Citation: Hollinger Inc., Re, 2009 ABASC 81 **Date:** 20090224

ALBERTA SECURITIES COMMISSION

CEASE TRADE ORDER

Hollinger Inc.

Background

1. Hollinger Inc. (the **Issuer**) is a Issuer under the *Securities Act* (Alberta) (the **Act**).

2. The Issuer's common shares and series II preference shares were delisted from the Toronto Stock Exchange (**TSX**) on August 22, 2008.

3. The Issuer issued a press release on August 1, 2007, which announced that it together with certain subsidiaries (collectively, the **Companies)** had initiated a Court-supervised restructuring under the *Companies' Creditors Arrangement Act* (Canada) (the **CCAA Proceeding**) and a companion proceeding in the United States pursuant to Chapter 15 of the U.S. *Bankruptcy Code* (the **U.S. Bankruptcy Code Proceeding**). Pursuant to an Order of the Ontario Superior Court of Justice dated August 1, 2007 issued in connection with the CCAA Proceeding, Ernst & Young Inc. was appointed by the Court as Monitor (the **Monitor**) to assist the Companies through their restructuring process.

4. The Issuer issued a press release on June 16, 2008 that announced that, in the interests of reducing its costs for the benefit of its stakeholders, the Issuer will not be preparing and filing annual audited financial statements and other annual disclosure documents required by Canadian securities laws in respect of the Issuer's financial year ended March 31, 2008. Consequently, following June 30, 2008, the Issuer has been and remains in default of its continuous disclosure filing requirements under Canadian securities laws.

5. The Issuer has failed to file with the Executive Director of the Alberta Securities Commission (the **Commission**) the following periodic disclosure pursuant to section 146 of the Act:

   Annual audited financial statements, annual management discussion and analysis, and certification of annual filings for the year ended March 31, 2008 and interim unaudited financial statements, interim management discussion and analysis, and certification of interim filings for the interim periods ended on June 30, 2008 and September 30, 2008.

6. Pursuant to subsection 17(2) of the Act, the Executive Director of the Commission has made an Authorization Order (the **Authorization**) dated April 23, 2008 authorizing the Management, Accounting, and Continuous Disclosure Compliance Delegates (as defined in the Authorization, who include the undersigned) to grant orders under section 33.1 of the Act.

7. On July 23, 2008 the Ontario Securities Commission issued a temporary cease trade order subsequently replaced by a cease trade order dated August 5, 2008 (the **OSC Order**). On February 11, 2009 the Issuer announced that the Issuer and the Monitor have each consented to a cease trade order to be issued by the Commission on the basis that it contains the same terms as the OSC Order.

Decision

Based on the foregoing, it is ordered under section 33.1 of the Act, effective immediately, that trading cease in respect of the securities of the Issuer until further order of the Commission or until this order has been revoked or varied as provided below.

This Order does not apply to the following trades or acquisitions:

(a) a trade or acquisition in a security of the Issuer made in connection with i) the CCAA Proceeding and approved by the Ontario Superior Court of Justice, and, if required, ii) the U.S. Bankruptcy Code Proceeding and approved by the U.S. Bankruptcy Court;

(b) a trade to or acquisition by a person or company in a security of the Issuer for nominal consideration for the purpose of permitting security holders of the Issuer to crystallize any losses for tax purposes provided that, prior to such trade or acquisition, such person or company (i) receives a copy of this Order; and (ii) provides a written acknowledgement to the seller that the securities of the Issuer remain subject to this Order in accordance with its terms following such trade or acquisition; and

(c) a trade to or an acquisition by a person or company who is an “accredited investor”, as defined in National Instrument 45-106 *Prospectus and Registration Exemptions*, provided that, prior to such trade or acquisition, such a person or company (i) receives a copy of this Order; and (ii) provided a written acknowledgement to the seller that the Issuer’s securities remain subject to this Order in accordance with its terms following such trade or acquisition.

“original signed by”
Blaine Young
Associate Director, Corporate Finance