

Superior Court of Justice  
Commercial List

FILE/DIRECTION/ORDER

Canwest - CMI Entities

Plaintiff(s)

AND

Defendant(s)

Case Management  Yes  No by Judge: Repall

Counsel	Telephone No.:	Facsimile No.:
<u>See attached</u>		

- Order  Direction for Registrar (No formal order need be taken out)  
 Above action transferred to the Commercial List at Toronto (No formal order need be taken out)  
 Adjourned to: \_\_\_\_\_  
 Time Table approved (as follows): \_\_\_\_\_

The CMI Entities seek an order approving the Aircraft Sale Agreement with First Canadian Auction Inc + Tnsal Councils Investment Group of Montreal Inc dated Mar 1, 2010, a vesting order, + a sealing order. The subject matter of the sale agreement is a 1988 Hawker 800A corporate aircraft.

Section 36 of the CCAA is applicable. Notice pursuant to 536(2) has been given to secured creditors likely affected. The sale is not to a related person (as described in 536(4)).

As to the factors enumerated in 536(3), I note the following. The aircraft was not formally listed for sale nor ~~was~~ was an aircraft broker retained. That said, the primary market is in the US + 100,000 in modifications would be required for a sale there; a 5% listing fee would be required; + the CMI Entities were aware already of parties

March 4/2010

Date

R Repall

Judge's Signature/

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Judges Endorsement Continued

against other things,

with an interest. They obtained a 2008/09  
Market Report & an Aircraft Bluebook  
Price List & a Zine - Rec of Market  
Report containing market data. They  
had discussions with a number of  
possible purchasers & received 3 formal  
offers. The Monitor concluded that  
the satisfactory good faith efforts had been  
made to obtain the best price & the  
sale under a bankruptcy would not be  
more beneficial to the creditors of the CMI  
entities. The Monitor considered the process  
leading to the proposed sale & the  
proposed consideration & support to the  
subject transaction.

The proposed terms exceeds that offered  
by one offeror & is the same as that  
offered by another but with fewer  
conditions. <sup>subject to the conditions of the monitor's order</sup> The conditions of course have all been satisfied.

The transaction is supported by the  
CMI CRA, the Ad Hoc Ck, CIT <sup>subject to</sup> &  
Monitor. It divests  
the CMI entities of a non-core asset,  
avoids expenses & eliminates significant  
fixed & other operating costs.

Section 36(3) is inapplicable. I am  
satisfied that there has been compliance  
with the remaining requirements of s.36  
& that the sale should be authorized  
& the order requested granted.

As to the request for a reading order  
or the supplemental supplement filed by  
the monitor, the 2 branches of the Sierra  
Club - Canada [2002] 2 SCR 502 test have been  
met & I accept the arguments in that regard  
set forth - paragraphs 60-62 of the  
Applicants' factum.

20 Sep 11, 2