



ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) WEDNESDAY, THE 18th
)
JUSTICE FARLEY) DAY OF MAY, 2005

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF THE RAVELSTON CORPORATION LIMITED AND
RAVELSTON MANAGEMENT INC. (collectively, the "Applicants")

AND IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C 1985, c. B-3, AS AMENDED, AND THE *COURTS OF JUSTICE ACT*,
R.S.O 1990, c. C.43, AS AMENDED

ORDER

THIS MOTION, made by RSM Richter Inc. ("Richter"), in its capacity as interim receiver and receiver and manager (collectively, the "Receiver") without security, of certain of the assets, undertakings and properties of the Applicants pursuant to the Receivership Order of this Honourable Court dated April 20, 2005 (the "Receivership Order"), made pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), section 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA"), and section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, for the relief sought in the notice of motion dated May 14, 2005.

ON READING the First Report of Richter in its capacities as Receiver and Monitor of the Applicants dated May 14, 2005 and the appendices thereto (collectively, the "First Report") and the Supplemental First Report of the Receiver and Monitor dated May 17, 2005 and the appendices thereto (collectively, the "Supplemental First Report") and on hearing the submissions of counsel appearing for the Receiver and counsel to other interested parties, and on reading the consent of Richter to act as the Receiver in respect of those of the assets, undertakings and properties as are contemplated by the terms of the Receivership Order of Argus Corporation Limited, 509643 N.B. Inc., 509644 N.B. Inc., 509645 N.B. Inc., 509646 N.B. Inc. and 509647 N.B. Inc. (the "Additional Applicants"), and on being advised that all persons listed on the Service List as of May 17, 2005 were served with the Motion Record and Supplementary Motion Record herein:

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Application Record is hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.

ADDITION OF ARGUS AND N.B. SUBS TO RECEIVERSHIP

2. THIS COURT ORDERS AND DIRECTS that the Receivership Order shall apply to the Additional Applicants, as Applicants, and that the provisions of the Receivership Order shall apply to the Additional Applicants *mutatis mutandis*.

THE INTERNATIONAL AGREEMENT

3. THIS COURT ORDERS AND DECLARES that the Agreement between Hollinger International Inc. ("International") and the Receiver dated as of May 12, 2005 (the "International Agreement") is hereby authorized and approved, that the terms thereof are embodied herein, and that the Receiver is authorized and directed to do all things and take all actions set out therein.

4. THIS COURT ORDERS AND DECLARES THAT in connection with the International Agreement and its implementation:

- a. The Receiver shall provide seven days advance notice to the parties to the Service List of any additional proposed agreements and required consents or waivers referred to in paragraph 6(d)(ii) and 7 of the International Agreement, and in the event of any objection from any party (other than International, whose rights to approve, consent or object are governed by the International Agreement) the objecting party must apply to the Court within the aforesaid seven day period to object to such proposed agreement, waiver or consent as required under the International Agreement, failing which the Receiver may proceed as though no objection has been made; and
- b. Nothing contained herein shall constitute or imply an approval by any person or the Court of the cost sharing arrangement pursuant to a joint defence agreement referred to in paragraph 6(b) of the International Agreement and the rights of all persons, including the Receiver, with respect thereto are specifically reserved.

5. THIS COURT ORDERS that nothing in this order or the provisions of the International Agreement:

- a. In any way affects the ability of any party (other than International to the extent that International is affected by the terms of the International Agreement) to object to any variation of the MCTOs referred to therein;
- b. Shall be deemed or construed in any way to reflect any consideration or adjudication by this Court on the merits of any potential application to vary the MCTOs before any regulatory body or otherwise;

- c. subject to paragraph 8 of this Order, shall prejudice the ability of any party to object to any Claims Procedure, or the appropriateness of there being a Claims Procedure, which may be proposed by the Receiver or Monitor in the within proceedings; and
- d. in any way reduces the duties and obligations of the Receiver pursuant to the Receivership Order and paragraph 6(h) of the endorsement of Mr. Justice Farley dated April 20, 2005.

6. THIS COURT ORDERS that any Trustee in Bankruptcy, Interim Receiver or other Court officer appointed in respect of the Applicants (including the Additional Applicants) or their assets and property shall have the right to assume all of the rights and obligations of the International Agreement on providing written notice to International, Hollinger Inc. ("Inc.") and to the Service List.

7. THIS COURT ORDERS that the Receiver may file the International Agreement with this Court (a redacted version of which has already been released), on a temporarily sealed basis, and directs that the International Agreement shall not be unsealed pending further order of this Court, until the Receiver seeks relief from the management and insider cease trading orders issued by the Ontario Securities Commission, or until the Receiver otherwise determines that it is appropriate to release the International Agreement.

8. THIS COURT ORDERS that nothing in the Receivership Order shall stay, hinder, bar or otherwise prevent the continuation of the action commenced by International against Hollinger Inc., The Ravelston Corporation Limited ("RCL"), Ravelston Management Inc. ("RMI"), Conrad Black, Barbara Amiel Black, Jack Boulton, Daniel Colson, Richard Perle and David Radler in the U.S. District Court for the Northern District of Illinois, Case No. 04C-0698, provided however that any final money judgment or final money order made against RCL or RMI in that proceeding, subject to further order of this Court, shall be enforced in and shall constitute a proven claim for the purpose

of the Applicants' CCAA, Receivership and BIA proceedings before this Court and International shall not initiate or pursue any enforcement in Ontario or elsewhere against the Property of the Applicants without the prior approval of the Court, and further provided that this paragraph shall be subject to paragraph 9 of the International Agreement.

AMENDMENT OF RECEIVERSHIP ORDER

9. THIS COURT ORDERS that the Receivership Order be and is amended by adding the following new paragraph 27A:

“THIS COURT ORDERS that the Collateral (as such term is defined in the Cash Collateral and Pledge Agreement (the “Pledge Agreement”) dated as of March 27, 2003 between The Ravelston Corporation Limited (“RCL”) and Hollinger International Inc. (“International”)) pledged by RCL to International pursuant to the Pledge Agreement, including funds held in any account created pursuant to the Pledge Agreement, and the Receivables (as such term is defined in the Assignment of Receivables Arising Under the CanWest Management Services Agreement (the “CanWest Assignment Agreement”) dated as of March 10, 2003 between RCL and International) assigned by RCL to International pursuant to the CanWest Assignment Agreement, or any property received by RCL or the Receiver in substitution therefor or, in compromise therefor or in respect thereof, shall be segregated and shall not be utilized by the Receiver for payment of its fees or costs or the costs of the estate or be otherwise used, paid or distributed to any person without further order of this Court on a motion brought on at least five days' notice to the Service List. Notwithstanding the forgoing, nothing herein contained shall constitute an acknowledgement as to the validity, enforceability and effect of the Pledge Agreement and the CanWest Assignment Agreement”.

DECLARATORY INSURANCE PROCEEDINGS

10. THIS COURT ORDERS that nothing in the Initial Order shall stay, hinder, bar or otherwise prevent the commencement or continuation of proceedings in the Ontario Superior Court of Justice, court file numbers 05-CV-289537 PD2, 05-CV-289479 PD1, 05-CV-298530 PD3 and 05-CV-298422 PD2 against any or all the Applicants or Additional Applicants in relation to insurance policies under which any of the Applicants or Additional Applicants are or may be insured, provided that, subject to further order of this court, no damages or other consequential relief is sought or granted against any of the Applicants or Additional Applicants in any such proceedings.

INDEMNITY CLAIMS NOT AFFECTED

11. THIS COURT ORDERS that nothing in this Order or in the International Agreement affects the right of any person to claim entitlement to indemnification from any of the Applicants under any indemnity allegedly given by any of the Applicants to that person.


ACTIVITIES AND CONDUCT OF THE RECEIVER

12. THIS COURT ORDERS that the activities and conduct of the Receiver from the date of its appointment to May 17, 2005 be and are hereby approved as such activities are detailed in the First Report and the Supplemental First Report.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

MAY 19 2005

PER/PAR 

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C.43, AS AMENDED

Court File No.: 05-CL-5863

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at Toronto

ORDER

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