

**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 MOTION RECORD OF THE APPLICANTS
(*Sealing Motion*, returnable February 18, 2011)

January 17, 2011

Thornton Grout Finnigan LLP
Barristers and Solicitors
100 Wellington Street West
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Lawyers for the Applicants

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TAB 1

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS*
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4322525 CANADA INC. and **SUGRA LIMITED**

AFFIDAVIT OF SEANA DEPAEPE
(sworn on January 17, 2011)

I, Seana Depaepe, of the Municipality of Port Hope, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a legal assistant at the law firm of Thornton Grout Finnigan LLP, counsel to the Applicants.

As such, I have knowledge of the matters contained herein. Unless indicated to the contrary, these facts are within my personal knowledge and are true. Where I indicate that I have received information from other persons, I believe those facts to be true.
2. This affidavit is sworn as a supplement to the Motion Record of the Applicants dated November 26, 2010 (the "**November 26 Motion Record**"), which was served in accordance with the Service and Notice Procedure Order dated November 12, 2010. Paragraph 3 of the Notice of Motion contained in the November 26 Motion Record seeks a sealing Order in respect of certain confidential references contained in the CRO Affidavit and in respect of the Litigation Trustee's Report (both as defined therein).

3. I am advised by Megan Keenberg, a lawyer at Thornton Grout Finnigan LLP with day-to-day carriage of the within matter ("**Keenberg**"), that a draft confidentiality agreement (the "**Confidentiality Agreement**") has been proposed by the Applicants, together with Torys LLP and KPMG LLP, to the Responding Parties in an effort to settle a dispute that has arisen over the sealing Order being sought. Attached hereto and marked as Exhibit "**A**" is a true copy of the Confidentiality Agreement.
4. I am further advised by Keenberg that the Applicants intend to seek the relief set out in the form of draft Order attached hereto and marked as Exhibit "**B**", approving the form of Confidentiality Agreement and granting the relief sought in paragraph 3 of the Notice of Motion contained in the November 26, 2010 Motion Record.

SWORN before me at the City of Toronto,
in the Province of Ontario, this 17th day of
January, 2011.



Commissioner for Taking Affidavits


SEANA DEPAEPE

Megan Keenberg

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	
AFFIDAVIT OF SEANA DEPAEPE (sworn January 17, 2011)	
	Thornton Grout Finnigan LLP Barristers and Solicitors Suite 3200, P.O. Box 329 Canadian Pacific Tower Toronto-Dominion Centre Toronto, Ontario M5K 1K7 Michael E. Barrack (LSUC# 21941W) Megan Keenbergh (LSUC# 53735G) Tel: 416-304-1616 Fax: 416-304-1313 Solicitors for the Applicants

TAB

A

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (the "**Agreement**") is entered into as of January [] 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**") 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 and the Settlement Amount as defined in the Torys Settlement Agreement (collectively, the "**Settlement Amounts**", in the aggregate, the "Aggregate Settlement Amount") 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 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 Aggregate Settlement Amount and agree that other than as permitted by paragraph 1 below, they will not make any use whatsoever of the Aggregate Settlement Amount;

WHEREAS in consideration of the Responding Parties' agreement to maintain the confidentiality of the Aggregate Settlement Amount, Hollinger, the Litigation Trustee, KPMG and Torys have agreed to the disclosure to the Responding Parties of the Aggregate 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 Aggregate 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 Aggregate Settlement Amount and agree to maintain the confidentiality of the Aggregate 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 term "**Aggregate 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 Aggregate 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 Aggregate Settlement Amount or the actual amount of money comprising the Aggregate 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 Responding Party may have filed with the 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 Aggregate Settlement Amount to Torys and 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 Aggregate Settlement Amount and the respective Settlement Amounts, 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 term "**Aggregate 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 Aggregate 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 Aggregate Settlement Amount or the actual amount of money comprising the Aggregate 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 with the exception of references therein to the Torys Settlement Amount or portions thereof (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 email 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

Name:

Title:

By: _____
(an authorized signing officer)

549563

TAB

B

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

THE HONOURABLE)
)
MR. JUSTICE CAMPBELL) **_____**, the _____ th
 DAY OF _____, 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 (as defined herein), 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 Canada**") 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 sealing the Report of John D.

Ground, Q.C. (retired judge) in his capacity as litigation trustee over and in respect of all claims and causes of action in favour of the Applicants (the “**Litigation Trustee**”) dated November 22, 2010 (the “**Litigation Trustee’s Report**”) in its entirety, and for an Order approving the form of confidentiality agreement to be entered into between Hollinger, Torys and KPMG (the “**Settling Parties**”) and ► (the “**Contractually Bound Responding Parties**”) which will govern the disclosure of the redacted portions of the Settlement Agreements, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Applicants dated January 17, 2011, the Responding Motion Records of ►, dated February 1, 2011, the *facta* of the parties, filed, the ► Report of Ernst & Young Inc. in its capacity as Court-appointed monitor of the Applicants (the “**Monitor**”) dated ► (the “**► Report**”) 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 Record,

SERVICE

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 RE: CRO AFFIDAVIT

2. **THIS COURT ORDERS** that the unredacted version of the CRO Affidavit shall be filed with the Court under seal from the public record and shall remain sealed from the public record until the date upon which the Settlement Agreements are approved and all appeals are resolved in favour of the Settling Parties or, if the Settlement Agreements are not approved, then until such further Order of the Court. Notwithstanding the foregoing, subparagraphs 1(c) and 7(b) of the Torys Settlement Agreement, attached as an exhibit to the CRO Affidavit, shall remain under seal from the public record until further Order of the Court.

SEALING ORDER RE: LITIGATION TRUSTEE'S REPORT

3. **THIS COURT ORDERS** that the Litigation Trustee's Report shall be filed with the Court under seal from the public record in its entirety until further Order of the Court.

APPROVAL OF CONFIDENTIALITY AGREEMENT

4. **THIS COURT ORDERS AND DECLARES** that the redacted portions of the Settlement Agreements, with the exception of the individual Settlement Amounts as defined in those Settlement Agreements, but including the aggregate of the individual Settlement Amounts (the "**Aggregate Settlement Amount**") 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".
5. **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.

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

Recognition and Enforcement

7. **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.

The Honourable Mr. Justice C. Campbell

Schedule "A"

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (the "**Agreement**") is entered into as of January [] 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**") 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 and the Settlement Amount as defined in the Torys Settlement Agreement (collectively, the "**Settlement Amounts**", in the aggregate, the "Aggregate Settlement Amount") 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 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 Aggregate Settlement Amount and agree that other than as permitted by paragraph 1 below, they will not make any use whatsoever of the Aggregate Settlement Amount;

WHEREAS in consideration of the Responding Parties' agreement to maintain the confidentiality of the Aggregate Settlement Amount, Hollinger, the Litigation Trustee, KPMG and Torsys have agreed to the disclosure to the Responding Parties of the Aggregate 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 Aggregate 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 Aggregate Settlement Amount and agree to maintain the confidentiality of the Aggregate 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 term "**Aggregate 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 Aggregate 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 Aggregate Settlement Amount or the actual amount of money comprising the Aggregate 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 Responding Party may have filed with the 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 Aggregate Settlement Amount to Torys and 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 Aggregate Settlement Amount and the respective Settlement Amounts, 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 term "**Aggregate 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 Aggregate 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 Aggregate Settlement Amount or the actual amount of money comprising the Aggregate 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 with the exception of references therein to the Torys Settlement Amount or portions thereof (the "**Torys Redacted Provisions**") to the Responding Parties and to 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 email 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

Name:

Title:

By: _____
(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	
SUPPLEMENTAL MOTION RECORD	
	Thornton Grout Finnigan LLP Barristers and Solicitors Suite 3200, P.O. Box 329 Canadian Pacific Tower Toronto-Dominion Centre Toronto, Ontario M5K 1K7 Michael E. Barrack (LSUC# 21941W) Megan Keenberg (LSUC# 53735G) Tel: 416-304-1616 Fax: 416-304-1313 Solicitors for the Applicants