

**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 PROPOSED PLAN OF COMPROMISE  
OR ARRANGEMENT WITH RESPECT TO HOLLINGER INC.,  
4322525 CANADA INC. and SUGRA LIMITED**

Applicants

**SUPPLEMENTAL AFFIDAVIT OF WILLIAM E. AZIZ  
(Re: Distribution Motion and Stay Extension)**

I, **WILLIAM E. AZIZ**, of the Town of Oakville, in the Province of Ontario, **MAKE  
OATH AND SAY AS FOLLOWS:**

1. I am the President of BlueTree Advisors Inc., Court-appointed Chief Restructuring Officer of the Applicants. As such, I have personal knowledge of the matters to which I hereinafter depose, except where my knowledge is based on information and belief, in which case I believe such information to be true.
2. This affidavit is sworn as a supplement to my affidavit sworn on December 11, 2014 (the "**Initial Affidavit**") in support of the distribution and stay extension motion to be heard on December 19, 2014. Capitalized terms not defined herein are as defined in the Initial Affidavit.
3. Subsequent to the filing of the Initial Affidavit, it has come to my attention that there was

an error in the chart outlining the Hollinger distributions and that additional funds will be received and transferred from the Litigation Trust which will be available for immediate distribution. As such, \$24.5 million will be immediately available and transferred to Hollinger from the Litigation Trust. As outlined below, the Applicants are seeking to make an initial distribution of \$26 million. Subsequent distributions will be made once the remaining \$5 million is received from the Conrad Black settlement on the same *pro rata* basis as described in the Initial Affidavit. As an additional point of clarification, pursuant to section 18(b) of the Court-approved MPSA, the claims of the Senior and Junior Noteholders will continue to accrue interest in accordance with the debentures at the contractual rate until all of the future distributions are made.

4. As a result of the foregoing changes, the following is the corrected and updated chart outlining the proposed Hollinger distributions:

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## Hollinger

CDN (\$000)'s

### Cash

|                                              |         |
|----------------------------------------------|---------|
| Opening Cash Balance as at November 30, 2014 | 746     |
| Recovery from Domgroup                       | 2,598   |
| Recovery from Sugra                          | 1,069   |
| Recovery from Litigation Trustee             | 24,474  |
| Catalyst Reserve                             | (150)   |
| Argus Reserve                                | (300)   |
| Voorheis Payment per MPSA                    | (1,000) |
| CRO Bonus (\$375 + HST)                      | (424)   |
| Estimated Costs of Administration            | (1,000) |

Total projected cash balance available for Distribution

26,013

### Claims

Intercompany indebtedness:

432 Net Claim @50% as set out in the MPSA 171,250

Outstanding Accepted Claims:

|                                                                         |         |
|-------------------------------------------------------------------------|---------|
| STMG                                                                    | 33,600  |
| Senior Noteholders                                                      | 234,600 |
| Junior Noteholders                                                      | 45,115  |
| Taxes (as filed)                                                        | 344     |
| Trade & Other (Towers, Aird & Berlis, Aero & Total Security Management) | 133     |
| Barford                                                                 | 160     |

Total Estimated Liabilities

485,638

Intercompany payment to 432

9,317

Total Intercompany payments

9,317

Ultimate Recovery % to Unsecured Creditors

6.4%

5. As a result of the change in the distribution to 432 by Hollinger, the following is the proposed revised distribution by 432 to its Proven Creditors:

**432**

CDN (\$000)'s

**Cash**

|                                      |       |
|--------------------------------------|-------|
| Cash on Hand as at November 30, 2014 | 1     |
| Recovery from Domgroup               | 2,072 |
| Recovery from Hollinger              | 9,317 |

Total projected cash balance available for Distribution

11,390

**Claims**

Outstanding Accepted Claims:

|                     |         |
|---------------------|---------|
| STMG (subordinated) | 129,432 |
| Senior Noteholders  | 234,600 |
| Junior Noteholders  | 45,115  |
| Ravelston           | 2,111   |
| CRA                 | 2       |

Total Estimated Liabilities

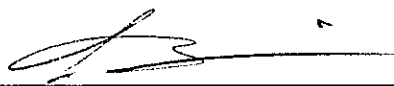
411,261

Ultimate Recovery % to Unsecured Creditors

3.2%

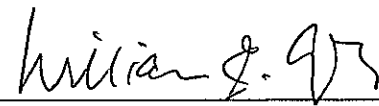
6. As a result of the foregoing, the Senior Noteholders and Junior Noteholders will see a recovery of 9.6% from the Applicants.

SWORN before me in the City of Toronto,  
in the Province of Ontario, this 17<sup>th</sup> day of  
December, 2014.



Commissioner for Taking Affidavits

Annette Melinda Fournier, a Commissioner, etc.,  
Province of Ontario, for Thornton Grout Finnigan LLP,  
Barristers and Solicitors.  
Expires February 7, 2017.

  
WILLIAM E. AZIZ

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Court File No.: 07-CL-7120

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(COMMERCIAL LIST)

Proceedings commenced at Toronto

SUPPLEMENTAL AFFIDAVIT  
OF WILLIAM E. AZIZ  
(Re: Distribution Motion and Stay Extension)

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