

CITATION: Laurentian University of Sudbury, 2022 ONSC 3647
COURT FILE NO.: CV-21-00656040-00CL
DATE: 2022-06-17

SUPERIOR COURT OF JUSTICE - ONTARIO

**RE: 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 OF LAURENTIAN UNIVERSITY OF
SUDBURY**

BEFORE: Chief Justice G.B. Morawetz

COUNSEL: *Ben Muller and Maria Konyukhova*, for the Court-appointed Monitor Ernst & Young Inc.

Andrew Hanrahan, for Laurentian University of Sudbury

David Ullmann, for the Art Gallery of Sudbury

HEARD: June 17, 2022

ENDORSEMENT

[1] On being advised of the agreement and consent of the Monitor, the AGS and Laurentian, the motion of AGS is settled, on a with prejudice and a without costs basis, on the terms set out on in Schedule A.



Chief Justice G.B. Morawetz

Date: June 17, 2022

Schedule "A" to an Endorsement of the Court dated June 17, 2022

1. AGS will withdraw its claim and its motion on the terms set out below, with prejudice.
2. LU will permit AGS to continue to use the Bell Mansion consistent with its current use until the earlier of: (i) 90 days following completion of construction on the Junction Centre; or (ii) May 30, 2025 (the "**Vacate Date**").
3. LU will be free to sell the Bell Mansion provided that any closing date for such sale is not prior to the Vacate Date, and the AGS undertakes not to take any steps to impede or contest the sale.
4. The Settlement Agreement will include recitals to confirm that the artwork (the LUMAC Collection) comprises art that may have been donated with restrictions, donated without restrictions, that was purchased by Laurentian or others and was acquired from other sources.
5. Nothing in the settlement agreement will constitute the explicit or implicit acknowledgment by AGS that LU owns the art.
6. AGS will agree as part of the settlement that it does not own the art and, for all purposes, that it does not own or does not have any property interest or similar type of interest in the art collection and the BA McDonald Funds.
7. Laurentian will continue to comply with any applicable provisions or restrictions to which the artwork may be subject.
8. Laurentian confirms that it does not intend to take any steps to sell the Art prior to Plan Implementation under the CCAA process. Following Plan Implementation, Laurentian agrees that it will give AGS 90 days' notice of any intention to sell the Art that is managed or exhibited by AGS.
9. AGS will continue to be entitled to exhibit the art subject to the same terms as existed pursuant to the Memorandum of Understanding originally dated October 20, 1999 until the Vacate Date, subject to any new agreement being negotiated and agreed by the parties.
10. The parties will engage in good faith discussions to determine if a new agreement on terms acceptable to both parties can be achieved, with the assistance of the court-appointed Monitor, with respect to the management and exhibition of the art and the costs and responsibilities in respect of same.
11. AGS will continue to be responsible for and pay the costs of maintenance at the Bell Mansion that it covers now, and on that basis, LU will not charge rent to AGS prior to the Vacate Date. LU will continue to provide those services it is currently providing to the AGS until the Vacate Date.
12. Both parties agree not to seek to recover from each other in respect of past monies advanced or funded other than ordinary course amounts which have fallen due or are due in 2022 in accordance with usual practice between the parties. For certainty, no other adjustment for past monies will be required in the settlement.
13. Each party will be responsible for their own legal fees.

14. The above terms will be binding on any subsequent purchaser of the Bell Mansion, with respect to AGS' continued occupation of the Bell Mansion until the Vacate Date.