binding upon each of the parties to this Agreement and their respective successors and permitted assigns.

7. This Agreement may be executed in any number of counterparts, each of which when executed and delivered, including any counterpart executed by a party and transmitted to the other parties by e-mail or facsimile transmission, is an original, and all of which when taken together constitute one and the same Agreement.

8. This Agreement shall be effective and binding on the parties hereto on the date the last party executes and delivers the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

**HOLLINGER INC. for itself and on behalf of all other
CCAA Applicants and their subsidiaries other than
Sun Times Media Group, Inc., and its subsidiaries**

By: _____
William E. Aziz
Chief Restructuring Officer

The Honourable John D. Ground
Litigation Trustee

KPMG LLP

By: _____
Signature

Print Name

Title

TORYS LLP, a Ontario limited liability partnership

By: _____
Signature

Print Name

Title

TORYS LLP, a New York limited liability partnership

By: _____
Signature

Print Name

Title

RESPONDING PARTY

By: _____
Signature

Print Name

Title

(an authorized signing officer)

RESPONDING PARTY

By: _____
Signature

Print Name

Title

(an authorized signing officer)

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

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT
WITH RESPECT TO **HOLLINGER INC., 4322525 CANADA INC. AND SUGRA LIMITED**

Court File No.: 07-CL-7120

ONTARIO
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

ORDER

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