



NO. S240259
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C., c. 57, AS AMENDED

AND

IN THE MATTER OF **BLACK PRESS LTD., 311773 B.C. LTD., AND THOSE
ENTITIES LISTED IN SCHEDULE "A"**

PETITIONERS

NOTICE OF APPLICATION

NAME OF APPLICANTS: The Petitioners Black Press Ltd., 311773 B.C. Ltd. and those entities listed in **Schedule "A"**

TO: Service List, attached hereto as **Schedule "B"**

TAKE NOTICE that an application will be made by the Petitioners to the Honourable Justice Stephens at the courthouse at 800 Smithe Street, Vancouver, British Columbia V6Z 2E1 on March 11, 2024, at 10:00 a.m. for the orders set out in Part 1 below.

The Petitioners estimate that the application will take 2 hours.

This matter is not within the jurisdiction of an Associate Judge.

Part 1: ORDERS SOUGHT

1. An approval and reverse vesting order (the "**RVO**"), substantially in the form attached hereto as **Schedule "C"**, among other things:
 - (a) approving the transactions (the "**Transactions**") contemplated by the Share Subscription Agreement dated March 1, 2024 (the "**SSA**") among 1000817790 Ontario Ltd. (the "**Purchaser**"), Black Press Ltd. ("**BP Holdco**") and 311773 B.C. Ltd. ("**3117**", and together with BP Holdco, the "**Companies**");
 - (b) vesting out of the Companies, Black Press Group Ltd., 0922015 B.C. Ltd., Central Web Offset Ltd., Sound Publishing Holding, Inc., Sound Publishing Properties, Inc. ("**SPPI**"), Sound Publishing, Inc. ("**BP Sound**"), Oahu Publications, Inc. ("**BP**

Hawaii”), The Beacon Journal Publishing Company, WWA (BPH) Publications, Inc., San Francisco Print Media Co., Black Press Group Oregon LLC (“**BP Oregon**”), Black Press (Barbados) Ltd. (“**BP Barbados**”), Whidbey Press (Barbados) Inc. (“**Whidbey Press**”) and Black Press Delaware LLC (“**BP Delaware**”, and collectively, the “**BP Group Members**”) all Excluded Assets, Excluded Contracts and Excluded Liabilities and discharging all Encumbrances against the BP Group Members, except only the Permitted Encumbrances (all as defined in the SSA);

- (c) terminating and cancelling all Existing Shares as well as any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, preemptive rights, options (including stock option or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of the Companies, if any (other than the rights of the Purchaser under the SSA), for no consideration;
 - (d) authorizing and directing the Companies to issue the Subscribed Shares, and vesting in the Purchaser (or as it may direct) all right, title and interest in and to the Subscribed Shares, free and clear of all Encumbrances; and
 - (e) adding the Non-Petitioner Stay Parties as additional petitioners in the CCAA Proceedings.
2. An order, substantially in the form attached hereto as **Schedule “D”**, among other things:
- (a) approving, authorizing and empowering BP Holdco and 3117, *nunc pro tunc*, to enter into a second amended and restated transaction support agreement to be executed among the Noteholders, Carpenter Newsmedia, LLC (“**CNL**”), BP Holdco and 3117 dated as of March 1, 2024 (the “**Second Amended and Restated Transaction Support Agreement**”), and directing BP Holdco and 3117 to comply with their obligations thereunder;
 - (b) approving, authorizing and empowering the Petitioners to enter into the Amended and Restated DIP Term Sheet, increasing the maximum principal amount that the Petitioners can borrow under the DIP Loan to \$11,500,000 (the “**Further Increased DIP Limit**”), and increasing the maximum amount secured by the DIP Lender’s Charge to \$11,500,000 (plus accrued and unpaid interest, fees and expenses);
 - (c) approving, authorizing and empowering the Petitioners, *nunc pro tunc*, to enter into a settlement agreement with Pension Benefit Guaranty Corporation (“**PBGC**”) dated February 15, 2024 (the “**PBGC Settlement Agreement**”) and to make the payment of US\$2 million to PBGC (the “**PBGC Payment**”) contemplated by the PBGC Settlement Agreement (such relief, the “**PBGC Relief**”);
 - (d) authorizing and empowering the Petitioners, *nunc pro tunc*, to provide notice of this Notice of Application by (i) sending by email the Stakeholder Notice (as defined below) to those stakeholders for whom the Petitioners have email addresses, (ii) sending by courier the Stakeholder Notice to those stakeholders for whom the Petitioners do not have email addresses, and (iii) issuing a press release substantially in the form of the Stakeholder Notice; and

- (e) extending the Stay Period (as defined below) until April 12, 2024.
3. Such further and other relief as this Court may deem just.

Part 2: FACTUAL BASIS

I. GENERAL

1. Capitalized terms used but not otherwise defined in this Notice of Application shall have the meanings given to them in the 1st Affidavit of Christopher Hargreaves made on January 12, 2024 (the "**First Hargreaves Affidavit**"), the Order of this Honourable Court granted January 25, 2024 (the "**ARIO**"), and the SSA, as applicable.
2. All references to monetary amounts in this Notice of Application are in Canadian dollars unless otherwise stated.

II. BACKGROUND OF CCAA PROCEEDINGS

1. On January 15, 2024, this Court pronounced an Order (the "**Initial Order**") which, among other things:
 - (a) granted a stay of proceedings until January 25, 2024 (the "**Stay Period**");
 - (b) appointed KSV Restructuring Inc. as Monitor of the Petitioners (in such capacity, the "**Monitor**");
 - (c) approved the DIP Loan, on the terms and conditions set forth in the term sheet between the Petitioners and the DIP Lender dated as of January 12, 2024 (the "**Original DIP Term Sheet**") provided that the borrowings under such facility not exceed the aggregate principal amount of \$500,000 and granted the DIP Lender's Charge in the amount of \$500,000 (plus accrued and unpaid interest, fees and expenses);
 - (d) granted the Directors' Charge and the Administration Charge; and
 - (e) authorized and empowered BP Holdco to act as the foreign representative (in such capacity, the "**Foreign Representative**") including acting as a foreign representative of the Petitioners to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Bankruptcy Code*, 11 U.S.C. §§ 101 – 1532, as amended (the "**Bankruptcy Code**").
2. On January 25, 2024, this Court pronounced the ARIO which, among other things:
 - (a) extended the Stay Period to and including March 15, 2024;
 - (b) increased the maximum principal amount that the Petitioners could borrow under the DIP Loan to \$5,500,000 and increased the amount secured by the DIP Lender's Charge to \$5,500,000 (plus accrued and unpaid interest, fees and expenses);

- (c) approved, authorized and empowered BP Holdco and 3117, *nunc pro tunc*, to enter into the Amended and Restated Transaction Support Agreement, and directed BP Holdco and 3117 to comply with their obligations thereunder; and
 - (d) granted the KERP Charge.
3. On January 25, 2024, this Court also pronounced an Order (the “**SISP Approval Order**”) which, among other things:
- (a) authorized and directed BP Holdco and 3117 to negotiate and finalize a definitive stalking horse transaction agreement (the “**Stalking Horse Transaction Agreement**”) with the Noteholders and CNL, or their designated nominee, in respect of a transaction as described in and substantially in accordance with the terms of the stalking horse term sheet in the form attached to the Amended and Restated Transaction Support Agreement, among BP Holdco, 3117, the Noteholders and CNL (the “**Stalking Horse Term Sheet**”); and
 - (b) approved a sale and investment solicitation process (the “**SISP**”) in which the Stalking Horse Transaction Agreement was to serve as the stalking horse bid (the “**Stalking Horse Bid**”) and authorized and directed the Petitioners and the Monitor to perform their respective obligations and do all things reasonably necessary to perform their obligations under the SISP.

III. CHAPTER 15 CASES

4. On January 15, 2024, the Foreign Representative filed in the United States Bankruptcy Court for the District of Delaware (the “**US Court**”), among other things:
- (a) Petitions commencing the Chapter 15 Cases in respect of each of the Petitioners;
 - (b) a Verified Petition for recognition of these CCAA proceedings as foreign main proceedings, recognition of the Foreign Representative, and related relief;
 - (c) an *ex parte* Motion for provisional relief in the form of a temporary restraining order (the “**TRO**”), and after notice and a hearing an order for provisional relief under section 1519 of the Bankruptcy Code; and
 - (d) a Motion for Chapter 15 Recognition and Final Relief (the “**Recognition Motion**”).
5. On January 16, 2024, the US Court granted the TRO and an Order granting provisional relief pursuant to section 1519 of the Bankruptcy Code.
6. On January 25, 2024, the Foreign Representative filed in the US Court a Motion for entry of an order recognizing and enforcing the SISP Approval Order, and certain related relief (the “**SISP Approval Recognition Motion**”).
7. On February 6, 2024, PBGC filed in the US Court a limited objection to the Recognition Motion, on the basis that BP Sound, SPPI and BP Hawaii (collectively, the “**Excluded BP Entities**”) had their centres of main interest in the US and therefore did not satisfy the requirements of section 1517 of the Bankruptcy Code for recognition of the CCAA

proceedings as foreign main proceedings insofar as they relate to the Excluded BP Entities.

8. On February 8, 2024, the US Court granted the relief sought by the Foreign Representative:
 - (a) in the SISP Approval Recognition Motion; and
 - (b) in the Recognition Motion other than in respect of the Excluded BP Entities, finding that the Excluded BP Entities had their centres of main interest in the US.
9. As a result of the US Court's decision in respect of the Recognition Motion, the Purchaser has required certain amendments to the Stalking Horse Transaction Agreement (which are reflected in the SSA), including a condition precedent to the closing of the Transactions requiring that the Petitioners obtain the PBGC Relief, as described in greater detail below.

IV. SISP

10. Prior to the commencement of these CCAA proceedings, the Company carried out the Pre-Filing Sale Process, over a period of approximately four months in 2023, and with the assistance of Dirks, Van Essen & April ("**DVA**"), the leading merger and acquisition firm in the US newspaper industry. The Pre-Filing Sale Process did not result in a viable bid for any portion of the Company or its assets.
11. The Monitor launched the SISP on January 16, 2024, and in accordance with the SISP:
 - (a) contacted a target list of 74 parties. The target list comprised parties that had been approached during the pre-filing sale process, or were identified by management of the Petitioners or from the Monitor's independent research. The target list included financial buyers (with investments in media companies in Canada and/or the US), strategic buyers (that operate in the media industry in Canada and/or the US) and union-sponsored investment funds in Canada and the US (as the Companies have unionized employees);
 - (b) the SISP Approval Order (which attached the SISP as Schedule "D" thereto) was posted on the Monitor's website on January 26, 2024; and
 - (c) the form of the Stalking Horse Transaction Agreement was posted on the Monitor's website on February 7, 2024.
12. Of the 74 parties approached (i) five signed non-disclosure agreements and carried out due diligence, (ii) three reviewed the 'teaser' document but did not execute non-disclosure agreements, (iii) five indicated they were not interested, and (iv) the balance provided no response to the Monitor.
13. The SISP approved by the Court contemplated, among other things, a Qualified Bid Deadline of 5:00 p.m. PT on February 16, 2024. No Qualified Bids (as defined in the SISP), other than the Stalking Horse Bid, were received by the Qualified Bid Deadline. Therefore, in accordance with paragraph 15 of the SISP, the Stalking Horse Bid was deemed the Successful Bid (as defined in the SISP).

V. THE SSA

14. The Transactions contemplated by the SSA (which is substantially in the form of the Stalking Horse Transaction Agreement), including the Purchase and Sale Transactions, have been structured as a "reverse vesting" transaction which provides, among other things, the following:
 - (a) the Purchaser will subscribe for a number of common shares in the capital of:
 - (i) BP Holdco, to be issued on Closing and which will, immediately following Closing, represent 100% of the equity interests in BP Holdco (collectively, the "**BP Subscribed Shares**"); and
 - (ii) 3117, to be issued on Closing and which will, immediately following Closing, represent 100% of the equity interests in 3117 (collectively, the "**3117 Subscribed Shares**" and together with the BP Subscribed Shares, the "**Subscribed Shares**"); and
 - (b) all Excluded Assets, Excluded Contracts and Excluded Liabilities (as such terms are defined in the SSA) will be transferred and "vested out" to entities with no issued and outstanding shares (the "**Residual Cos**").
15. As part of the Transactions, the Purchaser will provide the following consideration to the Companies (collectively, the "**Subscription Price**"):
 - (a) credit bid of \$6 million of the outstanding principal amount owing under the Secured Notes;
 - (b) cash consideration in an amount equal to the aggregate of:
 - (i) \$10 plus an amount sufficient to pay in full in cash all Canadian dollar denominated Encumbrances in respect of the BP Group Members ranking in priority to the Secured Notes, other than (x) any amounts in respect of Closing Payments, and (y) such amounts which are Assumed Liabilities; and
 - (ii) US\$10 plus an amount sufficient to pay in full in cash all United States dollar denominated Encumbrances in respect of the BP Group Members ranking in priority to the Secured Notes, other than (x) any amounts in respect of Closing Payments, and (y) such amounts which are Assumed Liabilities; and
 - (c) retention of the Assumed Liabilities, including the Statement of Trade Payables amounts.
16. The other material terms of the SSA are as follows:
 - (a) **Retained Assets:** all assets owned by the BP Group Members on the date of the SSA and any assets acquired by them up to and including Closing, including their respective:

- (i) Contracts,
- (ii) Permits and Licenses; and
- (iii) Books and Records,

except for inventory sold in the ordinary course of business in the Interim Period and the Excluded Assets, if any, the Excluded Contracts, and any Contracts disclaimed by any of the BP Group Members with the consent of the Purchaser.

(b) **Assumed Liabilities:**

- (i) Liabilities specifically and expressly designated by the Purchaser as assumed Liabilities in Schedule "E" to the SSA, which shall in any event include the Liabilities listed under the Statement of Trade Payables;
- (ii) Liabilities under any Retained Contracts, Permits and Licenses or Permitted Encumbrances arising out of events or circumstances that occur after the Closing;
- (iii) Cure Costs in relation to Retained Contracts;
- (iv) any Tax Liabilities and Transaction Taxes relating to the transfer of Excluded Liabilities, Excluded Asset and Excluded Contracts to the Residual Cos and assumption by the Residual Cos of same; and
- (v) to the extent not paid in connection with these CCAA proceedings, any claims or charges then outstanding ranking in priority to the Secured Notes.

(c) **Excluded Liabilities:** among other things, all debts, obligations, Liabilities, Encumbrances (other than Permitted Encumbrances), and indebtedness, of or against the BP Group Members or relating to any Excluded Assets and Excluded Contracts as at the Closing Time, other than Assumed Liabilities, including:

- (i) the non-exhaustive list of Liabilities enumerated in Schedule "C" to the SSA;
- (ii) any and all Liabilities relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions and to which any of the BP Group Members may be bound as at the Closing Time;
- (iii) all liabilities relating to or under the Excluded Contracts and Excluded Assets; and
- (iv) all liabilities for those employees of a BP Group Member who are Terminated Employees.

(d) **As Is, Where Is:** the Subscribed Shares shall be issued, sold and delivered to the Purchaser subject only to the representations and warranties contained in the

SSA, and the Retained Assets shall be retained by the BP Group Members in the context of the Transactions on an "as is where is" basis;

- (e) **Outside Date:** April 12, 2024 or such other date as the Companies (with the consent of the Monitor and the DIP Lender) and the Purchaser may agree to in writing;
- (f) **Material Conditions:** among other things:
 - (i) at or before the Closing Time, the RVO shall have been issued by the Court, and such order shall not have been vacated, set aside or stayed;
 - (ii) at or before the Closing Time, this Court shall have issued an order granting the PBGC Relief, in form and substance satisfactory to the Purchaser acting reasonably, and such order shall not have been vacated, set aside or stayed; and
 - (iii) the Companies shall have cash in an amount sufficient to satisfy the payment in full on Closing of, among other things, all amounts owing under the KERP.

VI. ADDITION OF NON-PETITIONER STAY PARTIES AS PETITIONERS

- 17. In order to facilitate the Transactions, and as contemplated by the SSA, the Petitioners are seeking to add the Non-Petitioner Stay Parties as Petitioners in these CCAA proceedings.
- 18. The Purchaser wishes to ensure that any assets of the Non-Petitioner Stay Parties (including certain intercompany indebtedness described below and potentially, tax attributes) are preserved for the benefit of and available to the Purchaser. Further, the Purchaser wishes to ensure that any liabilities of the Non-Petitioner Stay Parties are addressed by the RVO.

A. Black Press (Barbados) Ltd. (BP Barbados)

- 19. BP Barbados is a company incorporated under the laws of Barbados. It is a holding company established for tax planning purposes and owns 100% of the shares in Whidbey Press. It is owed certain amounts by Whidbey Press pursuant to an intercompany loan. As of the financial year ended February 29, 2020 (the last year for which financial statements are available for this entity), BP Barbados was indebted to Black Press Group Ltd. ("**BP Canada**") in the amount of \$146,592 pursuant to an intercompany loan.

B. Whidbey Press (Barbados) Inc. (Whidbey Press)

- 20. Whidbey Press is a company incorporated under the laws of Barbados. It is a holding company and owns 1% of the shares in the Petitioner, Sound Publishing Holding, Inc. As of the financial year ended February 29, 2020 (the last year for which financial statements are available for this entity), Whidbey Press was indebted to BP Barbados in the amount of \$68,064 pursuant to an intercompany loan.

C. Black Press Delaware LLC (BP Delaware)

21. BP Delaware is a limited liability company formed under the laws of Delaware. The registered office of BP Delaware is 1209 Orange Street, in the City of Wilmington, Delaware, which is the office of its registered agent.

D. Black Press Group Oregon LLC (BP Oregon)

22. BP Oregon is a limited liability company formed under the laws of Oregon, solely for the purpose of holding a corporate jet used in connection with the BP Business. The jet was sold in or around 2023. The registered office of BP Oregon is at 3533 Fairview Industrial Drive, S.E., Salem, Oregon, which is the office of its registered agent. However, its mailing address for notices is care of BP Canada, in Victoria, British Columbia. It is indebted to BP Sound in the amount of \$1,325,509 pursuant to an intercompany loan.
23. Each of the Non-Petitioner Stay Parties is a guarantor of the obligations pursuant to the Secured Notes, and as such has significant liabilities. Although each of the Non-Petitioner Stay Parties has assets in Canada (and in some cases, elsewhere), the quantum of those assets is (in each case) significantly less than the liabilities of each of the Non-Petitioner Stay Parties.

VII. SECOND AMENDED AND RESTATED TRANSACTION SUPPORT AGREEMENT

24. The Second Amended and Restated Transaction Support Agreement (and the Stalking Horse Term Sheet attached thereto) include modifications to certain provisions to address the fact that the US Court declined to grant the relief sought in the Recognition Motion to the extent that such relief related to the Excluded BP Entities, and the PBGC Payment.
25. As is the case with the Amended and Restated Transaction Support Agreement, which remains in full force and effect, subject to and in accordance with its terms, pursuant to the Second Amended and Restated Transaction Support Agreement, the Noteholders and CNL agree to, among other things, support the implementation and consummation of the SSA and not take any action inconsistent with their obligations under the Second Amended and Restated Transaction Support Agreement.

VIII. CYBER INCIDENT

26. On or around January 10, 2024, the Akira Ransomware Group ("**Akira**") encrypted a number of servers utilized by BP Hawaii, having gained access by utilizing weaknesses in BP Hawaii's virtual private network (the "**Cyber Incident**").
27. BP Hawaii engaged with its US legal counsel, Thomson Hine LLP, and cyber security firm, Stellar Cyber, to provide guidance with respect to the Cyber Incident. Upon becoming aware of the Cyber Incident, BP Hawaii promptly reported the matter to the Federal Bureau of Investigation, which commenced an investigation of the matter. The Department of Homeland Security also became involved.
28. While BP Hawaii was still able to produce its publications following the Cyber Incident, the encryption of the affected servers impacted BP Hawaii's ability to issue invoices to advertisers and subscribers. This adversely affected BP Hawaii's cashflow by approximately US\$200,000 per day.

29. An initial ransom demand was received in the amount of US\$4 million. However, this amount was negotiated down, ultimately to the sum of US\$150,000. On the advice of Stellar Cyber, and with the approval of the Monitor and the DIP Lender, this amount was paid to Akira in bitcoin via the platform, DigitalMint, which provides cryptocurrency ransomware settlement services, on January 24, 2024. Access to the encrypted servers has been restored.
30. Investigations by Stellar Cyber and other cybersecurity advisors indicated that the vulnerabilities exploited by Akira against BP Hawaii in the Cyber Incident were present elsewhere in the Company's information technology systems. The Company is implementing various system modifications and controls to address these vulnerabilities and reduce the risk of further ransomware attacks.
31. The estimated total cost of the Cyber Incident, including a full forensic audit of the breach and identification and implementation of necessary fixes, is between US\$300,000 and US\$750,000.

IX. PBGC SETTLEMENT AGREEMENT

32. PBGC previously asserted that The Beacon Journal Publishing Company ("**Beacon**") and each member of Beacon's controlled group on the date of the Akron Plan termination (being each of the BP Group Members) is jointly and severally liable to PBGC in an amount in excess of US\$45 million (the "**PBGC Liabilities**"). The PBGC Liabilities are the largest potential single liability of the Petitioners other than the obligations under the Secured Notes.
33. In light of the decision of the US Court in declining to recognize these CCAA proceedings insofar as they relate to the Excluded BP Entities, the Petitioners negotiated and entered into the PBGC Settlement Agreement, in consultation with the Noteholders and CNL. The purpose of the PBGC Settlement Agreement is to provide certainty to the Purchaser that it will avoid the risk of PBGC making efforts to assert claims against the reorganized BP Group Members following the closing of the Transactions.
34. Pursuant to the PBGC Settlement Agreement, among other things:
 - (a) the Black Press Parties (as defined in the PBGC Settlement Agreement) agreed to make the PBGC Payment, conditional on the approval thereof by this Court in these CCAA proceedings; and
 - (b) PBGC agreed (i) to not oppose any action taken or sought to be taken by any Black Press Party in these CCAA proceedings or any proceeding under the Bankruptcy Code or similar law (provided that such action is not inconsistent with the terms of the PBGC Settlement Agreement), and (ii) release the BP Group Members from the PBGC Liabilities.

X. AMENDED AND RESTATED DIP TERM SHEET, FURTHER INCREASED DIP LIMIT AND INCREASE TO DIP LENDER'S CHARGE

35. Pursuant to the Original DIP Term Sheet it is a condition precedent to the Second DIP Advance and each Subsequent DIP Draw (both terms as defined in the Original DIP Term Sheet), among other things, that the US Court shall have issued an order granting the relief sought in the Recognition Motion. As noted above, the US Court declined to grant the relief sought in the Recognition Motion insofar as it related to the Excluded BP Entities.
36. The Amended and Restated DIP Term Sheet, among other things:
- (a) includes modifications to certain provisions to address the fact that the US Court declined to grant the relief sought in the Recognition Motion to the extent that such relief related to the Excluded BP Entities; and
 - (b) reflects the Further Increased DIP Limit and increased DIP Lender's Charge (subject to Court approval).
37. The Petitioners seek the Increased DIP Limit to \$11,500,000, to allow the Petitioners access to sufficient funds to satisfy, among other things:
- (a) the PBGC Payment;
 - (b) the costs associated with the Cyber Incident;
 - (c) certain increased operational costs; and
 - (d) the increased costs associated with administering these CCAA proceedings and the Chapter 15 Cases.

The Petitioners also seek to increase the amount of the DIP Lender's Charge to \$11,500,000 (plus accrued and unpaid interest, fees and expenses) so that it is commensurate with the maximum borrowings under the DIP Loan.

XI. NOTICE TO STAKEHOLDERS

38. Out of an abundance of caution, the Petitioners have provided notice of this application and the hearing hereof to as many as possible of its various stakeholders, including employees, suppliers, landlords and other contract counterparties (collectively, the "**Notice Parties**"). The Petitioners identified approximately 500 Notice Parties that were not already included on the service list maintained by the Monitor in these CCAA proceedings.
39. The Notice Parties were provided with a notice (the "**Stakeholder Notice**") advising:
- (a) of the general nature of the relief sought in this Notice of Application;
 - (b) that this Notice of Application was scheduled to be heard on March 11, 2024 at 10 a.m. local time in Vancouver, British Columbia;
 - (c) that copies of all documents in connection with these CCAA proceedings (including this Notice of Application, the First Hargreaves Affidavit, and the 2nd Affidavit of

Christopher Hargreaves made on March 4, 2024 (the "**Second Hargreaves Affidavit**") were available on the Monitor's website; and

- (d) of the address for the Monitor's website.
40. On March 4, 2024, the Stakeholder Notice was sent:
- (a) by email to the Notice Parties for whom the Petitioners were able to locate email addresses; and
 - (b) to the remaining Notice Parties by courier or, in the case of 25 Notice Parties whose addresses are post office boxes, by mail.
41. The Petitioners also intend to issue a press release substantially in the form of the Stakeholder Notice no later than March 4, 2024, and a copy of the Stakeholder Notice was posted on the Monitor's website on March 4, 2024.
42. The Stakeholder Notice was prepared in order to minimize the significant cost associated with providing physical copies of this Notice of Application and the related materials to the numerous Notice Parties, who are located in various locations across a large geographic area, and to ensure that all Notice Parties received the same information.

XII. EXTENSION OF THE STAY PERIOD

43. The Petitioners seek an extension of the Stay Period to and including April 12, 2024 (the "**Stay Extension**"). While the parties still intend to complete the Transactions contemplated the SSA as soon as reasonably practicable following the Petitioners obtaining the RVO, should it be granted, in light of the complexities of the Transactions and closing items, and given the SSA provides for a target closing date of March 22, 2024 and an Outside Date of April 12, 2024, a short extension of the Stay Period is needed to avoid the need to appear before this Court on a separate application at a later date prior to the closing of the Transactions.
44. The Stay Extension will ensure that the Petitioners will have sufficient time to close the Transactions contemplated by the SSA, for the benefit of their stakeholders.
45. The Petitioners, in consultation with the Monitor, have prepared an updated cash flow forecast for the period from February 26, 2024 to April 14, 2024 (the "**Cash Flow Forecast**"). The Cash Flow Forecast confirms that, if the Further Increased DIP Limit is approved, the Petitioners will have sufficient liquidity to continue going concern operations and complete the Transactions during the period of the Stay Extension.
46. Throughout these CCAA proceedings, the Petitioners and the Non-Petitioner Stay Parties have been working in good faith and with due diligence to, among other things, implement the SISP, negotiate the SSA and pursue the Chapter 15 Cases.
47. The Proposed Stay Extension is supported by the Monitor, the DIP Lender, the Noteholders and the Purchaser.

Part 3: LEGAL BASIS

I. RVO

1. Section 36 of the CCAA sets out the applicable legal test for obtaining court approval of a sale outside the ordinary course of business during a CCAA proceeding. This legal test is also applicable in the context of a reverse vesting transaction. In particular, section 36(3) outlines certain factors that the Court may consider when deciding whether to approve a sale:

Factors to be Considered

36 (3) In deciding whether to grant the authorization, the court is to consider, among other things,

- (a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;
- (b) whether the monitor approved the process leading to the proposed sale or disposition;
- (c) whether the monitor filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;
- (d) the extent to which the creditors were consulted;
- (e) the effects of the proposed sale or disposition on the creditors and other interested parties; and
- (f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.

See also Quest University Canada (Re),
2020 BCSC 1883 at paras 174-178 [Quest]

2. The factors enumerated in section 36(3) are not intended to be exhaustive, nor are they intended to be a checklist that must be followed in every CCAA sale transaction.

Target Canada Co. (Re),
2015 ONSC 1487 at para 16 [Target]

3. Courts have noted that the section 36(3) criteria largely correspond with the principles articulated in *Royal Bank v Soundair Corp* for the approval of the sale of assets in an insolvency scenario, those being:

- (a) whether sufficient effort has been made to obtain the best price and that the debtor has not acted improvidently;
- (b) the interests of all parties;
- (c) the efficacy and integrity of the process by which offers have been obtained; and

- (d) whether there has been unfairness in the working out of the process.

Royal Bank v. Soundair Corp.,
1991 CanLII 2727 (ONCA)

Quest at para 176

Veris Gold Corp. (Re),
2015 BCSC 1204 at para 125

Target at paras 14-17

4. For the reasons that follow, the Petitioners submit that the Transactions contemplated by the SSA satisfy the statutory criteria for approval of a sale and that completion of the Transactions is consistent with the remedial purpose of the CCAA:

- (a) **The solicitation process was reasonable:** The SSA is the culmination of approximately six months' of extensive solicitation efforts on the part of both the Company (in respect of the Pre-Filing Sale Process) and the Company and the Monitor (in respect of the SISP), the latter of which was approved by the Court pursuant to the SISP Approval Order. As part of the Pre-Filing Sale Process, the Company's advisor, DVA, broadly canvassed the market by engaging with 52 potential purchasers. However, no actionable bids were submitted. As part of the SISP, the Monitor contacted 73 potential bidders soliciting interest in acquiring the Company's business and assets. Further, due to the public and well-known nature of the Company in the locations in which it operates, the SISP received substantial media attention within those markets;
- (b) **The Monitor approved the solicitation process:** KSV was actively involved and consulted in the SISP and, as confirmed by the Second Report of the Monitor (to be filed), the Monitor is supportive of the Court approving the SSA and the Transactions contemplated therein;
- (c) **The primary creditors were consulted:** The Company consulted with the Noteholders and the DIP Lender (where appropriate);
- (d) **The Transactions benefit the stakeholders of the Company as a whole:** Following closing of the Transactions, the BP Group will continue its operations as a going concern, resulting in, among other things: (i) preservation of the employment of BP Group Members; and (ii) the communities in which the Company operates will continue to benefit from its production and distribution of local news. Additionally, the majority of trade claims and the Cure Costs in relation to the Retained Contracts will be assumed or paid in full; and
- (e) **The Subscription Price is fair and reasonable:** The Subscription Price payable pursuant to the SSA is fair and reasonable as confirmed by the results of the Pre-Filing Sale Process and the SISP.

5. The Transactions are to be implemented by way of a reverse vesting order. Instead of this Court vesting all right, title and interest in assets to a third party, the Petitioners are requesting, among other things, the vesting of all Excluded Liabilities, the Excluded Assets

and the Excluded Contracts in the Residual Cos, allowing the Purchaser to acquire the Subscribed Shares free and clear.

6. The Court has jurisdiction under sections 11 and 36 of the CCAA to approve a reverse vesting transaction in appropriate circumstances. In *Quest*, Justice Fitzpatrick of this Court extensively reviewed the case law regarding a court's authority to grant a reverse vesting order under the CCAA. Following the review, Justice Fitzpatrick found that the CCAA provided sufficient authority to grant the reverse vesting order, consistent "with the remedial purposes of the CCAA" and the Supreme Court of Canada's ruling on a CCAA court's jurisdiction in *Callidus Capital Corp. v. Canada*.

Quest, at paras 153-161, leave to appeal refused,
Southern Star Developments Ltd. v. Quest University Canada, 2020 BCCA 364

Callidus Capital Corp. v. Canada,
2018 SCC 47 at paras 49, 50, 67, 68, 75 and 76

7. In deciding whether to grant the RVO, this Court should consider the following factors:
 - (a) **why is the RVO necessary in this case?** The multiplicity of corporate entities comprising the BP Group, and of the contracts, licences, permits and other assets, located across multiple Canadian provinces and US states, would render an asset sale logistically complex and add significantly to the costs of the Company's restructuring proceedings, including the costs of documenting and implementing the transaction. Further, some or all of the BP Group Members may have tax attributes (such as paid up capital or tax loss carry-forwards) that would be lost to the Purchaser under an asset-based transaction and the Purchaser was only willing to submit a stalking horse bid in the SISP structured as a subscription for new shares in the Companies;
 - (b) **does the RVO structure produce an economic result at least as favourable as any other viable alternative?** The outcomes of the Pre-Filing Sale Process and the SISP demonstrate that there is no other viable alternative. Further, given the factors identified above, the Petitioners submit that it is reasonable to conclude that the purchase price payable under an asset purchase and sale transaction – to the extent that any such transaction could be identified – would likely be reduced to reflect the additional costs and fewer benefits associated with an asset-based transaction.
 - (c) **is any stakeholder worse off under the RVO structure than they would have been under any other viable alternative?** As noted above, there is no other viable alternative to the proposed Transactions. In any event, no stakeholder is worse off as a result of the transaction with the Purchaser being implemented by way of a reverse vesting order; and
 - (d) **does the consideration being paid for the debtor's business reflect the importance and value of the licences and permits (or other intangible assets) being preserved under the RVO structure?** The Subscription Price reflects the importance and value of the corporate structure and tax attributes being preserved under the RVO structure, and (the Petitioners submit) the lower transaction costs associated with the RVO structure.

8. Like this Court in *Quest*, the Ontario Superior Court of Justice in *Harte Gold* considered the objectives of the CCAA, including "providing for timely, efficient and impartial resolution of a debtor's insolvency; preserving and maximizing the value of a debtor's assets; ensuring fair and equitable treatment of the claims against a debtor; protecting the public interest; and, in the context of a commercial insolvency, balancing the costs and benefits of restructuring or liquidating the company. Further, the discretion under s. 11 must also be exercised in furtherance of three baseline considerations: (a) that the order sought is appropriate in the circumstances, and (b) that the applicant has been acting in good faith and (c) with due diligence."

Harte Gold at para 32

9. In light of the foregoing, the Petitioners submit that the Court should approve the SSA and the Transactions contemplated thereby, and grant the RVO.

II. RELEASES

10. The Petitioners seek a release of:

- (a) the current and former directors, officers, employees, legal counsel and advisors of the Black Press Entities, Residual Co. (Canada) and Residual Co. (US) (or any of them);
- (b) the Monitor and its legal counsel;
- (c) the Purchaser and its current and former directors, officers, employees, legal counsel and advisors; and
- (d) CNL, Canso Investment Counsel Ltd. ("**Canso**") and all investment accounts managed by Canso, Deans Knight Capital Management ("**DK**") and all investment accounts managed by DK, and their respective current and former directors, officers, employees, legal counsel and advisors

(in such capacities, collectively, the "**Released Parties**").

11. The release covers any and all present and future claims against the Released Parties based upon any fact, matter or occurrence in respect of the SSA, the Transactions, the Second Amended and Restated Support Agreement, the Amended and Restated DIP Term Sheet and the Definitive Documents, or the Black Press Entities, their business, operations, assets, property or affairs, or the administration of the Black Press Entities, these CCAA proceedings and/or the Chapter 15 Cases, except any claim for actual fraud, wilful misconduct or gross negligence or that is not permitted to be released pursuant to s. 5.1(2) of the CCAA.
12. Releases for directors, the Monitor and other advisors of debtor companies are a common feature of CCAA plans. The absence of a CCAA plan, however, does not deprive the court of the jurisdiction to approve releases for these parties. S. 5.1(1) of the CCAA, for example, which deals with releases relating to directors, is drafted permissively. It does not limit the jurisdiction of the Court under s. 11 of the CCAA to make any order that it considers appropriate in the circumstances.

CCAA, s. 5.1(1)

Green Relief Inc. (Re),
2020 ONSC 6837 at paras 23 and 25 [*Green Relief*]

13. Releases are now customary in non-plan situations, and are a critical component of recapitalization transactions like those contemplated by the SSA. These releases have been in favour of, among other parties, directors, officers, monitors, counsel, employees, shareholders and advisors.

Green Relief at para 76

Arrangement relatif à Blackrock Metals Inc.,
2022 QCCS 2828 at paras 128-130 [*Blackrock*]

Harte Gold Corp. (Re),
2022 ONSC 653 at paras 78-86

Just Energy Group Inc. et al, v. Morgan Stanley Capital Group Inc., et al,
2022 ONSC 6354 at para 67

NextPoint Financial, Inc. (Re),
2023 BCSC 2378 at paras 22-26

8640025 Canada Inc. (Re),
2021 BCSC 1826 at para 43

Arrangement relatif à Nemaska Lithium inc.,
2020 QCCS 3218 at para 106

Nelson Education Limited (Re),
2015 ONSC 5557 at para 49

Quest at para 138
Approval and Reverse Vesting Order at para 14

Green Growth Brands Inc., et al (Re),
Court File No. CV-20-00641220-00CL (ONSC),
Order Terminating CCAA Proceedings at para 12

14. The same test for granting third party releases in a CCAA plan applies to a release in an RVO. CCAA Courts have considered the following criteria:

- (a) whether the parties to be released from claims are necessary and essential to the restructuring of the debtor;
- (b) whether the claims to be released are rationally connected to the purpose of the restructuring and necessary for it;
- (c) whether the restructuring could succeed without the releases;
- (d) whether the parties being released contributed to the restructuring; and
- (e) whether the releases benefit the debtors as well as the creditors generally.

It is not necessary for each of these factors to apply in order for the proposed release to be granted.

Blackrock at para 130

Green Relief at paras 27, 28 and 50-56

Lydian International Limited (Re),
2020 ONSC 4006 at para 54

15. The releases in the RVO are rationally connected to the restructuring and essential to its success. The granting of the RVO (including the releases) is a condition to the closing and implementation of the Transactions.
16. The Released Parties have made significant contributions to the development and implementation of the Petitioners' exit from these CCAA proceedings. The directors and officers of the Black Press Entities have been and remain critical to these CCAA proceedings, including the negotiation and execution of the SSA, and the consummation of the Transactions contemplated thereby. Without their direct involvement, the Transactions would not have been possible. If the RVO is granted on the terms sought and the Transactions completed, the BP Business will continue and its going-concern value will be preserved for the benefit of stakeholders.

III. ADDITION OF NON-PETITIONER STAY PARTIES AS PETITIONERS

17. The Petitioners seek to have the Non-Petitioner Stay Parties added as additional petitioners in these CCAA proceedings, to facilitate the Transactions. It is a condition to the Purchaser's obligation to complete the Transactions that the Non-Petitioner Stay Parties be added as additional petitioners in these proceedings.
18. Courts have previously added applicants to CCAA proceedings where the additional petitioners qualify for relief under the CCAA and the objectives of the CCAA will be furthered by the addition of the petitioners.
19. To qualify for relief under the CCAA, a company must be a "debtor company" or affiliated debtor companies with total claims against the debtor company or affiliated debtor companies in excess of \$5,000,000.

CCAA, ss. 2 and 3

20. A company will be considered a "debtor company" for the purposes of the CCAA where it is bankrupt or insolvent, and where it is an incorporated company having assets or doing business in Canada. The test for "having assets or doing business in Canada" is disjunctive, meaning that having assets in Canada is sufficient for a foreign corporation to qualify as a "company" within the meaning of the CCAA.

Cinram International Inc., Re, 2012 ONSC 3767
at Sch. C, para 46 [*Cinram*]

21. This Court has held that having only nominal assets in Canada, such as funds on deposit in a Canadian bank account, brings a foreign incorporated company within the definition of "company" for the purposes of the CCAA.

Cinram, at Sch. C, para 47

Re Global Light Telecommunications Inc., et al,
2004 BCSC 745, at para 17 [*Global Light*]

Canwest Global Communications Corp. (Re),
2009 CanLII 55114 at para 30

22. In *Cinram*, the Ontario Superior Court of Justice (citing the decision of this Court in *Global Light*), held:

“... In order to meet the threshold statutory requirements of the CCAA, an applicant need only be in technical compliance with the plain words of the CCAA.

The Courts do not engage in a quantitative or qualitative analysis of the assets or the circumstances in which the assets were created. Accordingly, the use of “instant” transactions immediately preceding a CCAA application, such as the creation of “instant debts” or “instant assets” for the purposes of bringing an entity within the scope of the CCAA, has received judicial approval as a legitimate device to bring a debtor within technical requirements of the CCAA.”

Cinram, at Sch. C, paras 47 and 48

23. A similar approach was adopted in *Metcalfe & Mansfield*, where the Court noted that courts “...have acknowledged the need to maintain flexibility in CCAA matters, discouraging importation of any statutory provisions, restrictions or requirements that might impede creative use of the CCAA without a demonstrated need or statutory direction”.

ATB Financial v. Metcalfe & Mansfield Alternative Investments II Corp.,
2008 CanLII 21724 (ON SC) at para 44

24. The Non-Petitioner Stay Parties have assets in Canada (in the form of funds held in the trust account of their Canadian counsel), are insolvent and the claims against them are in excess of \$5 million. The Non-Petitioner Stay Parties all qualify for protection under the CCAA.

25. In *Guestlogix Inc. (Re)*, the Ontario Superior Court of Justice added a corporate guarantor of the main debtor that was subject to a CCAA proceeding. The Court noted that the guarantor was insolvent and that by including the guarantor the debtor company would be able to include all the assets of the guarantor in a potential transaction.

Guestlogix Inc. (Re),
2016 ONSC 1348 at paras 6 and 8

See also *Carillion Canada Holdings Inc., Re*, (June 13, 2018),
Ont Sup Ct J [Commercial List], Court File No. CV-18-590812-00CL
(Addition of Applicants Order)

26. The goals of the CCAA apply not only to individual companies but to interdependent corporate groups operating as a broader enterprise, particularly when the treatment of the corporate group as an integrated system will result in greater value. A Court may consider the corporate group's reorganization efforts as a whole.

Smurfit-Stone Container Canada Inc. (Re),
2009 CanLII 58586 (ONSC) at para 24

27. In this case, the Non-Petitioner Stay Parties are guarantors of the obligations under the Secured Notes, are integrated into the structure of the Petitioners' corporate group, and their addition as petitioners will facilitate the completion of the Transactions for the benefit of stakeholders.
28. The Monitor is supportive of adding the Non-Petitioner Stay Parties as additional petitioners in these CCAA proceedings.

III. SECOND AMENDED AND RESTATED TRANSACTION SUPPORT AGREEMENT

29. CCAA Courts have frequently exercised their discretion under s. 11 of the CCAA to approve restructuring support agreements among debtor companies and their creditors to facilitate a going concern solution.

Just Energy Group Inc., et al. (August 18, 2022), ONSC (Commercial List),
Court File No. CV-21-0658423-00CL (Endorsement)

Just Energy Group Inc., et al (Re), (August 18, 2022), ONSC (Commercial List),
Court File No. CV-21-00658423-00CL (SISP Approval Order)

U.S. Steel Canada Inc., Re, 2016 ONSC 7899 at paras 39-41
(citing *Stelco Inc., Re* (2005), 78 O.R. (3d) 254, 2005 CarswellOnt 6283 at paras 18-19 (CA))

30. In approving such agreements, Courts have considered (among other factors) the support of the Monitor, that the terms of the agreement were the subject of intense arm's length negotiations, and the fact that with the support agreement in place, there was an enhanced likelihood of the continuation of going concern operations, the preservation of jobs, and the maximization of value for stakeholders.

Canwest Publishing Inc.,
2010 ONSC 222 at paras 27-29

IV. FURTHER INCREASED DIP LIMIT AND DIP LENDER'S CHARGE

31. Given the unanticipated costs associated with the Cyber Incident and the PBGC Payment, and the increased costs associated with administering these CCAA proceedings and the Chapter 15 Cases, the Petitioners require access to additional funding pursuant to the DIP Loan in order to continue their operations during, and pay the costs associated with, these CCAA proceedings while completing the Transactions for the benefit of the Petitioners and their stakeholders.
32. The Cash Flow Forecast prepared by the Petitioners, with the assistance of the Monitor, demonstrates the Petitioners' need for the Further Increased DIP Limit.
33. Pursuant to the Amended and Restated DIP Term Sheet, the DIP Lender's obligation to advance the full amount of the Further Increased DIP Limit is subject to this Court's approval and the DIP Lenders Charge being granted in the same amount and ranking in priority to all other security interests, encumbrances and charges, other than the Administration Charge, the Directors' Charge and the KERP Charge.
34. All creditors who are likely to be affected by the proposed increased DIP Lender's Charge have been served with, among other things, a copy of this Notice of Application and the Second Hargreaves Affidavit.

35. The Petitioners submit that the requested Further Increased DIP Limit are fair and reasonable and that the application of the factors enumerated in s. 11.2(1) and (4) of the CCAA to the facts of this case support the approval of same.

V. PBGC SETTLEMENT AGREEMENT

36. In the absence of recognition by the US Court of these CCAA proceedings (including the stay of proceedings) insofar as they relate to the Excluded BP Entities, PBGC may make demand on those entities in respect of the PBGC Liabilities. If the Excluded BP Entities refused or failed to pay their liability as of the demand date, liens would automatically arise on all of the property of the Excluded BP Entities, and PBGC could bring an action to enforce the liens.

29 U.S.C. §§ 1362 and 1368

37. The PBGC Settlement Agreement, including the PBGC Payment, provides certainty for the Purchaser and the Petitioners and their stakeholders, as it eliminates the risk of enforcement action by PBGC against the Petitioners and their assets. It also ensures that Petitioners have access to the funding under the DIP Loan that they require, and that the Transactions contemplated by the SSA can complete for the benefit of all stakeholders.
38. Section 11 of the CCAA confers a broad jurisdiction on the Court to make any order it considers appropriate in the circumstances (subject to the restrictions set out in the Act).
39. It is well established that a CCAA Court has jurisdiction to approve a settlement reached by a debtor provided that the settlement is beneficial to the debtor and its stakeholders, is fair and reasonable, and is consistent with the purpose and spirit of the CCAA.

Great Basin Gold Ltd., Re,
2012 BCSC 1773 at paras 3, 15 and 16

Walter Energy Canada Holdings, Inc., (Re),
2017 BCSC 1968 at paras 31-33, 36 and 37

Labourers Pension Fund of Central and Eastern Canada v. Sino-Forest Corp.,
2013 ONSC 1078 at para 40 [*Sino-Forest*]

In the circumstances, the Petitioners submit that the PBGC Settlement and the PBGC Payment should be approved.

VI. NOTICE TO STAKEHOLDERS

40. Serving all of the Petitioners' numerous stakeholders with all of the material relied upon in support of this Notice of Application would be costly and inefficient, given the number and wide-ranging geographic locations of those stakeholders, across multiple provinces and territories in Canada and states in the US.
41. The Petitioners submit that the issuance of the Stakeholder Notice as a press release and the delivery of the Stakeholder Notice by email (where possible) or by courier (to those parties for whom the Petitioners do not have email addresses) provides reasonable notice to stakeholders who may be affected by the relief sought. It also minimizes the cost associated with preparing and sending large bundles of documents to over 500 stakeholders across a broad geographic area.

42. This Court, as a superior court of justice, has inherent jurisdiction to regulate its own process.

Jacob, "The Inherent Jurisdiction of the Court",
Current Legal Problems (1970) 23(1): 23-52 at p. 51

43. The Court also has broad jurisdiction pursuant to s. 11 of the CCAA to make any order it considers appropriate in the circumstances.

VII. STAY EXTENSION

44. On an application other than an initial application, s. 11.02(2) and (3) of the CCAA gives this Court jurisdiction to grant a stay of proceedings for any period that it considers necessary, provided it is satisfied that such an extension is appropriate and that the debtor company has acted and continues to act in good faith and with due diligence. During the Stay Period, the Petitioners have acted and continue to act in good faith and with due diligence and are working to advance these CCAA proceedings including through the SISF and the negotiation of the SSA.

See also *North American Tungsten Corp., Re*,
2015 BCSC 1376 at para 25

45. The requested Stay Extension is appropriate and necessary to, among other things, ensure that the Petitioners have sufficient time to complete the Transactions contemplated by the SSA. While the Petitioners and the Purchaser continue to work toward closing by March 22, 2024, given the complexities of the Transactions and closing items, the Petitioners seek a short extension at this time out of an abundance of caution.

Part 4: MATERIAL TO BE RELIED ON

1. 1st Affidavit of Christopher Hargreaves dated January 12, 2024;
2. 2nd Affidavit of Christopher Hargreaves made on March 4, 2024;
3. Second Report of the Monitor to be filed; and
4. Such further and other materials as counsel may advise and this Court may permit.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and

- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed application response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Date: March 4, 2024



Signature of lawyer for the applicant
Cassels Brock & Blackwell LLP
(Vicki Tickle)

THIS NOTICE OF APPLICATION was prepared by Vicki Tickle, of the firm of Cassels Brock & Blackwell LLP, Lawyers, whose place of business and address for delivery is 2200 - 885 West Georgia Street, Vancouver BC V6E 3C8, Telephone: 604.691.6100; Fax: 604.691.6120.

To be completed by the Court only:

Order made

- in the terms requested in paragraphs _____ of Part 1 of this notice of application
- with the following variations and additional terms:

Date: _____

Signature of Judge Associate Judge

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts
- none of the above

Schedule "A"
Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

Schedule “B”

See attached.

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS
AMENDED**

AND

**IN THE MATTER OF
BLACK PRESS LTD., 311773 B.C. LTD., et al.**

PETITIONERS

SERVICE LIST

As at February 28, 2024

<p>CASSELS BROCK & BLACKWELL LLP Suite 2200, HSBC Building 885 West Georgia St. Vancouver, British Columbia V6C 3E8</p> <p>Attention: Vicki Tickle, Jared Enns, Ryan Jacobs, Joseph Bellissimo and Jeremy Bornstein</p> <p>Email: vtickle@cassels.com jenns@cassels.com rjacobs@cassels.com jbellissimo@cassels.com jbornstein@cassels.com</p> <p><i>Counsel for the Petitioners</i></p>	<p>THOMPSON HINE LLP 3560 Lenox Road NE, Suite 1600 Atlanta, Georgia 30326-4266</p> <p>Attention: Sean A. Gordon, Austin Alexander Katherine Kohn and Curtis Tuggle</p> <p>Email: Sean.Gordon@ThompsonHine.com Austin.Alexander@ThompsonHine.com Katherine.Kohn@ThompsonHine.com Curtis.Tuggle@ThompsonHine.com</p> <p><i>US Counsel for the Petitioners</i></p>
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<p>OSLER, HOSKIN & HARCOURT LLP Suite 3000, Bentall Four 1055 Dunsmuir Street Vancouver, British Columbia, V7X 1K8 Canada</p> <p>Attention: Mary I.A. Buttery, Q.C., Marc Wasserman and Dave Rosenblat</p> <p>Email: mattery@osler.com mwasserman@osler.com drosenblat@osler.com</p> <p><i>Counsel for the Monitor</i></p>	<p>KSV RESTRUCTURING INC. 1165, 324 - 8th Avenue SW, Calgary, Alberta, T2P 2Z2 Canada</p> <p>Attention: Noah Goldstein and Jason Knight</p> <p>Email: ngoldstein@ksvadvisory.com jknights@ksvadvisory.com</p> <p><i>The Monitor</i></p>
<p>BENNETT JONES LLP 3400 One First Canadian Place P.O. Box 130 Toronto, Ontario M5X 1A4 Canada</p> <p>Attention: David E. Gruber, Mark Rasile, Michael Shakra, Raj. S.Sahni and Kristopher Hanc</p> <p>Email: gruber@bennettjones.com, rasilem@bennettjones.com shakram@bennettjones.com sahnir@bennettjones.com hanck@bennettjones.com</p> <p><i>Counsel for Canso Investment Counsel Ltd.</i></p>	<p>MORRISON FOERSTER 250 West 55th Street New York, NY, 10019-9601</p> <p>Attention: Andrew Kissner and Joseph Murphy</p> <p>Email: akissner@mof.com jmurphy@mof.com</p> <p><i>US Counsel for Canso Investment Counsel Ltd.</i></p>

<p>BLAKE, CASSELS & GRAYDON LLP 199 Bay Street, Suite 4000, Commerce Court West, Toronto, ON M5L 1A9</p> <p>Attention: Aryo Shalviri, Peter Rubin and Kevin Wu</p> <p>Email: aryo.shalviri@blakes.com peter.rubin@blakes.com kevin.wu@blakes.com</p> <p><i>Canadian Counsel to Canadian Imperial Bank of Commerce</i></p>	<p>CANADIAN IMPERIAL BANK OF COMMERCE 199 Bay Street, 4th Floor Toronto, ON M5L 1A2</p>
<p>CANADA REVENUE AGENCY 9755 King George Boulevard Surrey, BC V3T 5E1 Fax: 1-833-697-2390</p> <p>Email: agc_pgc_vancouver@justice.gc.ca</p> <p><i>The National Verification and Collections Centre</i></p>	<p>HIS MAJESTY THE KING IN THE RIGHT OF CANADA 900 – 840 Howe Street Vancouver, BC V6Z 2S</p> <p>Attention: Deputy Attorney General of Canada</p> <p>Email: agc_pgc_vancouver@justice.gc.ca</p> <p><i>Counsel to His Majesty the King in right of Canada (Deputy Attorney General of Canada)</i></p>
<p>HIS MAJESTY THE KING IN THE RIGHT OF THE PROVINCE OF BRITISH COLUMBIA PO Box 9290 Stn Prov Gov't Victoria, BC V8W 9J7</p> <p>Attention: Deputy Attorney General Ministry of Attorney General</p> <p>Email: AGLSBRevTaxInsolvency@gov.bc.ca</p> <p><i>Counsel to His Majesty the King in right of Canada (Deputy Attorney General of British Columbia)</i></p>	<p>CARPENTER NEWSMEDIA, LLC 600 Lurleen B Wallace Blvd S Suite 160, Tuscaloosa, AL 35401, United States</p> <p>Attention: Kim Ingram, Donna Benefield, Steve Shelton and Pam Rice</p> <p>Email: kingram@hayesingram.com dbenefield@hayesingram.com sas@wrscpa.com price@wrscpa.com</p>

<p>DEANS KNIGHT CAPITAL MANAGEMENT LTD. Suite 1500, 999 West Hastings Street Vancouver, BC V6C 2W2</p> <p>Attention: Dillion Cameron Email: dcameron@deansknight.com</p>	<p>METROLAND 8 Spadina Avenue 10th Floor, Suite 10A Toronto, ON M5V 0S8</p> <p>Attention: President Facsimile: (905) 279-7763</p>
<p>TORSTAR CORPORATION 8 Spadina Avenue Toronto, Ontario M5V 0S8</p> <p>Attention: Chief Financial Officer Facsimile: (416) 869-4183</p>	<p>COAST CAPITAL SAVINGS FEDERAL CREDIT UNION 800-9900 King George Blvd, Surrey BC V3T 0K7 Canada</p>
<p>COMPUTERSHARE TRUST COMPANY OF CANADA 100 University Ave, 11th Floor Toronto ON, M5J 2Y1 Canada</p>	<p>DE LAGE LANDEN FINANCIAL SERVICE CANADA INC. 3450 Superior Court, Unit 1 Oakville ON L6L 0C4, Canada</p>
<p>CWB NATIONAL LEASING INC. 1525 Buffalo Place Winnipeg MB R3T 1L9, Canada</p>	<p>BANNISTER CADILLAC BUICK GMC LTD. 2727 Highway 97 North Kelowna BC V1X 4J8, Canada</p>
<p>FORD CREDIT CANADA LEASING, DIVISION OF CANADA ROAD LEASING COMPANY PO Box 2400 Edmonton AB T5J 5C7, Canada</p>	<p>VANCOUVER CITY SAVINGS CREDIT UNION 183 Terminal Avenue, 6th Floor Vancouver BC V6A 4G2, Canada</p>
<p>VAULT CREDIT CORPORATION 41 Scarsdale Road, Suite 5 Toronto ON M3B 2R2, Canada</p>	<p>THE BANK OF NOVA SCOTIA 10 Wright Boulevard Stratford ON N5A 7X9, Canada</p>
<p>TDF GROUP INC. 17631 103 Ave NW Edmonton AB T5S 1N8 Canada</p>	<p>MERCEDES-BENZ FINANCIAL 2680 Matheson Blvd. E. STE 500 Mississauga ON L4W 0A5, Canada</p>

<p>MERCEDES-BENZ FINANCIAL SERVICES CANADA CORPORATION 2680 Matheson Blvd. E. STE 500 Mississauga ON L4W 0A5, Canada</p>	<p>JIM PATTISON INDUSTRIES LTD. 4937 Regent Street Burnaby BC V5C 4H4, Canada</p>
<p>KIPP SCOTT MOTORS LTD. 6841 50Th Avenue Red Deer AB T4N 4E2, Canada</p>	<p>CANADIAN WESTERN BANK #300, 5222-130TH Avenue SE Calgary AB T2Z 0G4, Canada</p>
<p>FUJIFILM CANADA INC. 600 Suffolk Court Mississauga ON L5R 4G4, Canada</p>	<p>WAJAX LIMITED 11061 269 St. Acheson AB T7X 6E1, Canada</p>
<p>SERVUS CREDIT UNION LTD. 151 Karl Clark Road NW Edmonton AB T6N 1H5, Canada</p>	<p>BC FINANCIAL SERVICES AUTHORITY 600-750 West Pender Street Vancouver BC V6C 2T8, Canada</p> <p>Fax: (604)660-3365 Email: pensions@bcfsa.ca</p>
<p>GCIU – EMPLOYER RETIREMENT FUND 2323 Eastlake Avenue East Seattle WA 98102-3963, United States</p>	<p>GRAPHIC ARTS INDUSTRY JOINT PENSIONS TRUST 3040 Williams Dr Ste 640 Fairfax VA 22031, United States</p> <p>Fax: (571) 520-4167 Email: jpt@gaijpt.org</p>
<p>GRAPHIC COMMUNICATIONS CONFERENCE/IBT NATIONAL PENSION FUND 455 Kehoe Blvd., Suite 101 Carol Stream IL 60188, United States</p> <p>Attention : Beth Saindon</p> <p>Fax: (630) 871-0666 Email: info@gccibt-npf.org bsaindon@mooneygreen.com</p>	<p>PENSION BENEFIT GUARANTY CORPORATION 445 12th Street SW Washington DC 20024-2101, United States</p> <p>Mailing address: PO Box 151750, Alexandria, VA 22315-1750 Fax: 202-229-4047</p>

<p>NEWSPAPER GUILD INTERNATIONAL PENSION PLAN 501 Third Street, N.W., 6th Floor Washington DC 20001, United States</p> <p>Email: sbush@cwa-union.org</p>	<p>UNIFOR LOCAL 2000 #102 -5783 176A Street Cloverdale BC V3S 6S6, Canada</p> <p>Email: Unifor2000@unifor2000.ca</p>
<p>VICTORIA-VANCOUVER ISLAND NEWSPAPER GUILD LOCAL 30223 OF COMMUNICATIONS WORKERS OF AMERICA 203 2610 Douglas Victoria BC V8T 4M1</p> <p>Email: vving@vving.ca</p>	<p>MEDIA AND COMMUNICATIONS WORKERS OF ALBERTA LOCAL 30400 OF THE COMMUNICATIONS WORKERS OF AMERICA 501 3rd Street NW Washington DC 20001, United States</p> <p>Email: Mcwa.local@gmail.com</p>
<p>PACIFIC NORTHWEST NEWSPAPER GUILD PO Box 17893 Seattle, WA 98127, USA</p> <p>Attention: Kaitlin Gillespie, Executive officer</p> <p>Phone: 206-669-3562 Email: guild37082@gmail.com</p>	<p>PACIFIC MEDIA WORKERS GUILD, LOCAL 39521 CHARTER BY THE NEWSPAER GUILD/COMMUNICATIONS WORKERS OF AMERICA AFL-CIO 433 Natoma Street San Francisco CA 94013, United States</p>
<p>INTERNATIONAL LONGSHORE & WAREHOUSE UNION LOCAL 142 451 Atkinson Drive Honolulu, HI 96814, United States</p> <p>Attention: Mr. Karl Lindo</p> <p>Fax: (808) 941-5867</p>	<p>HAWAII TEAMSTERS AND ALLIED WORKS LOCAL 996 1817 Hart St, Honolulu HI 96819, United States</p> <p>Email: local996@hawaiiiteamsters.com</p>
<p>MERIDIAN ONECAP CREDIT CORP. Suite 1500, 4710 Kingsway Burnaby, BC V5H 4M2, Canada</p>	<p>LCA BANK CORPORATION 1375 Deer Valley Dr, Suite 218 Park City UT 84060, USA</p>

<p>LEAF CAPITAL FUNDING, LLC 2005 Market Street 14th Floor Philadelphia, PA 19103, USA</p>	<p>VFS US LLC 8003 Piedmont Triad Parkway Greensboro, NC 27409, USA</p>
<p>FUJIFILM NORTH AMERICA CORPORATION 200 Summit Lake Drive Valhalla NY 10595 USA</p>	<p>COASTAL COMMUNITY BANK 2817 Colby Ave Everett, WA 98201, USA</p>
<p>PARLEE MCLAWS LLP 1700 Enbridge Centre 10175-101 Street NW Edmonton, Alberta T5J 0H3</p> <p>Attention: Steven A. Rohatyn, Rayne Prins</p> <p>Phone: 780.423.8177 Fax: 780.423.2870 Email: srohatyn@parlee.com rprins@parlee.com</p> <p><i>Counsel for Elite Lithographers Ltd.</i></p>	<p>DENTONS CANADA LLP 2500 Stantec Tower 10220 - 103 Avenue NW, Edmonton, AB, T5J 0K4</p> <p>Attention: Tom Gusa</p> <p>Phone: 780.423.7219 Email: tom.gusa@dentons.com</p> <p><i>Counsel for Servus Credit Union</i></p>
<p>OWEN BIRD LAW CORPORATION 2900 – 733 Seymour St., P.O. Box 1, Vancouver, B.C. V6B 0S6</p> <p>Attention: Scott H. Stephens</p> <p>Phone: 604.688.0401 Fax: 604.632.4447 Email: sstephens@owenbird.com</p> <p><i>Counsel for Vancouver City Savings Credit Union and Counsel for Coast Capital Savings Federal Credit Union</i></p>	<p>BORDEN LADNER GERVAIS LLP Bay Adelaide Centre, East Tower 22 Adelaide Street West, Suite 3400 Toronto, ON M5H 4E3</p> <p>Attention: Ryan Laity, Isabelle Desharnais</p> <p>Email: RLaity@blg.com IDesharnais@blg.com</p> <p><i>Counsel for the United States of America</i></p>

<p>POSTMEDIA NETWORK INC. 365 Bloor Street East, 12th Floor Toronto, ON M4W 3L4</p> <p>Attention: Scott Thorner</p> <p>Email: sthorner@postmedia.com</p>	<p>CAVALLUZZO LLP BARRISTERS & SOLICITORS 474 Bathurst Street, Suite 300 Toronto, ON M5T 2S6</p> <p>Attention: Balraj K. Dosanjh</p> <p>Phone: 416.964.5520 Fax: 416.964.5895 Email: bdosanjh@cavalluzzo.com</p> <p><i>Counsel to CWA Canada</i></p>
<p>BUSH KORNFELD LLP 601 Union St., Suite 5000 Seattle, WA 98101</p> <p>Attention: Aimee S. Willig</p> <p>T: 206.521.3838 Email: awillig@bskd.com</p> <p><i>Counsel to Coastal Community Bank</i></p>	<p>MUNSCH HARDT KOPF & HARR, P.C. 500 N. Akard Street, Suite 4000 Dallas, Texas 75201-6605</p> <p>Attention: Deborah Perry</p> <p>T: 1.214.855.7565 Email: dperry@munsch.com</p> <p><i>Counsel to BCI IV Lakewood Logistics V</i></p>

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(as of February 28, 2024)**

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Schedule “C”

See attached.

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS
AMENDED

AND

**IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"**

PETITIONERS

O R D E R MADE AFTER APPLICATION

(APPROVAL AND VESTING ORDER)

BEFORE THE HONOURABLE)
)
JUSTICE STEPHENS) March 11th, 2024

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 11th day of March, 2024; AND ON HEARING Vicki Tickle and [●], counsel for the Petitioners, and those other counsel listed on **Schedule "B"** hereto; AND UPON READING the material filed, including the 2nd Affidavit of Christopher Hargreaves made March 4, 2024 (the "**Second Hargreaves Affidavit**"), the Second Report dated March [●], 2024 (the "**Second Report**") of KSV Restructuring Inc. ("**KSV**") in its capacity as Monitor of the Petitioners (in such capacity, the "**Monitor**");

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.
2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Share Subscription Agreement dated March 1, 2024 (the "**Subscription Agreement**") made by and between 1000817790 Ontario Ltd (the "**Purchaser**"), Black Press Ltd. ("**Black Press**") and 311773 B.C. Ltd. ("**3117**") or the Second Hargreaves Affidavit, as applicable.

ADDITIONAL PETITIONERS

3. Effective as of the Order Effective Time (as defined below) with respect to Black Press (Barbados) Ltd., Whidbey Press (Barbados) Inc., Black Press Delaware LLC and Black Press Group Oregon LLC (collectively, the "**Additional Petitioners**"), the Amended and Restated Initial Order granted January 25, 2024 (the "**ARIO**") shall be deemed to have been amended such that the Additional Petitioners shall for all purposes be deemed to be Petitioners (as Petitioners is defined in the ARIO) and, for greater certainty:
 - (a) the Additional Petitioners are hereby granted all of the rights and protections afforded to the Petitioners by the ARIO;
 - (b) to the extent not already granted by the terms of the ARIO, the directors and officers of the Additional Petitioners are hereby granted all of the rights and protections afforded to the directors and officers of the Petitioners by the ARIO;
 - (c) the Monitor, in addition to its prescribed rights and obligations under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), subject to the dispensation of certain requirements as provided for by this Order, is hereby directed and empowered to perform such duties with respect

to the Additional Petitioners as the Monitor is required to perform with respect to the Petitioners pursuant to the ARIO or by this Court from time to time;

- (d) the Charges created by the ARIO shall constitute a charge on the Property (as defined in the ARIO) of the Additional Petitioners with such priorities and protections as are provided to the Charges in the ARIO in connection with the Property.

4. The Monitor's obligation to publish the notice prescribed by section 23(1)(a)(i) of the CCAA with respect to the Additional Petitioners is hereby dispensed with.

APPROVAL AND VESTING

5. The Subscription Agreement, a copy of which is attached as Appendix “[●]” to the Second Report, and the Transactions are hereby approved and the execution of the Subscription Agreement by Black Press and 3117 is hereby authorized and approved, with such minor amendments as the parties thereto may deem necessary, with the approval of the Monitor. The Petitioners are hereby authorized and directed to perform their obligations under the Subscription Agreement and to take all steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions, including, but not limited to: (i) the filing of the Notice of Alteration; (ii) the issuance of the Subscribed Shares to the Purchaser; and (iii) the cancellation of the Existing Shares.

6. Notwithstanding any provision hereof, the closing of the Transactions shall be deemed to occur in the manner, order and sequence set out in the Subscription Agreement, including in accordance with the Closing Sequence, with such alterations, changes or amendments as may be agreed to by the Purchaser, with the prior consent of the Petitioners and the Monitor, acting reasonably, provided that such alterations, changes or amendments do not materially alter or impact the Transactions or alter the consideration which the Petitioners or their applicable stakeholders will benefit from as part of the Transactions.

7. This Order shall constitute the only authorization required by the Petitioners to proceed with the Transactions and that no shareholder or other approval shall be required in connection therewith.

8. Upon the delivery of the Monitor's certificate (the "**Monitor's Certificate**") to the Petitioners and the Purchaser, substantially in the form attached as **Schedule "C"** hereto, the following shall occur and shall be deemed to have occurred at the Effective Time, all in accordance with the Closing Sequence set out in the Subscription Agreement and the steps contemplated thereunder:

- (a) the Purchaser shall pay the Notes Consideration and the Cash Consideration to be held in escrow by the Monitor, on behalf of the Petitioners;
- (b) Black Press and 3117 shall pay from the Closing Cash Amount the amounts necessary to satisfy each of the Closing Payments;
- (c) (i) with respect to the Petitioners formed or incorporated under the laws of Canada or any other jurisdiction outside of the United States, (the "**Canadian and Other Acquired Entities**"), in consideration for the Canadian Excluded Assets and Contracts Promissory Note, all of the Canadian and Other Acquired Entities' right, title and interest in and to their respective Canadian Excluded Assets and Canadian Excluded Contracts shall vest, and shall be deemed to have vested, absolutely and exclusively in [**Canadian Residual Co**] ("**Residual Co. (Canada)**"); and (ii) with respect to the Petitioners formed or incorporated under the laws of the United States, (the "**US Acquired Entities**"), in consideration for the US Excluded Assets and Contracts Promissory Note, all of the US Acquired Entities' right, title and interest in and to their respective US Excluded Assets and US Excluded Contracts shall vest, and shall be deemed to have vested, absolutely and exclusively in [**US Residual Co**] ("**Residual Co. (US)**"), and, in each case, all applicable Claims and Encumbrances (each defined below) shall continue to attach to such Canadian Excluded Assets or US Excluded Assets, as applicable, with the same nature and priority as they had immediately prior to their transfer; provided that, for certainty, the Canadian Excluded Assets and US Excluded Assets transferred hereby shall not include the Closing Cash Amount, which shall be used to satisfy the Closing Payments in accordance with paragraph 21 hereof;
- (d) (i) with respect to the Canadian and Other Acquired Entities, in consideration for the Canadian Excluded Liability Promissory Note and the Canadian Excluded

Liability Assumption Agreement, all of the Canadian Excluded Liabilities (which, for greater certainty includes all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) of the Canadian and Other Acquired Entities, other than Assumed Liabilities of the Canadian and Other Acquired Entities, shall be, and shall be deemed to be, transferred to, assumed by and vested absolutely and exclusively in Residual Co. (Canada), such that all the Canadian Excluded Liabilities become obligations of Residual Co. (Canada), and shall no longer be an obligation of any of the Canadian and Other Acquired Entities, and the Canadian and Other Acquired Entities and all of their remaining assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate (collectively, the "**Canadian and Other Retained Assets**") shall be and are hereby forever released and discharged from all Canadian Excluded Liabilities, and all related Claims and Encumbrances, other than the permitted encumbrances, easements and restrictive covenants (the "**Canadian Permitted Encumbrances**") affecting or relating to the Canadian and Other Retained Assets listed on **Schedule "D"** hereto, are hereby expunged and discharged as against the Retained Assets; provided that, for certainty, the Canadian Excluded Liabilities Transferred hereby shall not include the obligations of the Petitioners in respect of the Closing Payments, which shall be satisfied pursuant to paragraph 21 hereof; and (ii) with respect to the US Acquired Entities, in consideration for the US Excluded Liability Promissory Note and the US Excluded Liability Assumption Agreement, all of the US Excluded Liabilities (which, for greater certainty includes all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) of the US Acquired Entities, other than Assumed Liabilities of the US Acquired Entities, shall be, and shall be deemed to be, transferred to, assumed by and vested absolutely and exclusively in Residual Co. (US), such that all the US Excluded Liabilities become obligations of Residual Co. (US), and shall no longer be an obligation of any of the US Acquired Entities,

and the US Acquired Entities and all of their remaining assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate (collectively, the "**US Retained Assets**") shall be and are hereby forever released and discharged from all US Excluded Liabilities, and all related Claims and Encumbrances, other than the Permitted Encumbrances affecting or relating to the US Retained Assets listed on **Schedule "E"** hereto (the "**US Permitted Encumbrances**", and together with the Canadian Permitted Encumbrances, the "**Permitted Encumbrances**"), are hereby expunged and discharged as against the US Retained Assets; provided that, for certainty, the US Excluded Liabilities transferred hereby shall not include the obligations of the Petitioners in respect of the Closing Payments, which shall be satisfied pursuant to paragraph 21 hereof;

- (e) the Retained Assets will be retained by the Petitioners, in each case free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (x) any encumbrances or charges created by the ARIO, the SISP Approval Order, or any other Order of this Court, and (y) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (British Columbia), the *Uniform Commercial Code* (USA) or any other personal property registry system (all of which are collectively referred to as the "Encumbrances", which term shall not include the Permitted Encumbrances);
- (f) Black Press and 3117 shall file the Notice of Alteration, and all Existing Shares as well as any agreement, contract, plan, indenture, warrant, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options, share units (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of Black Press and 3117, shall be and shall be deemed to be terminated and cancelled for no consideration;

- (g) Black Press and 3117 shall issue the Subscribed Shares and the Purchaser shall subscribe for and purchase the Subscribed Shares, and the Notes Consideration and the Cash Consideration shall be released from escrow for the benefit of Black Press and 3117, but the Cash Consideration shall continue to be held by the Monitor, in escrow on the Companies' behalf and in accordance with paragraphs 8(h) and 8(i) herein;
- (h) Black Press and 3117 shall satisfy all amounts and Liabilities owing under the Excluded Assets and Contracts Promissory Notes and the Excluded Liability Promissory Notes with a portion of the Cash Consideration in the amounts equal to (i) \$10.00 in aggregate in respect of the Canadian Excluded Liability Promissory Note and the Canadian Excluded Assets and Contracts Promissory Note and (ii) US\$10.00 in aggregate in respect of the US Excluded Liability Promissory Note and the US Excluded Assets and Contracts Promissory Note, and the Monitor shall be irrevocably directed by Black Press and 3117 to cause such payment to be made from the Cash Consideration, although such amount shall continue to be held by the Monitor on behalf of, respectively, Residual Co. (Canada) and Residual Co. (US), following which the Excluded Liability Promissory Notes and the Excluded Assets and Contracts Promissory Notes shall be and shall be deemed to be irrevocably and indefeasibly satisfied, in full, and terminated;
- (i) Black Press and 3117 shall satisfy all amounts and Liabilities owing under the DIP Facility and in respect of the DIP Financing from the remaining Cash Consideration, and the Monitor is irrevocably directed to cause such payment to be made from the Cash Consideration, following which all amounts and Liabilities owing under the DIP Facility and in respect of the DIP Financing shall be and shall be deemed to be irrevocably and indefeasibly satisfied, in full, and terminated;
- (j) the Interim Lender's Charge (as defined in the ARIO) shall be released, released and discharged as of the Effective Time without any further act or formality; and
- (k) the Petitioners shall and shall be deemed to cease to be Petitioners in these CCAA proceedings, and the Petitioners shall be deemed to be released from the purview of the ARIO and all other Orders of this Court granted in respect of these CCAA

proceedings, save and except for this Order the provisions of which (as they relate to the Petitioners) shall continue to apply in all respects.

9. The Monitor may rely on written notice from the Petitioners and the Purchaser regarding the fulfillment of conditions to Closing under the Subscription Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

10. The Monitor shall file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transactions.

11. Upon delivery of the Monitor's Certificate, and upon filing a copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to the Petitioners, the Retained Assets or the Excluded Assets (collectively, the "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and a copy of this Order as though they were originals and to register such transfers and interest authorizations as may be required to give effect to the terms of this Order and the Subscription Agreement and the Transactions. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of interest against any of the Retained Assets or Excluded Assets and the Monitor and the Purchaser are hereby specifically authorized to discharge the registrations on the Retained Assets and the Excluded Assets, as applicable.

12. For the purposes of determining the nature and priority of Claims, from and after the Effective Time, subject to the payment of the Closing Payments, all Claims and Encumbrances released, expunged and discharged pursuant to this Order, including as against the Petitioners and the Retained Assets, shall attach to the Excluded Assets, in each case, with the same nature and priority as they had immediately prior to the Transactions, as if the Transactions had not occurred, with the same priority as they had with respect to the Petitioners and the Retained Assets immediately prior to the Transactions, as if the Transactions had not occurred.

13. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or section 18(10)(o) of the *Personal Information Protection Act* of British Columbia, the Petitioners or the Monitor, as the case may be, are authorized, permitted and

directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Petitioners' records pertaining to past and current employees of the Petitioners. The Purchaser shall, and shall cause the Petitioners after Closing to, maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Petitioners prior to Closing.

14. At the Effective Time and without limiting the provisions of paragraph 8 hereof, the Petitioners and the Purchaser shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, the Petitioners, including without limiting the generality of the foregoing all taxes that could be assessed against the Petitioners or the Purchaser (including its affiliates and any predecessor corporations) pursuant to section 160 and section 160.01 of the *Income Tax Act* (Canada), or any equivalent legislation in any jurisdiction (including provincial legislation), in connection with the Petitioners (provided, as it relates to the Petitioners, such release shall not apply to (i) Transaction Taxes, (ii) Taxes in respect of the business and operations conducted by the Petitioners after the Effective Time or (iii) any Taxes that are Assumed Liabilities).

15. Except to the extent expressly contemplated by the Subscription Agreement, all Contracts (excluding Excluded Contracts) to which a Petitioner is a party upon the Effective Time will be and remain in full force and effect upon and following the Effective Time and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such Contract may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred upon or prior to the Effective Time and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Petitioners);

- (b) the insolvency of the Petitioners or the fact that the Petitioners sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Subscription Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or
- (d) any transfer or assignment, or any change of control of the Petitioners arising from the implementation of the Subscription Agreement, the Transactions or the provisions of this Order.

16. For greater certainty: (a) nothing in paragraph 15 herein shall waive, compromise or discharge any obligations of the Petitioners in respect of any Assumed Liabilities; (b) the designation of any Claim as an Assumed Liability is without prejudice to the Petitioners right to dispute the existence, validity or quantum of any such Assumed Liability; and (c) nothing in this Order or the Subscription Agreement shall affect or waive the Petitioners' rights and defences, both legal and equitable, with respect to any Assumed Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Assumed Liability.

17. From and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of the Petitioners then existing or previously committed by the Petitioners, or caused by the Petitioners, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any Contract, existing between such Person and the applicable Petitioner(s) arising directly or indirectly from the filing by the Petitioners under the CCAA and the implementation of the Transactions, including without limitation any of the matters or events listed in paragraph 15 hereof, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a Contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Petitioners or the Purchaser from performing their obligations under, or be a waiver of defaults by the Petitioners under, the Subscription Agreement and any related agreements and documents.

18. From and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations and assessment, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Petitioners or the Retained Assets relating in any way to or in respect of any Excluded Assets, Excluded Contracts or Excluded Liabilities and any other claims, obligations and other matters which are waived, released, expunged or discharged pursuant to this Order.

19. From and after the Effective Time:

- (a) the nature of the Assumed Liabilities retained by the Petitioners, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to Residual Co. (Canada) or Residual Co. (US), as applicable;
- (c) any Person that prior to the Effective Time had a valid right or claim against the Petitioners under or in respect of any Excluded Contract or Excluded Liability (each an "**Excluded Liability Claim**") shall no longer have such right or claim against the Petitioners but will have an equivalent Excluded Liability Claim against Residual Co. (Canada) or Residual Co. (US), as applicable, in respect of the Excluded Contract or Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against Residual Co. (Canada) or Residual Co. (US), as applicable; and
- (d) the Excluded Liability Claim of any Person against Residual Co. (Canada) or Residual Co. (US), as applicable, following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Petitioners prior to the Effective Time.

20. As of the date of the Effective Time, Residual Co. (Canada) and Residual Co. (US) shall be companies to which the CCAA applies, and Residual Co. (Canada) and Residual Co. (US) shall be added as petitioners in these CCAA proceedings and all references in any Order of this Court in respect of these CCAA proceedings to: (i) a "Petitioner" shall refer to and include Residual Co. (Canada) and Residual Co. (US), *mutatis mutandis*; and (ii) "Property", as defined in the ARIO, shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of Residual Co. (Canada) and Residual Co. (US) (collectively, the "**Residual Cos. Property**"), and, for greater certainty, each of the Charges (as defined in the ARIO) (other than the Interim Lender's Charge) shall constitute a charge on the Residual Cos. Property.

CLOSING PAYMENTS

21. The Closing Cash Amount shall be distributed by Black Press Group Ltd., on the Closing Date, in such amount sufficient to satisfy the following obligations (collectively, the "**Closing Payments**"):

- (a) the reasonable and documented outstanding fees and expenses up to and including Closing of each of the Company Advisors, the Monitor and the Monitor Advisors;
- (b) the reasonable and documented outstanding fees and expenses up to and including Closing of the Noteholder Advisors;
- (c) the Wind-Up Reserve payable to the Monitor in accordance with the Second Amended and Restated Support Agreement;
- (d) the outstanding brokerage fees of Dirk, Van Essen and April; and
- (e) all amounts owing under the KERP.

RELEASES

22. Effective as of the Effective Time,

- (a) the current and former directors, officers, employees, legal counsel and advisors of the Black Press Entities, Residual Co. (Canada) and Residual Co. (US) (or any of them);
- (b) the Monitor and its legal counsel;
- (c) the Purchaser and its current and former directors, officers, employees, legal counsel and advisors; and
- (d) (i) Carpenter Newsmedia, LLC; (ii) Canso Investment Counsel Ltd. ("**Canso**"), and all investment accounts managed by Canso; and (iii) Deans Knight Capital Management ("**DK**"), and all investment accounts managed by DK, and their respective current and former directors, officers, employees, legal counsel and advisors,

(in such capacities, collectively, the "**Released Parties**")

shall be deemed to be forever irrevocably released by the Releasing Parties (as defined below) and discharged from any and all present and future claims (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Effective Time or undertaken or completed in connection with or pursuant to the terms of this Order in respect of, relating to, or arising out of (i) the Black Press Entities, the business, operations, assets, property and affairs of the Black Press Entities wherever or however conducted or governed, the administration and/or management of the Black Press Entities, these CCAA proceedings and/or the Chapter 15 Cases, or (ii) the Subscription Agreement, the Second Amended and Restated Support Agreement, the Amended and Restated DIP Term Sheet and the Definitive Documents (when used in this Order, as defined in the ARIO), all documents required in connection with Closing (the "**Closing Documents**") and any agreement, document, instrument, matter or

transaction involving the Black Press Entities arising in connection with or pursuant to any of the foregoing, and/or the consummation of the Transactions (collectively, subject to the excluded matters below, the "**Released Claims**"), which Released Claims shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties; provided that, nothing in this paragraph shall waive, discharge, release, cancel or bar (x) any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA or claim with respect to any act or omission that is determined by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, or gross negligence, or (y) any obligations of any of the Released Parties under or in connection with the Subscription Agreement, the Closing Documents, the Second Amended and Restated Support Agreement, the Amended and Restated DIP Term Sheet, the Definitive Documents, and/or any agreement, document, instrument, matter or transaction involving the Black Press Entities arising in connection with or pursuant to any of the foregoing. "**Releasing Parties**" means any and all Persons (besides the Black Press Entities and their respective current and former affiliates), and their current and former affiliates' current and former members, directors, managers, officers, investment committee members, special committee members, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, assigns, participants, subsidiaries, affiliates, partners, limited partners, general partners, affiliated investment funds or investment vehicles, managed accounts or funds, and each of their respective current and former members, equity holders, officers, directors, managers, principals, members, management companies, advisory board members, investment fund advisors or managers, employees, agents, trustees, investment managers, financial advisors, partners, legal counsel, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such.

23. Effective as of the Effective Time, the Released Parties shall be deemed to be forever irrevocably released by each of the Black Press Entities and their respective current and former affiliates, and discharged from, any and all Released Claims held by the Black Press Entities and such current and former affiliates as of the Effective Time, which Released Claims shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties; provided that, nothing in this paragraph shall waive, discharge, release, cancel or bar (a) any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA or claim with respect to any act or omission that is determined by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, or gross negligence; or (b) any obligations of any of the Released Parties under or in connection with the

Subscription Agreement, the Closing Documents, the Second Amended and Restated Support Agreement, the Definitive Documents, and/or any agreement, document, instrument, matter or transaction involving the Black Press Entities arising in connection with or pursuant to any of the foregoing; provided further that, the releases set forth in this paragraph shall not include, nor limit or modify in any way, any claim (or any defenses) which any of the Black Press Entities may hold or be entitled to assert against any Released Party as of the Effective Time relating to any contracts, leases, agreements, licenses, bank accounts or banking relationships, accounts receivable, invoices, or other ordinary course obligations which are remaining in effect following the Effective Time.

24. Without affecting or limiting the releases set forth in paragraphs 22 and 23 herein, effective as of the Effective Time, none of the Released Parties shall have or incur, and each Released Party is released and exculpated from, any Causes of Action (as defined below) against such Released Party for any act or omission in respect of, relating to, or arising out of the Subscription Agreement, the Closing Documents, the Second Amended and Restated Support Agreement, the Definitive Documents and/or the consummation of the Transactions, these CCAA proceedings, the Chapter 15 Cases, the formulation, preparation, dissemination, negotiation, filing or consummation of the Subscription Agreement, the Closing Documents, the Second Amended and Restated Support Agreement, the Definitive Documents and all related agreements and documents, any transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Transactions, the pursuit of approval and consummation of the Transactions or the recognition thereof in any jurisdiction, and/or the transfer of assets and liabilities pursuant to this Order, except for Causes of Action related to any act or omission that is determined by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, or gross negligence. "**Causes of Action**" means any action, claim, cross-claim, third-party claim, damage, judgment, cause of action, controversy, demand, right, action, suit, obligation, liability, debt, account, defense, offset, power, privilege, license, lien, indemnity, interest, guaranty, or franchise of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, in contract or in tort, at law or in equity, or pursuant to any other theory of law or otherwise.

25. All Persons are permanently and forever barred, estopped, stayed and enjoined, on and after the Effective Time, with respect to any and all claims or Causes of Action released pursuant to this Order (including but not limited to the Released Claims), from (a) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any of the Released Parties; (b) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against any of the Released Parties or their respective property; (c) commencing, conducting, continuing or making in any manner, directly or indirectly, any action, suit, claim, demand or other proceeding of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes a claim or might reasonably be expected to make a claim, in any manner or forum, including by way of contribution or indemnity or other relief, against one or more of the Released Parties; (d) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any Encumbrance of any kind against the Released Parties, or their respective property; or (e) taking any actions to interfere with the consummation of the Transactions; and any such proceedings will be deemed to have no further effect against such parties and will be released, discharged or vacated without cost.

26. Notwithstanding;

- (a) the pendency of these CCAA proceedings;
- (b) any applications or motions for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the “**BIA**”) or any other similar legislation in respect of the Petitioners, Residual Co. (Canada) or Residual Co. (US) and any bankruptcy order issued pursuant to any such applications or motions; and
- (c) any assignment in bankruptcy or similar process made in respect of the Petitioners, Residual Co. (Canada) or Residual Co. (US);
- (d) the Subscription Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets, Excluded

Contracts and Excluded Liabilities in and to Residual Co. (Canada) or Residual Co. (US), as applicable, and the issuance of the Subscribed Shares), and any payments by the Purchaser authorized herein or pursuant to the Subscription Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioners, Residual Co. (Canada) and/or Residual Co. (US), and shall not be void or voidable by creditors of the Petitioners, Residual Co. (Canada) or Residual Co. (US), as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation or similar legislation of any other jurisdiction, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

THE MONITOR

27. The Monitor, its employees and representatives shall not be deemed directors of Residual Co. (Canada) or Residual Co. (US), *de facto* or otherwise, and shall incur no liability as a result of acting in accordance with this Order, other than any liability arising out of or in connection with the gross negligence or wilful misconduct of the Monitor.

28. No action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order. The entities related or affiliated with the Monitor or belonging to the same group as the Monitor (including, without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Monitor) shall benefit from the protection granted to the Monitor under the present paragraph.

29. The Monitor shall not, as a result of this Order or any matter contemplated hereby: (i) be deemed to have taken part in the management or supervision of the management of any of the Petitioners, Residual Co. (Canada) or Residual Co. (USA), or to have taken or maintained possession or control of the business or property of any of the Petitioners, Residual Co. (Canada) or Residual Co. (US), or any part thereof; or (ii) be deemed to be in Possession (as defined in the ARIO) of any property of the Petitioners, Residual Co. (Canada) or Residual Co. (US) within the meaning of any applicable Environmental Legislation (as defined in the ARIO) or otherwise.

30. Nothing in this Order, including the release of the Petitioners from the purview of these CCAA proceedings, and the addition of Residual Co. (Canada) and Residual Co. (US) as petitioners in these CCAA Proceedings, shall affect, vary, derogate from, limit or amend any rights, approvals and protections afforded to the Monitor in these CCAA Proceedings and KSV shall continue to have the benefit of any and all rights and approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the ARIO, and any other Orders in these CCAA Proceedings or otherwise, including all approvals, protections and stays of proceedings in favour of KSV in its capacity as Monitor, all of which are expressly continued and confirmed.

EMPLOYEES

31. Residual Co. (Canada) shall be deemed to be the former employer of any former employees of the Black Press Entities who were terminated between July 15, 2023 and the Effective Time whose claims against the Black Press Entities are transferred to Residual Co. (Canada) pursuant to this Order, provided that such deeming: (i) shall be effective immediately after the Effective Time; and (ii) will solely be for the purposes of termination pay and severance pay pursuant to the *Wage Earners Protection Program*.

GENERAL

32. Following the Effective Time, the Purchaser and the Petitioners shall be authorized to take all steps as may be necessary to effect the discharge of all Claims and Encumbrances as against the Petitioners, the Subscribed Shares and the Retained Assets.

33. Following the Effective Time, the style of cause of these proceedings shall be and is hereby changed to:

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,

R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS
AMENDED

AND

AND IN THE MATTER OF [●] AND [●]

34. This Order shall have full force and effect in all provinces and territories in Canada, and any other jurisdiction in which it is enforceable.

35. The Petitioners shall be authorized to apply as they may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners, the Purchaser or the Monitor as may be deemed necessary or appropriate for that purpose.

36. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to give effect to this Order and to assist the Petitioners, 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 Petitioners 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 Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

37. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioners, is hereby dispensed with.

38. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date (the "**Order Effective Time**").

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Vicki Tickle
Lawyer for the Petitioners

BY THE COURT

REGISTRAR

SCHEDULE "A"
PETITIONERS

- Black Press
- 3117
- Black Press Group Ltd.
- 0922015 B.C. Ltd.
- Central Web Offset Ltd.
- Sound Publishing Holding, Inc.
- Sound Publishing Properties, Inc.
- Sound Publishing, Inc.
- Oahu Publications, Inc.
- The Beacon Journal Publishing Company
- WWA (BPH) Publications Inc.
- San Francisco Print Media Co.

SCHEDULE "B"
LIST OF COUNSEL

Name of Counsel	Party Represented

SCHEDULE "C"
Monitor's Certificate

No. S-240259
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS
AMENDED

AND

**IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"**

PETITIONERS

MONITOR'S CERTIFICATE

RECITALS

A. Pursuant to an Initial Order of the Supreme Court of British Columbia (the "**Court**") dated January 15, 2024 (the "**Initial Order**"), the Petitioners were granted creditor-protection pursuant to the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and KSV Restructuring Inc. was appointed as court-appointed monitor of the Petitioners.

B. Pursuant to an Order of the Court dated March [●], 2024 (the "**Approval and Vesting Order**"), the Court, *inter alia*, (i) approved the Subscription Agreement and the Transactions, (ii) vested out of the: (ii) Canadian and Other Acquired Entities all of the Canadian and Other Acquired Entities' right, title, interest in and to and obligations in respect of their respective Canadian Excluded Assets, Canadian Excluded Contracts and Canadian Excluded Liabilities, except for Canadian Permitted Encumbrances; (iii) US Acquired Entities all of the US Acquired Entities' right, title, interest in and to and obligations in respect of their respective US Excluded

Assets, US Excluded Contracts and US Excluded Liabilities, except for US Permitted Encumbrances; (iv) authorized and directed Black Press and 3117 to file the Notice of Alteration; (v) terminated and cancelled all Existing Shares as well as any agreement, contract, plan, indenture, warrant, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of Black Press and 3117, or shall be and shall be deemed to be terminated and cancelled for no consideration; and (vi) authorized and directed Black Press and 3117 to issue the Subscribed Shares to the Purchaser free and clear of any Encumbrances.

C. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Approval and Vesting Order, the Affidavit of Christopher Hargreaves made March [●], 2024 or the Subscription Agreement, as applicable.

THE MONITOR CERTIFIES that it was advised by the Petitioners and the Purchasers that:

1. The Monitor has received the entire Cash Consideration;
2. The Monitor has received written confirmation from the Purchaser and the Petitioners, in form and substance satisfactory to the Monitor, that all conditions to Closing have been satisfied or waived by the Purchaser or the Petitioners, as applicable; and
3. This Certificate was delivered by the Monitor at _____ [TIME] on [March / April] ●, 2024 (the “**Effective Time**”).

**KSV Restructuring Inc., in its capacity as
Monitor of the Petitioners, and not in its
personal capacity**

Per: _____
Name:
Title:

SCHEDULE "D"
Canadian Permitted Encumbrances

Canadian and Other Retained Assets and all Assumed Liabilities in respect thereof, including without limitation the following:

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Alberta	Computershare Trust Company of Canada	311773 B.C. Ltd.		19032106309	03/21/2026
Alberta	Computershare Trust Company of Canada	311773 B.C. Ltd.		19032109384 (Land Charge)	Infinity
Alberta	Computershare Trust Company of Canada	Black Press Group Ltd.		19032107329	03/21/2026
Alberta	Computershare Trust Company of Canada	Black Press Group Ltd.		19032109628 (Land Charge)	Infinity
Alberta	Computershare Trust Company of Canada	Black Press Group Ltd.		19032132160 (Land Charge)	Infinity
Alberta	Computershare Trust Company of Canada	Central Web Offset Ltd.		19032106325	03/21/2026
Alberta	Computershare Trust Company of Canada	Central Web Offset Ltd.		19032111136 (Land Charge)	Infinity
Alberta	Fujifilm Canada Inc.	Central Web Offset Ltd.		19022823277	02/28/2024
Alberta	Kipp Scott Motors Ltd.	Black Press Group Ltd.		23012619158	01/26/2025
Alberta	Kipp Scott Motors Ltd.	Black Press Group Ltd.		23012619233	01/26/2025
Alberta	Wajax Limited	Central Web Offset Ltd.		23103017302	10/30/2024
Alberta	Wajax Limited	Central Web Offset Ltd.		23110626549	11/06/2024
British Columbia	Bannister Cadillac Buick GMC Ltd.	Black Press Group Ltd.		675912M	12/26/2025
British Columbia	Canadian Imperial Bank of Commerce	Black Press Group Ltd.		393907L	03/26/2026
British Columbia	Coast Capital Savings Federal Credit Union	311773 B.C. Ltd.		452907H	07/12/2028
British Columbia	Coast Capital Savings Federal Credit Union	Black Press Ltd.		447262P	03/31/2028
British	Computershare	311773 B.C.		383749L	03/21/2026

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Columbia	Trust Company of Canada	Ltd.			
British Columbia	Computershare Trust Company of Canada	Black Press Group Ltd.		383827L	03/21/2026
British Columbia	Computershare Trust Company of Canada	Black Press Ltd.		383723L	03/21/2026
British Columbia	Computershare Trust Company of Canada	Central Web Offset Ltd.		383738L	03/21/2026
British Columbia	CWB National Leasing Inc.	Black Press Group Ltd.		619206M	11/26/2024
British Columbia	De Lage Landen Financial Services Canada Inc.	Black Press Group Ltd.		383827L	11/23/2024
British Columbia	De Lage Landen Financial Services Canada Inc.	Black Press Group Ltd.		486825N	01/19/2027
British Columbia	Ford Credit Canada Leasing, Division of Canadian Road Leasing Company	Black Press Group Ltd.		957958M	05/10/2024
British Columbia	Jim Pattison Industries Ltd.	Black Press Group Ltd.		242480P	12/08/2027
British Columbia	Jim Pattison Industries Ltd.	Black Press Group Ltd.		308695P	12/08/2027
British Columbia	Mercedes-Benz Financial Mercedes-Benz Financial Services Canada Corporation	Black Press Group Ltd.		861276N	07/15/2027
British Columbia	TDF Group Inc.	Black Press Group Ltd.		857832N	07/13/2028
British Columbia	The Bank of Nova Scotia	Black Press Group Ltd.		845440N	07/07/2028
British Columbia	The Bank of Nova Scotia	Black Press Group Ltd.		850704N	07/11/2028
British Columbia	Vancouver City Savings Credit Union	311773 B.C. Ltd.		048747N	06/17/2027
British Columbia	Vancouver City Savings Credit Union	Black Press Group Ltd.		048759N	06/17/2027
British	Vancouver City	Black Press Ltd.		048782N	06/17/2027

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Columbia	Savings Credit Union				
British Columbia	Vault Credit Corporation	Black Press Group Ltd.		378787N	11/19/2026
Manitoba	Computershare Trust Company of Canada	Black Press Group Ltd.		201904413904	03/21/2026
Northwest Territory	Northern News Services Limited and Canarctic Graphics Ltd.	Black Press Group Ltd.		1753873	05/12/2026
Ontario	Canadian Imperial Bank of Commerce	Black Press Group Ltd.	749587374	20190329 1528 1590 3211	03/29/2026
Ontario	Computershare Trust Company of Canada	311773 B.C. Ltd.	749588859	20190329 1608 9234 6038	03/29/2026
Ontario	Computershare Trust Company of Canada	Black Press Group Ltd.	749589111	20190329 1618 9234 6051	03/29/2026
Ontario	Computershare Trust Company of Canada	Black Press Ltd.	749589093	20190329 1617 9234 6049	03/29/2026
Ontario	Computershare Trust Company of Canada	Central Web Offset Ltd.	749589084	20190329 1616 9234 6048	03/29/2026
Yukon	Computershare Trust Company of Canada	Black Press Group Ltd.		9156968	03/21/2026
Yukon	Meridian Onecap Credit Corp.	Black Press Group Ltd.		9097210	02/14/2024

SCHEDULE "E"
US Permitted Encumbrances

US Retained Assets and all Assumed Liabilities in respect thereof, including without limitation the following:

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Delaware	Computershare Trust Company of Canada, Trustee	Black Press Delaware LLC	20191995054		12/12/2028
Delaware	Computershare Trust Company of Canada, Trustee	San Francisco Print Media Co.	20191995138		12/12/2028
Hawaii	Computershare Trust Company of Canada, Trustee	Oahu Publications, Inc.	A-70200859		04/10/2028
Hawaii	Computershare Trust Company of Canada, Trustee	Oahu Publications, Inc.	A-71320824		07/12/2029
Hawaii	LCA Bank Corporation	Oahu Publications, Inc.	A-64720870		09/20/2023
Hawaii	Leaf Capital Funding, LLC	Oahu Publications, Inc.	A-78800652		07/29/2026
Ohio	Computershare Trust Company of Canada, Trustee	The Beacon Journal Publishing Company	OH00229131426		10/25/2028
Oregon	Computershare Trust Company of Canada, Trustee	Black Press Group Oregon LLC	91837951		10/26/2028

Schedule “D”

See attached.

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS
AMENDED

AND

**IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"**

PETITIONERS

ORDER MADE AFTER APPLICATION

(ANCILLARY ORDER)

BEFORE THE HONOURABLE)
JUSTICE STEPHENS) March 11th, 2024
)

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 11th day of March, 2024; AND ON HEARING Vicki Tickle and [●], counsel for the Petitioners, and those other counsel listed on **Schedule "B"** hereto; AND UPON READING the material filed, including the 2nd Affidavit of Christopher Hargreaves made March 4, 2024 (the "**Second Hargreaves Affidavit**"), the Second Report dated March [●], 2024 of KSV Restructuring Inc. in its capacity as Monitor of the Petitioners (in such capacity, the "**Monitor**");

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.

2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Approval and Vesting Order of this Court made in this proceeding of even date herewith (the "**RVO**"), the Notice of Application or the Second Hargreaves Affidavit, as applicable.

SECOND AMENDED AND RESTATED TRANSACTION SUPPORT AGREEMENT

3. The Second Amended and Restated Transaction Support Agreement (in the form attached to the Second Hargreaves Affidavit) is hereby approved and Black Press Ltd. ("**BP Holdco**") and 311773 B.C. Ltd. ("**3117**", and together with BP Holdco, the "**Companies**") are authorized and empowered to enter into the Second Amended and Restated Transaction Support Agreement, *nunc pro tunc*, subject to such minor amendments as may be consented to by the Monitor and each of the parties thereto in accordance with the Second Amended and Restated Transaction Support Agreement, and each of the Companies is authorized, empowered and directed to take all steps and actions in respect of, and to comply with all of its obligations pursuant to, the Second Amended and Restated Transaction Support Agreement.

4. Notwithstanding the Stay Period, a counterparty to the Second Amended and Restated Transaction Support Agreement may exercise any termination right that may become available to such counterparty pursuant to the Second Amended and Restated Transaction Support Agreement, provided that such termination right must be exercised pursuant to and in accordance with the Second Amended and Restated Transaction Support Agreement.

AMENDED AND RESTATED DIP TERM SHEET

5. The Amended and Restated DIP Term Sheet (in the form attached to the Second Hargreaves Affidavit) is hereby approved and the Petitioners are authorized and empowered to enter into the Amended and Restated DIP Term Sheet, *nunc pro tunc*, subject to such minor amendments as may be consented to by the Monitor and each of the parties thereto in accordance with the Amended and Restated DIP Term Sheet.

6. The ARIO shall be deemed to have been amended such that:

- (a) All references in the ARIO to the DIP Term Sheet shall instead refer to the Amended and Restated DIP Term Sheet;

- (b) The borrowings under the DIP Facility shall not exceed the aggregate principal amount of \$11,500,000 unless permitted by further Order of this Court; and
- (c) The Interim Lender's Charge shall be up to the maximum amount of \$11,500,000 (plus accrued and unpaid interest, fees and expenses).

PBGC SETTLEMENT AGREEMENT

7. The PBGC Settlement Agreement (in the form attached to Second Hargreaves Affidavit) is hereby approved and the Petitioners are authorized and empowered to enter into the PBGC Settlement Agreement, *nunc pro tunc*, subject to such minor amendments as may be consented to by the Monitor and each of the parties thereto in accordance with the PBGC Settlement Agreement, and is authorized, empowered and directed to take all steps and actions in respect of, and to comply with all of its obligations pursuant to, the PBGC Settlement Agreement, including without limitation to make the PBGC Payment.

STAKEHOLDER NOTICE

8. Notwithstanding any transfer or assignment of Contracts, or any change of control of the Petitioners arising from the implementation of the Subscription Agreement, the Transactions or the provisions of the RVO, the Petitioners may, *nunc pro tunc*, satisfy their obligation to provide notice of the Notice of Application to the Notice Parties by (i) sending by email the Stakeholder Notice to those Notice Parties for whom the Petitioners have email addresses, (ii) sending by courier the Stakeholder Notice to those Notice Parties for whom the Petitioners do not have email addresses, and (iii) issuing a press release substantially in the form of the Stakeholder Notice.

STAY EXTENSION

9. The Stay Period is hereby extended until April 12, 2024.

GENERAL

10. This Order shall have full force and effect in all provinces and territories in Canada, and any other jurisdiction in which it is enforceable.

11. The Petitioners shall be authorized to apply as they may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners, the Purchaser or the Monitor as may be deemed necessary or appropriate for that purpose.

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to give effect to this Order and to assist the Petitioners, 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 Petitioners 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 Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

13. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioners, is hereby dispensed with.

14. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Vicki Tickle
Lawyer for the Petitioners

BY THE COURT

REGISTRAR

SCHEDULE "A"
PETITIONERS

- Black Press
- 3117
- Black Press Group Ltd.
- 0922015 B.C. Ltd.
- Central Web Offset Ltd.
- Sound Publishing Holding, Inc.
- Sound Publishing Properties, Inc.
- Sound Publishing, Inc.
- Oahu Publications, Inc.
- The Beacon Journal Publishing Company
- WWA (BPH) Publications Inc.
- San Francisco Print Media Co.

SCHEDULE "B"
LIST OF COUNSEL

Name of Counsel	Party Represented