Court File No. 21-CV- _____

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **LAURENTIAN UNIVERSITY OF SUDBURY**

Applicant

APPLICATION RECORD
(Returnable February 1, 2021)

January 30, 2021

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Court File No. 21-CV- _____

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Applicant

APPLICATION RECORD

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Court File No.: 21-CV-_____

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **LAURENTIAN UNIVERSITY OF SUDBURY**

NOTICE OF APPLICATION

TO THE RESPONDENT(S):

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following pages.

THIS APPLICATION will come on for hearing on **February 1, 2021 at 9:00 a.m.** via Zoom videoconference due to the COVID-19 pandemic.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2:00 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, AN ORDER MAY BE MADE IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. If you wish to oppose this application but are unable to pay legal fees, legal aid may be available to you by contracting a Local Legal Aid office.

DATE: Issued by:

_____

Address of Court office:
330 University Avenue
Toronto, Ontario M5G 1E6

TO: THIS HONOURABLE COURT

AND TO: THE ATTACHED SERVICE LIST AT SCHEDULE "A"

APPLICATION

THE APPLICANT MAKES THIS APPLICATION FOR:

1. An Initial Order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") substantially in the form attached at Tab 4 to the Applicant's application record (the "**Application Record**"), *inter alia*:

   (a) abridging the time for service of this Notice of Application and the materials filed in support of the application and dispensing with further service thereof;

   (b) declaring that the Applicant is a debtor company to which the CCAA applies;

   (c) appointing Ernst & Young Inc. (the "**Proposed Monitor**") as an officer of this Court to monitor the assets, business, and financial affairs of the Applicant;

   (d) authorizing the Applicant to continue paying in the ordinary course: (i) all outstanding owing in respect of the current 2020-21 academic year and future amounts owing in respect of rebates, refunds, or other similar amounts that are owing or may be owed to students or student associations of the Applicant, provided that such amounts are subject to the existing policies and procedures of the Applicant; and (ii) all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts payable to students in respect of scholarships, bursaries, or grants arising from funds held by the Applicant in its endowment investment account;

   (e) staying all proceedings taken or that might be taken in respect of the Applicant and its Property or Business, its current and future directors and officers, or the Proposed Monitor until February 11, 2021, subject to further Order of the Court (the "**Stay of Proceedings**");

   (f) staying any enforcement proceedings that may be taken against the Laurentian University Students' General Association (the "**Non-Applicant Stay Party**") by reason of: (i) the Applicant being insolvent or commencing this proceeding, (ii) the

Applicant being a party to this proceeding, (iii) the granting of the Stay of Proceedings, or (iv) any default, cross-default or remedies arising due to the foregoing;

(g) granting the following charges over the Applicant's property:

i. a charge in favour of the Monitor, counsel to the Monitor, all counsel and advisors to the Applicant, and independent counsel to the Applicant's Board of Governors in the maximum amount of $400,000 pursuant to the Initial Order, such amount will be requested to be increased to $1,250,000 pursuant to the Amended and Restated Initial Order following the Comeback Hearing (the "**Administration Charge**"); and

ii. a charge in favour of the current and future directors and officers of the Applicant in the maximum amount of $2 million, such amount to be in priority to the DIP Charge (as hereafter defined) pursuant to the Initial Order, with a further amount of $3 million to be subordinate to the DIP Charge pursuant to the Amended and Restated Initial Order (the "**Directors' Charge**");

all in accordance with the terms of the draft orders annexed to the Application Record;

(h) a sealing order in respect of Confidential Exhibits "**EEE**" and "**FFF**" to the Affidavit of Robert Haché sworn January 30, 2021 (the "**Haché Affidavit**");

2. Prior to the expiry of the Stay of Proceedings on a further motion on notice to affected parties (the "**Comeback Hearing**"), the Applicant intends to seek an Amended and Restated Initial Order (the "**Amended and Restated Initial Order**"). Among other things, the motion in respect of the Amended and Restated Initial Order will seek the following additional relief:

(a) an extension of the Stay of Proceedings to April 30, 2021;

(b) suspension of the Applicant's obligation to make certain special payments in respect of the Applicant's defined benefit pension plan, pending further Order of the Court;

(c) suspending the Applicant's obligation to respond to requests for information received pursuant to the *Freedom of Information and Protection of Privacy Act* (Ontario),

R.S.O. 1990, c. F.31 ("**FIPPA**") during the currency of the Stay of Proceedings, *nunc pro tunc* to February 1, 2021;

(d) appointing a mediator, as an officer of the Court and a neutral third party (the "**Court-Appointed Mediator**"), to undertake a mediation of various issues under the supervision of this Court, on an urgent basis;

(e) approving the Applicant's ability to borrow up to the principal amount of $25 million under a debtor-in-possession credit facility (the "**DIP Facility**") to finance its working capital requirements and other general corporate purposes, post-filing expenses, and costs during the Stay of Proceedings, in accordance with the terms of the DIP Term Sheet annexed as Exhibit "**HHH**" to the Hache Affidavit;

(f) granting a charge over the Applicant's property in favour of the DIP Lender (as defined below) in the maximum principal amount of $25 million (the "**DIP Charge**"); and

(g) increasing the amount of the Administration Charge and the Directors' Charge as set out above.

3. Such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THE APPLICATION ARE:

General

(a) The Applicant, Laurentian University of Sudbury ("**LU**"), is insolvent and is anit entity to which the CCAA applies;

(b) The claims against the Applicant exceed $5 million;

(c) The Applicant is facing a severe liquidity crisis. Since the 2014-15 fiscal year, LU has experienced operational deficits in the millions of dollars each year. Despite LU's recent attempts to reduce expenses and grow revenue, LU projects a further operational deficit of $5.6 million in the 2020-21 fiscal year.

(d) The Applicant requires immediate protection from this Court to permit it to, amongst other things:

(i) Stabilize its liquidity position under Court supervision;

(ii) Create a forum within which to urgently undertake negotiations involving key stakeholders with the assistance of a court-appointed mediator;

(iii) Negotiate and implement long-term financial sustainability initiatives to allow it to return to profitability for the benefit of all stakeholders;

(iv) Evaluate the structure and sustainability of its ongoing relationships with the Federated Universities; and

(v) Restructure its program offerings;

(e) Ernst & Young Inc. has consented to act as the Monitor in the CCAA Proceedings, should the Initial Order be granted;

Overview of the Applicant

(f) LU is a non-share capital corporation that was incorporated pursuant to *An Act to Incorporate Laurentian University of Sudbury*, S.O. 1960, c. 151 C. 154 (the "**Act**").

(g) LU is a publicly-funded, bilingual and tricultural postsecondary institution in Sudbury, Ontario;

(h) LU is governed by a Board of Governors comprised of nominees from various stakeholder groups of LU and includes 25 voting members and 9 non-voting members for a total of 34 members;

(i) There are approximately 8,200 undergraduate students and 1,098 graduate students enrolled at LU in the 2020-2021 Academic Year. Further, pursuant to a contractual relationship between LU and Lakehead University, the Northern Ontario School of Medicine ("**NOSM**") operates as an independent, not-for-profit corporation with a

mandate to improve the health of the people in Northern Ontario. There are approximately 461 students enrolled at NOSM in the 2020-2021 Academic Year;

(j) LU employs approximately 1,730 people, including approximately 734 full-time employees, most of whom are located in Sudbury, Ontario. Approximately 581 employees are represented by the Laurentian University Faculty Association ("**LUFA**"). The Laurentian University Staff Union ("**LUSU**") further represents approximately 267 employees. The Applicant is one of the largest employers in the Greater Sudbury area;

Immediate Need for a Stay of Proceedings

(k) The Applicant requires the Stay of Proceedings and the other relief sought in order to continue operating in the ordinary course of business and continue providing high-quality education to its thousands of students while it stabilizes its financial position and evaluates necessary restructuring strategies;

(l) It is necessary and in the best interest of the Applicant and its stakeholders that the Applicant be afforded the breathing room necessary to financially and operationally restructure itself in order to emerge as a sustainable and long-term financially viable university to continue providing quality post-secondary education in Northern Ontario;

(m) Without the benefit of the stay of proceedings and the protections of the CCAA, the significant changes required by the Applicant to effect its financial and operational restructuring plan will take too long, may not be achievable, and the Applicant simply does not have the available liquidity that would be required to attempt to do so;

(n) The Applicant further seeks a limited stay in respect of the Non-Applicant Stay Party. The Non-Applicant Stay Party is the largest undergraduate student association at LU and is led by elected students and full-time staff to represent the interests of the student body and provide services to all students. The Non-Applicant Stay Party may be adversely affected by the CCAA proceedings of LU due to its $8.5 million credit facility that is guaranteed by the Applicant. The extension of the stay to the Non-Applicant Stay Party is necessary

given the Applicant's status as an operating university and its overarching aim to avoid disruption to its students during this CCAA proceeding;

Urgent Need for the DIP Loan

(o) In connection with the commencement of this CCAA proceeding, the Applicant entered into the DIP Term Sheet dated January 29, 2021 with Firm Capital Corporation ("**FCC**"), which commitment was then assigned by FCC to Firm Capital Mortgage Fund Inc. (the "**DIP Lender**"), pursuant to which the DIP Lender has agreed to provide the DIP Facility to LU in the maximum principal amount of $25 million in accordance with a cash flow forecast prepared by the Applicant and reviewed by the intended Monitor;

(p) The Applicant requires this debtor-in-possession financing to, *inter alia*, providing operating cash, fund the costs of its day-to-day operations, and negotiate and then implement a plan for its restructuring;

(q) The DIP Facility is conditional upon, among other things, the obtaining of an order of this Court approving the DIP Term Sheet and the documents to be executed and delivered thereunder, and granting the DIP Charge over the Property. The Applicant will be seeking approval of the DIP Facility and granting of the DIP Charge at the Comeback Hearing;

Payment of Rebates, Refunds, or Other Amounts Owing to Students

(r) The Applicant seeks to permit the continued payment of all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts owing in respect of rebates, refunds, or other amounts that are owing or may be owed to students or student associations of LU, whether such amounts are as a result of the reimbursement of tuition fees, ancillary fees, or otherwise in the ordinary course, provided that such amounts are subject to the existing policies and procedures of LU. LU also seeks to permit the continued payment of amounts to students in respect of scholarship, bursary, or grant money which those students are dependent upon;

(s) LU intends on operating in the ordinary course during the CCAA proceeding and minimizing the disruption to students as much as possible. To facilitate this, LU must be able to process amounts payable in respect of the current 2020-21 academic year and future amounts payable to students in respect of scholarship and bursary money, which is a critical payment for students in need of financial aid. Students represent a particularly vulnerable population in terms of their age and the academic pressures they face, in addition to the added stress that remote learning and reduced interaction and services due to COVID has created;

Court Ordered Charges

(t) The Applicant is seeking the Court's approval of an Administration Charge and a Directors' Charge as part of the Initial Order, and a DIP Charge as part of the Amended and Restated Initial Order (collectively, the "**Charges**") to secure the professional services required to complete this CCAA proceeding, ensure the continued assistance and oversight of the Applicant's directors and officers, and maintain the Applicant's continued operation in the ordinary course of business during the Stay of Proceedings;

(u) The relief sought in the Initial Order, including in respect of the Charges, is limited to what is reasonably necessary during the Stay of Proceedings;

Stay of FIPPA Obligations

(v) As a publicly funded university, LU is subject to information requests pursuant to FIPPA. It is expected that after CCAA proceedings are commenced, there will be an extraordinary influx of FIPPA requests;

(w) The Applicant seeks to suspend its ordinary course obligations to respond to existing and future FIPPA requests during the course of the CCAA proceedings. Such relief will allow the Applicant to focus its resources and efforts on the restructuring. Any information requests of the Applicant may continue to proceed through the usual channels in a CCAA proceeding through the Monitor and the Applicant, and the Applicant will also endeavour to respond to information regarding the CCAA proceedings on a timely basis;

Sealing Provision

(x) The Applicant seeks an order sealing Confidential Exhibits "**EEE**" and "**FFF**" to the Haché Affidavit, containing a copy of the letter from the Ministry of Colleges and Universities to the Applicant dated January 21, 2021, and the copy of the responding letter from the Applicant to the Ministry of Colleges and Universities dated January 25, 2021. The correspondence contains sensitive information that, if disclosed publicly, could jeopardize the ability of the Applicant to complete a restructuring.

Other Grounds

(y) The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;

(z) Rules 2.03, 3.02, 14.05(2) and 16 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended and sections 106 and 137(2) of the Ontario *Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended; and

(aa) such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of this application:

(bb) the Affidavit of Dr. Robert Haché sworn January 30, 2021 and Exhibits attached thereto;

(cc) the Pre-Filing Report of the Proposed Monitor, Ernst & Young Inc., to be filed;

(dd) the Consent of Ernst & Young Inc. to act as Monitor dated January 30, 2021; and

(ee) such further and other evidence as counsel may advise and this Court may permit.

January 30, 2021

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Schedule “A”

SERVICE LIST

Court File No. CV-21-

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **LAURENTIAN UNIVERSITY OF SUDBURY**

SERVICE LIST
(as at February 1, 2021)

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Tab 2

Court File No. _____

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENTOF **LAURENTIAN UNIVERSITY OF SUDBURY**

Applicant

AFFIDAVIT OF DR. ROBERT HACHÉ
(sworn January 30, 2021)

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I, Dr. Robert Haché, of the City of Sudbury, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

I. INTRODUCTION

1. I am the President and Vice-Chancellor of Laurentian University of Sudbury ("**LU**" or the "**Applicant**") and a member of the Board of Governors (the "**Board**") of LU, having served in this role since July 2019.

2. Prior to joining LU in July 2019, I was the Vice-President of Research and Innovation at York University and prior to that, the Associate Vice-President of Research at the University of Calgary and the Vice Dean of Research for the Faculty of Medicine at the University of Ottawa. I have been involved in leadership positions at post-secondary institutions for over 15 years and have extensive experience in the operational, academic and research arms of such institutions.

3. As President and Vice-Chancellor, I am the chief executive officer (CEO) of LU. I am the chair of the Senate and have supervision over and direction of the academic work and general administration of LU, including the faculty staff, students, and officers and employees of LU. Further, I am a voting member of the Board, subject to certain limited exceptions. Generally speaking, I am the public face of LU. For example, I am involved in coordination with the Government of Ontario, the Federated Universities (as defined below) communications with students, including the student associations and, at a high level, the Unions (as defined below). Where I do not have direct communications, I rely on a team comprised of, among others, the Provost and VP Academic, AVP Human Resources & Organizational Development, VP Research, VP Administration, AVP

Financial Services, Chief Advancement Officer, the Executive Director of Communications, Marketing and Governmental Relations, and the University Secretary and the General Counsel of LU (collectively, the "**Internal Team**").

4. As such, I have knowledge of the matters hereinafter deposed to, save where I have obtained information from others. Where I have obtained information from others, I have stated the source of the information and believe it to be true.

5. In preparing this affidavit, I have relied upon the financial information in this affidavit has been provided to me by the VP Administration who is accountable for, and has responsibility over, LU's Finance department. This is the best information available to me through the VP Administration, the Finance department and the books and records of LU as of the date of swearing. LU has experienced a number of challenges with the limited team and resources in the Finance department, and such difficulties are made even more pronounced with the additional demands placed on their time in connection with the preparation for this CCAA proceeding.

6. This affidavit is sworn in support of LU's application for an Order (the "**Initial Order**"), among other things, commencing proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), and appointing Ernst & Young Inc. ("**EY**") as the court-appointed monitor of the Applicant (in such capacity, the "**Proposed Monitor**") in the CCAA proceeding, to facilitate the restructuring of the Applicant for the benefit of its stakeholders.

7. All monetary amounts referred to in this Affidavit are in Canadian dollars, unless otherwise noted.

II. THE PRESSING NEED FOR RELIEF

8. LU has experienced recurring operational deficits in the millions of dollars each year for a significant period of time.[1] These operational deficits have led to the accumulated deficit in the operational fund of LU increasing from approximately $8.2 million in FY 2014-15 to approximately $20 million per year in FY 2019-20.

9. In the current 2020-21 fiscal year, LU projects a further operational deficit of $5.6 million. This is notwithstanding previous efforts implemented by the Internal Team and, previously, the budget committee (which was comprised of members of the Internal Team, among other academic and non-academic senior leaders) at LU to review and identify areas where LU could reduce its annual expenses and grow revenue. In the years preceding this application, LU has:

   (a) reduced its non-faculty workforce from approximately 429 to 409 and faculty workforce (excluding the Barrie campus closure) from approximately 358 to 344 at that time;

   (b) deferred the hiring of faculty and non-faculty positions;

   (c) negotiated with LUSU (as defined below) to forego their employee salary increases;

   (d) approved a pay freeze and reduced the salaries of its non-unionized, including managerial, employees;

[1] In fiscal year 2017-18, LU reported an operational surplus of approximately $2 million due to certain positive one-time financial realizations by LU. This fiscal year was an anomaly.

(e) approved a pay freeze and reduced the salaries of certain members of the Internal Team[2]; and

(f) re-negotiated the funding model with the Federated Universities (as defined below).

10. Nonetheless, these efforts are not enough. LU is insolvent and absent the relief sought in the Initial Order, will run out of cash to meet payroll in February. The financial challenges that LU faces are significant and, absent fundamental change, LU's short-term and long-term financial and operational sustainability are at risk. The COVID-19 pandemic has only exacerbated these issues.

11. One significant source of financial challenge are the terms of LU's collective agreement with Laurentian University Faculty Association ("**LUFA**"), which is addressed in this affidavit. This financial issue is exacerbated by the labour relationship between LU and LUFA (there was a strike in 2017 during bargaining of the LUFA CA) stemming from decisions made in the past at LU and which remains challenging. For example, there are approximately 102 active grievances that have been filed by LUFA dating back to 2017. I am advised by LU's external employment and labour counsel Michael Kennedy of Hicks Morley LLP that this volume of grievances is significantly higher than volumes seen at other Ontario universities.

12. Operationally, the academic programming offered by LU is not sustainable in its current form and must be addressed. LU offers 132 undergraduate programs and 43 graduate

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[2] Some members of the Internal Team are considered 'designated executives' under the Broader Public Sector Executive Compensation Act, 2014. The salary for the position of President and Vice-Chancellor of LU has remained unchanged since 2009.

programs. Approximately 25% of students are enrolled in the top five programs, approximately 62% are enrolled in the top 25 programs and 83% are enrolled in the top 50 programs.

13. When considering individual courses (each program offers multiple courses), the issues are magnified. Of the 1,902 courses offered by LU in the Winter 2021 semester:

(a) 162 courses (8%) have five students or fewer enrolled;

(b) 180 courses (9%) have between six to ten students enrolled;

(c) 1,018 courses (53%) have between eleven to fourteen students enrolled; and

(d) 568 courses (30%) have fifteen or more students enrolled.

14. Notwithstanding the number of students enrolled in a course, LU must employ a faculty member to instruct that course. A significant number of courses have ten or fewer students enrolled, and a majority of courses have fourteen or fewer students enrolled. For context, average first-year and second-year class sizes at Canadian universities range from 23.1 (Moncton) to 127.4 (McMaster). Average upper year class sizes at Canadian universities range from 13.8 (Brandon) to 51.8 (McMaster).[3]

15. Low enrolment in courses causes such courses to be financially unsustainable. The cost of offering such courses greatly exceeds the grant and tuition revenue received by LU for those courses.

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[3] Source: The average undergraduate class size at Canadian universities, 2017, Maclean's Canada: https://www.macleans.ca/education/the-average-undergraduate-class-size-at-canadian-universities.

16. Within the current structure, it costs more for LU and the Federated Universities to educate each student per year when compared to the average cost across all other Ontario universities. Based on data retrieved from Council of Ontario Finance Officers, it costs LU and the Federated Universities approximately $2,000 more to educate its students per year than the Provincial average across all universities.

17. Historical efforts to address LU's program offerings have been unsuccessful. For example, LUFA has challenged the July 2020 decision by the Provost and VP Academic of LU to temporarily suspend admissions to 17 academic programs with low enrolment. This is currently the subject of a pending judicial review, which proceeding will be stayed if this application is granted.

18. LU seeks to commence proceedings under the CCAA in order to provide it with a platform to financially and operationally restructure itself in order to emerge as a sustainable and long-term financially viable institution. The commencement of a CCAA proceeding to address these significant issues represents the only realistic path forward for the university at this time.

19. It is in the interest of public policy, as well as current and future students, faculty, staff, retirees, the Greater Sudbury community and the Northern Ontario region generally, to provide LU with the breathing room and platform of a court-supervised proceeding with the oversight and assistance of a Monitor, in order for it to restructure. I believe that supporting a successful restructuring is consistent with the Ontario Legislature's public policy objective of providing accessible (financially and geographically) higher education to Ontarians.

20. LU has made every effort over the last several years to support its students and provide the best academic and student experience possible. Such efforts will continue following the commencement of these proceedings. However, LU must take steps to ensure its long-term sustainability. LU requires financial assistance and the breathing room afforded by CCAA protection to effect an overall restructuring and to safeguard against significant changes to its operations and a corresponding decline in student experience which would likely result if this is not undertaken through a coordinated, transparent and efficient court-supervised process. A successful restructuring of LU will necessarily involve its federated universities: Huntington University, Thorneloe University and the University of Sudbury (collectively, the "**Federated Universities**"), as described below.

III. OVERVIEW OF THE APPLICANT

A. *Background and Corporate Structure*

21. On March 28, 1960, LU was incorporated pursuant to *An Act to Incorporate Laurentian University of Sudbury*, S.O. 1960, c. 151 C. 154 (the "**Act**"). A copy of the Act is attached as **Exhibit** "**A**" hereto.

22. LU is a non-share capital corporation governed by the Board. The Bylaws provide that the Board is to be comprised of 25 voting members. Currently, there are four vacancies and only 21 current voting members (of which I am one) and 9 non-voting members for a total of 30 members. The constitution of the Board is pursuant to the General Bylaws of the Board (the "**Bylaws**") and requires representation from various stakeholder groups of LU, as described more fully in paragraph 101. Attached as **Exhibit** "**B**" is a copy of the corporate profile report for LU obtained from the Ministry of Government and Consumer Services.

23. LU is a registered charity pursuant to the *Income Tax Act*. Its charitable registration number is 119009686RR0001. For all charitable contributions and donations received by LU, LU issues a tax receipt to the donor. LU's charitable fundraising is an essential component of various programs and services that LU provides to its students.

24. LU has operated in Sudbury, Ontario since its incorporation as a publicly-funded, bilingual postsecondary institution. At one time, LU operated a satellite campus in Barrie, Ontario which closed operations entirely in 2019.

25. As further discussed below, LU has a federated school structure whereby it has formal affiliations with several independent universities under the overall LU umbrella: the University of Sudbury ("**SU**"), the University of Thorneloe ("**Thorneloe**") and Huntington University ("**Huntington**").

26. Since inception, LU strives to provide quality higher education to the community of Sudbury and Northern Ontario at large. LU has rapidly grown its reputation as a leading university for Northern Ontario, with increasing international recognition and strong national, provincial and regional impact. The innovative programs that LU offers have been a significant factor in LU's growth and success.

27. LU is considered an "access university", since over 50% of the student population is comprised of first-generation postsecondary students (those whose parents did not attend university) and over 12% of the student population self-identifies as Indigenous.

28. LU is an integral part of the economic fabric of Northern Ontario and serves as the primary postsecondary institution for a large geographic region. The City of Greater Sudbury has

a population of approximately 165,000. Northern Ontario communities depend on LU to educate a local workforce of professionals in a wide array of disciplines, which assists with keeping these communities competitive and thriving. It is not uncommon for LU students from outside the region to decide to reside in Northern Ontario after graduation.

29. LU is consistently one of the largest employers in Sudbury. If LU ceased to operate, there would be a profound economic impact on the City of Greater Sudbury as many employees would lose their livelihood and, in some cases, that may cause such persons to move out of the region.

B. ***Students and Academic Programming***

30. LU's mission is to provide the best possible academic and social experience to its students. LU recognizes that its students are the lifeblood of the organization and while this restructuring will touch on a significant number of financial and operational aspects of LU, the primary goal of the restructuring is to ensure that current and future students will continue to have access to a high quality post-secondary education at LU for years to come.

31. Academically, LU's programs result in success for its graduates. LU provides some of the best outcomes for students in Ontario, including the highest post-graduation employment rate in Ontario after both six months (94.3%) and two years (97.4%), as well as strong salary outcomes.[4]

32. This application is made with a view to protecting and preserving the student experience at LU. I am committed to ensuring that the organization takes every step necessary to

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[4] Source: Ontario University Graduate Survey, conducted in 2018-2019 with students who graduated in 2016. Available online at: http://www.iaccess.gov.on.ca/OsapRatesWeb/enterapp/home.xhtml.

ensure that the student experience is uninterrupted during this restructuring. That will allow our students to focus on what they are at LU for – learning and growing as individuals, within a community of fellow students. While the restructuring will be a central priority of the Board and Internal Team, it is our intention that student education and experience will not be impacted or disrupted.

i. Undergraduate Programming

33. LU primarily focuses on undergraduate programming, with approximately 8,200 total domestic and international undergraduate students (approximately 6,250 full-time equivalents) enrolled in the 2020-21 fall semester.

34. LU students may choose to combine program offerings for a multidisciplinary and well-rounded experience. To prepare LU students for the workforce, there are several programs offering hands-on experience, field work and co-op placements such as the Commerce and Engineering programs offered at LU.

35. LU has five undergraduate faculties:

(a) Faculty of Arts;

(b) Faculty of Education;

(c) Faculty of Health;

(d) Faculty of Management; and

(e) the Faculty of Science, Engineering and Architecture.

36. Within these faculties, students can choose from approximately 132 undergraduate programs to enroll in. Each faculty offers English and French programs and the Faculty of

Science, Engineering and Architecture offers a bilingual Bachelor of Engineering program designed to be responsive to the Francophone population at LU.

37. As part of its bilingual mandate, LU offers its students the opportunity to obtain a Certificate of Bilingualism, which is awarded to students who earn a minimum of 15 credits in courses offered in English or French (whichever is not their primary language of study). In a world where fluency in more than one language is increasingly desirable, this Certificate is a valuable offering for LU students in their career progression and the Certificate provides a competitive edge in the workforce.

38. LU has a consistent track record of providing an accessible and enhanced academic experience for Indigenous students. Key to this initiative is the Indigenous Student Affairs team, which strives to ensure a positive learning environment in a manner consistent with the Indigenous worldview. This team nurtures a learning environment supportive of the academic, spiritual, physical and emotional well-being of the First Nations, Metis, and Inuit student body.

ii. Graduate Programming

39. LU also has a strong graduate program, with approximately 1,100 total domestic and international graduate students (approximately 830 full-time equivalents) enrolled during the 2020-21 fall semester.

40. Graduate studies are administered through the Faculty of Graduate Studies.

41. LU offers over 40 Masters and Ph.D degrees, including, among others: (i) Ph.D in Rural and Northern Health; (ii) Ph.D in Mineral Deposits and Precambrian Geology; (iii) Ph.D in Boreal Ecology; (iv) Ph.D in Biomolecular Sciences; (v) Ph.D in Materials Sciences;

(vi) Sciences humaines et interdisciplinarité (Ph.D) (French); (vii) Masters in Indigenous Relations; (viii) Masters in Science Communication; (ix) Masters in Forensic Science; and (x) Masters in Business Administration.

42. As part of their degree requirements, graduate students are required to complete research or scholarly activities. Depending on the degree, this research can take place on campus in specified labs, with one of LU's sixteen research centres, in the field in collaboration with industry and/or community partners, or in a clinical placement. Faculty supervise graduate students and, in many cases, fund the student's research projects through grants they apply for and receive from external sources including, but not limited to, government, industry and community partners.

iii. Northern Ontario School of Medicine

43. Through agreement between LU and Lakehead University (located in Thunder Bay, Ontario), the Northern Ontario School of Medicine ("**NOSM**") opened in 2005. NOSM is an independent not-for-profit non-share corporation which serves as the faculty of medicine for both LU and Lakehead University. LU and Lakehead University are the two members of NOSM and representatives from both organizations, among others, are on the Board of Directors of NOSM. I am the current Chair of NOSM. A copy of the Corporation Profile Report for NOSM is attached as **Exhibit** "**C**".

44. NOSM provides training in more than 90 communities across a geographic expanse of 800,000 square kilometers and was established with a mandate to improve the health of the people in Northern Ontario. The medical school is mandated both to educate doctors and to contribute to health care in Northern Ontario's rural, urban, and remote communities.

45. NOSM has campuses located in Sudbury and Thunder Bay. LU owns the two buildings NOSM occupies on the Sudbury campus: the Health Sciences Education Resource Centre and the Medical School Building, which are leased to NOSM. A copy of the lease with respect to the Medical School Building is attached as **Exhibit "D"** and a copy of the amendment to the lease which added the Health Sciences Education Resource Centre to the demised premises is attached as **Exhibit "E"**.

46. The medical school has approximately 461 students enrolled in the 2020-21 academic year across the medical doctor (MD) program, residency, the dietetic internship program and the Masters in Medical Studies (MMS) graduate program.

47. NOSM employs approximately 21 full-time faculty and has approximately 1,776 part-time stipendiary faculty. As a result of the nature of NOSM's learning model, many of the clinical stipendiary faculty are situated in more than 90 teaching sites across Northern Ontario and provide a clinical learning experience to the students of NOSM.

48. Pursuant to a Relationship Agreement dated December 18, 2018 (the "**Relationship Agreement**"), LU and Lakehead University each agreed to provide certain support services and faculty to NOSM. Both LU and Lakehead provide facilities and support services, student registration and student fee collection, scholarship receipt and disbursement, and other educational, research and operational services.

49. NOSM and LU entered into a subsequent agreement as a schedule to the Relationship Agreement which governs the collection and accounting of tuition and incidental fees for the 2020/2021 academic year. As part of this agreement, LU provides collection and accounting services for NOSM at a fee of $250 per NOSM student enrolled at the Sudbury

campus. A copy of the Relationship Agreement and its schedules are attached hereto as **Exhibit "F"**.

50. Certain NOSM students pay their fees to LU and those funds are deposited into LU's general operating account with all other student fees. LU provides monthly outstanding balance reports for NOSM students to NOSM and issues the relevant tax forms directly to NOSM students. LU also provides bursaries to NOSM students and LU is reimbursed directly by NOSM for such payments. These funds flow through LU's main operating account.

51. Although NOSM was formed by agreement between LU and Lakehead University, NOSM is legally, financially and operationally independent from LU, save and except for the aforementioned services provided by LU and the holding of endowment funds by LU from third parties designated for NOSM. NOSM faculty and staff have separate unions and the NOSM pension plan and benefits packages are separate from the LU programs. NOSM receives its government support directly from the Province of Ontario (the "**Province**").

52. Approximately $14 million of the $53 million in endowment funds currently held by LU are funds that are in respect of donations or gifts from third parties for NOSM, rather than LU. As will be described in greater detail below, due to the unique nature of endowment funds to a post-secondary organization, LU proposes that such funds continue to be held and available only for their designated and intended purpose (that is, to fund scholarships to qualifying students).

53. Other than any ancillary reputational impact as a result of LU's insolvency, LU anticipates that NOSM and its students will be largely unaffected by the commencement of these proceedings.

C. *Research and Scholarly Activity*

54. LU places considerable emphasis on its research and enjoys the reputation of being a leading undergraduate university in Canada for research and scholarly activity. In the most recent rankings from Research InfoSource, LU ranked first in sponsored research income in the undergraduate university category in Canada with $39.4 million. The average sponsored research income of similar undergraduate universities is $17.4 million.[5]

55. Sponsored research income includes all funds to support research received in the form of a grant, award, contribution or contract from external sources. As discussed further below, LU carries significant obligations in respect of deferred contribution amounts on its balance sheet, which, among other things, represent sponsored research funds that have been received by LU in advance of the related expenses being incurred. These amounts include research grant funding which has not yet been allocated towards the designated research activities. A few notable projects currently funded at LU through sponsored income are:

(a) Metal Earth, which is funded through the federal government's Canada First Research Excellence Fund ("**CFREF**"). This program has received over $80 million in in-kind funding from industry partners to date, and the federal government has committed $49 million in cash contributions over a seven-year

[5] Source: https://researchinfosource.com/pdf/Top50List2020MainMetrics_Undergraduate.pdf

period, with approximately $17 million committed between March 1, 2021 and March 1, 2023.

(b) LU is scheduled to receive $3.7 million in funding over seven years from the McDonald Institute as an institutional partner in the CFREF project for astroparticle physics research.

(c) Listening to Children's Voices, which promotes Indigenous mental wellness, is funded by the Canadian Institutes of Health Research in the amount of $1.4 million over 5 years.

(d) Neurodegeneration in Aging is scheduled to receive approximately $2 million over five years from the Baycrest Centre for Geriatric Care; and

(e) the Canadian Foundation for Innovation has provided $200,000 to support the purchase of infrastructure for COVID-19 research.

56. Laurentian University has 14 Senate-approved research centres and two affiliated research centres (SNOLab and MIRARCO, as defined and discussed below). The majority of sponsored research is completed by faculty and students affiliated with a Senate-approved research centre. These include research centres that carry out research on social justice and policy, rural and Northern Ontario health, ecology and ethical conservation, occupational safety, the Franco-Ontarian population, children's health and Indigenous issues.

57. Pursuant to the collective agreement with LUFA, full-time faculty are generally required to spend approximately 40% of their time during the academic year on scholarly activity, which includes commitments to external granting agencies and research funded by private research contracts.

58. To support research and scholarly activity, the LUFA collective agreement provides that LU is required to set aside $160,000 each year for the Laurentian University Research Fund ("**LURF**") and provide an additional $20,000 per year to support the research activities of retired faculty members. The Director of the Office of Research Services, under the supervision of the Vice-President Research, holds an open competition for LURF funding annually. LU's past practice has been to roll over any LURF funds not awarded in a given calendar year into the next year's open funding competition. However, this funding has not been set aside in a separate account and instead has only been allocated in the internal general ledger of LU. Historically, any LURF funds awarded to retired faculty members have been paid out of the general operating account of LU. As a result of its liquidity crisis, LU does not have the funds to continue with the LURF program.

59. External grants obtained by faculty are a significant source of funding used to support student research (including stipends for graduate students), employment for students and direct costs related to completing research activities. Funding programs administered by the Natural Sciences and Engineering Research Council, Social Sciences and Humanities Research Council, and Canadian Institutes of Health Research (collectively, the "**Tri-Agencies**") are examples of grants held by faculty members to support their research programs, which create opportunities for students to develop their research skills and knowledge in a particular field.

60. LU's research programming is critical for many LU students. As discussed above, graduate students are required to complete research/scholarly activities and many undergraduate programs have a research component as part of their degree requirements. This necessarily

requires access to research facilities, equipment, services, and library materials to support graduate and undergraduate programming.

D. ***Federated Universities***

61. LU and the Federated Universities are affiliated through a variety of historical relationships and contractual arrangements. Each of the Federated Universities are separate legal entities and are governed by Boards that are independent of LU.

62. Each of the Federated Universities owns its own buildings on land that is owned by LU and is leased to the Federated University by LU. The Federated Universities do not receive funding directly from the Ministry of Colleges and Universities ("**MCU**"), but historically, LU has transferred a portion of the funding it receives from the MCU to each Federated University according to a set formula, unless otherwise instructed by the MCU.

63. Students who enroll at LU may study at any or all of the three Federated Universities (as well as LU), which are all physically located on LU's campus. Students enrolled in programs, courses, majors and minors which are administered by the Federated Universities remain students of LU and these courses are credited towards a degree from LU, which has the sole authority to confer degrees upon students (with the exception of Theology). In addition, all students of LU enrolled in courses delivered by the Federated Universities can fully utilize the services offered on the entire campus. For all intents and purposes, the Federated Universities are integrated into LU, however, each of the Federated Universities manages its finances separately from each other, and from LU, subject to the arrangements described below.

64. From an employee perspective, most of the faculty of the Federated Universities are represented by LUFA, but each of the Federated Universities has its own collective agreement with LUFA.

65. The employees of the Federated Universities are a part of the defined benefit pension plan of LU. Each of the Federated Universities are required, pursuant to the pension plan, to contribute the amount required to fund the pension plan, taking into account the assets and liabilities of the plan. Each of the Federated Universities directly contribute to the pension plan on a monthly basis.

i. Terms of Financial Distribution between LU and the Federated Universities

66. On November 10, 1993, LU and the Federated Universities entered into a Proposed Grant Distribution and Services Fees arrangement (the "**1993 Funding Model**"). Although this document was not signed, meeting minutes are attached to the document which indicate that LU and the Federated Universities were all in agreement with the terms of same, and the parties operated under the terms of such agreement until it was amended as of May 1, 2019. A copy of the 1993 Funding Model is attached hereto as **Exhibit** "**G**".

67. The 1993 Funding Model was replaced by notices delivered by LU to each of the Federated Universities on May 1, 2019 (the "**Financial Distribution Notices**"). Copies of the Financial Distribution Notices for Huntingon, Thornloe and Sudbury, respectively, are attached as **Exhibits** "**H**", "**I**" and "**J**" hereto.

68. The Financial Distribution Notices update the previous funding formula under the 1993 Funding Model and set out the terms for the distribution of operating grants to the Federated Universities and service fees charged by LU to the Federated Universities from

and after May 1, 2019. The Financial Distribution Notices amended, restated and replaced in their entirety any prior documentation, oral or written representations and past practices relating to the distribution of grant funding, tuition fees and service fees between LU and the Federated Universities, including but not limited to, those described under the 1993 Funding Model.

69. The Financial Distribution Notices advised the Federated Universities that LU would transfer funds to each of the Federated Universities in accordance with the new university funding model introduced by the Province in 2017 (the "**New Funding Model**"). The New Funding Model adopted an enrolment-based approach, where the Province would provide each post-secondary organization with a base level of operating funding determined in accordance with a specific level of eligible enrolment and program of registration.

70. The underlying principle behind LU adopting the New Funding Model was to ensure that neither LU or any of the Federated Universities would subsidize the operations or services of the other, and each organization would be responsible for covering its own expenses. It was intended to align the financial relationship of LU and the Federated Universities with the New Funding Model introduced by the Province, to which LU was subject.

71. The Financial Distribution Notices also provide that, in exchange for the provision of non-academic administrative services by LU to the Federated Universities, each of the Federated Universities would be assessed a charge by LU in the amount of 15% of shared revenues, being grant revenue and tuition revenue as defined in the Financial Distribution Notices (the "**Administrative Services Fee**"). The Administrative Services Fee partially covers the costs incurred by LU for a number of non-academic services it provides, which

include but are not limited to: (i) student fee collection and accounting; (ii) central computing services; (iii) administration of all pension and employee benefits; (iv) campus security; and (v) student support services.

72. Since the Financial Distribution Notices were issued by LU to each of the Federated Universities on May 1, 2019 the parties have been operating in accordance with the funding mechanisms set out therein.

ii. University of Sudbury

73. SU is a Roman Catholic bilingual university offering programs in Culture and Communication Studies, Indigenous Studies, Philosophy and Religious Studies and courses in both English and French. It was founded in 1913 as Collège du Sacré-Coeur before changing its name to the University of Sudbury in 1957. There are 211 students enrolled in SU-delivered programs, along with a further 24 students in a combined LU/SU Philosophy program and 56 students in Religious Studies, which is jointly administered by the Federated Universities.

LU-SU Federation Agreement

74. LU and SU entered into a Federation Agreement on September 10, 1960 (the "**LU-SU Federation Agreement**"), a copy of which is attached hereto as **Exhibit** "**K**". The LU-SU Federation Agreement contains a provision stipulating that the relationship between LU and SU will be permanent, and the success of the relationship is to be predominantly fostered through "mutual cooperation and goodwill", rather than any formal agreements.

75. Pursuant to the LU-SU Federation Agreement, SU suspended all of its degree-conferring power (with the exception of Theology) in favour of LU, for so long as the LU-SU Federation Agreement is in effect.

76. Tuition fees paid by LU students enrolled in SU-delivered programs are apportioned between LU and SU pursuant to the Financial Distribution Notice.

77. The LU-SU Federation Agreement requires LU to allocate and reserve land within its campus for SU to purchase and construct buildings on. The allocation of land to SU was completed pursuant to the SU Indenture (as defined and described in detail below).

Leases between LU and SU

78. Pursuant to an Indenture between LU and SU dated April 9, 1965 (the "**SU Indenture**"), LU leased certain land for a term of 99 years to allow SU to construct buildings and student housing for SU. Provided that SU performs all of the covenants during the term of the SU Indenture, LU is required to renew the lease for a further 99 years on substantially the same terms.

79. The SU Indenture may be terminated by LU if: (i) SU withdraws from the federation with LU or the land and premises cease to be used for educational instruction at a university level for three years, or (ii) SU is in breach or non-performance of the covenants of the SU Indenture. In the event that the SU Indenture is terminated, LU is entitled to take possession of the lands, and may elect to purchase any or all of the buildings constructed on the lands from SU. The SU Indenture provides that the value of the buildings is to be determined by arbitration. A copy of the SU Indenture is attached hereto as **Exhibit** "**L**".

iii. Huntington University

80. Huntington is an independent university founded in 1960 with its own charter, and offers programs in Communication Studies, Gerontology, Religious Studies and Theology. Students who graduate from Huntington have their degrees conferred by LU, save for a limited exception in respect of Theology. There are 295 students enrolled in Huntington-delivered programs this year, along with a further 56 students in Religious Studies, which is jointly administered by the Federated Universities.

LU-Huntington Federation Agreement

81. LU and Huntington entered into a Federation Agreement on September 10, 1960 (the "**LU-Huntington Federation Agreement**"), a copy of which is attached hereto as **Exhibit** "**M**". The LU-Huntington Federation Agreement contains a provision stipulating that the relationship between LU and Huntington will be permanent, and the success of the relationship is to be predominantly fostered through "mutual cooperation and goodwill", rather than any formal agreements.

82. Pursuant to the Huntington Federation Agreement, Huntington agreed to suspend all of its degree-conferring powers except the power to grant degrees in Theology.

83. Tuition fees paid by LU students enrolled in Huntington-delivered programs are apportioned between LU and Huntington by the Financial Distribution Notice.

84. The LU-Huntington Federation Agreement requires LU to allocate and reserve land within its campus for Huntington to purchase and construct buildings on. The allocation of land

to Huntington was completed pursuant to the Huntington Indenture (as defined and described in detail below).

Other Agreements between LU and Huntington

85. Pursuant to a lease indenture between LU and Huntington dated July 3, 1964 (the "**Huntington Indenture**"), LU leased certain land to Huntington for a term of 99 years to allow Huntington to construct buildings and student housing for Huntington. The terms and conditions of the Huntington Indenture are substantially similar to the terms and conditions of the SU Indenture, such as:

(a) provided that Huntington performs all of the covenants during the term of the Huntington Indenture, LU is required to renew the lease for a further 99 years on substantially the same terms;

(b) the Huntington Indenture may be terminated by LU if: (i) Huntington withdraws from the federation with LU or the land and premises cease to be used for educational instruction at a university level for three years, or (ii) Huntington is in breach or non-performance of the covenants of the Huntington Indenture;

(c) in the event that the Huntington Indenture is terminated, LU is entitled to take possession of the lands, and may elect to purchase any or all of the buildings constructed on the lands from Huntington; and

(d) the Huntington Indenture provides that LU may pay for buildings that can be used by LU in the ordinary course for university purposes (such as residences and classrooms), but LU is not required to pay for any buildings that duplicate existing

facilities at LU. The value of the buildings is calculated as the cost of construction less depreciation calculated at 4% per annum.

A copy of the Huntington Indenture is attached hereto as **Exhibit** "**N**".

86. Pursuant to a Memorandum of Agreement between LU and Huntington dated December 12, 2005, Huntington transferred its music program to LU with provisions regarding the transfer of scholarship funds, space for the program and a cost sharing arrangement for the music faculty. A copy of the Memorandum of Agreement is attached hereto as **Exhibit** "**O**".

iv. University of Thorneloe

87. Thorneloe is a university with historic roots and affiliation with the Anglican Church of Canada and offers programs in the departments of Ancient Studies, Religious Studies and Women's, Gender and Sexuality Studies. There are 119 students enrolled in Thorneloe-delivered programs this year, along with a further 56 students in Religious Studies, which is jointly administered by the Federated Universities.

LU-Thorneloe Federation Agreement

88. LU and Thorneloe entered into a Federation Agreement in 1962 (the "**LU-Thorneloe Federation Agreement**"), a copy of which is attached hereto as **Exhibit** "**P**". The LU-Thorneloe Federation Agreement contains a provision stipulating that the relationship between LU and Thorneloe will be permanent, and the success of the relationship is to be predominantly fostered through "mutual cooperation and goodwill", rather than any formal agreements.

89. Pursuant to the LU-Thorneloe Federation Agreement, Thorneloe suspended all of its degree-conferring power (with the exception of Theology) in favour of LU, for so long as the LU-Thorneloe Federation Agreement is in effect.

90. Pursuant to the LU-Thorneloe Federation Agreement, tuition fees paid by LU students enrolled in Thorneloe-delivered programs are apportioned between LU and Thorneloe pursuant to the Financial Distribution Notice.

91. LU-Thorneloe Federation Agreement requires LU to allocate and reserve land within its campus for Thorneloe to purchase and construct buildings on. The allocation of land to Thorneloe was completed pursuant to the Thorneloe Indenture (as defined and described in detail below).

Leases between LU and Thorneloe

92. Pursuant to a lease indenture between LU and Thorneloe dated October 26, 1964 (the "**Thorneloe Indenture**"), LU leased certain land to Thorneloe for a term of 99 years to allow Thorneloe to construct buildings and student housing for Thorneloe. The terms and conditions of the Thorneloe Indenture are substantially similar to the terms and conditions of the Huntington Indenture, including:

(a) provided that Thorneloe performs all of the covenants during the term of the Thorneloe Indenture, LU is required to renew the lease for a further 99 years on substantially the same terms;

(b) the Thorneloe Indenture may be terminated by LU if: (i) Thorneloe withdraws from the federation with LU or the land and premises cease to be used for educational

instruction at a university level for three years, or (ii) Thorneloe is in breach or non-performance of the covenants of the Thorneloe Indenture;

(c) in the event that the Thorneloe Indenture is terminated, LU is entitled to take possession of the lands, and may elect to purchase any or all of the buildings constructed on the lands from Thorneloe; and

(d) the Thorneloe Indenture provides that LU may pay for buildings that can be used by LU in the ordinary course for university purposes (such as residences and classrooms), but LU is not required to pay for any buildings that duplicate existing facilities at LU. The value of the buildings is calculated as the cost of construction less depreciation calculated at 4% per annum.

A copy of the Thorneloe Indenture is attached hereto as **Exhibit** "**Q**".

E. ***Statutory Framework***

93. LU is governed by the Act. The Act incorporated LU and vested the management of LU in the Board. The Act grants the Board all powers necessary or convenient to perform its duties and achieve the objects and purposes of the University.

94. The objects and purposes of LU are described in the Act as:

(a) the advancement of learning and the dissemination of knowledge; and

(b) the intellectual, social, moral and physical development of its members and the betterment of society.

95. The Act confers powers on LU, including, among other things, the power to: (i) establish courses (Senate); (ii) confer degrees (Senate); (iii) enter into federation agreements with

other colleges (Board); (iv) purchase, mortgage, lease and convey property (Board); (v) borrow money (Board); and (vi) commence proceedings in its own name (Board).

F. ***Governance Structure***

96. The facts set out in this section relating to LU's governance structure are based on my own knowledge and on information I have received and have been advised of by the University Secretary and General Counsel of LU, which I believe to be accurate in all respects.

97. The governance structure of LU is bi-cameral. The Board and the President and Vice-Chancellor generally have powers over the operational and financial management of LU, whereas the Senate of LU (the "**Senate**") is responsible for the academic policy of LU.

98. The Act establishes the governance structure for LU. Section 18(1) of the Act provides that all powers over, in respect of or in relation to the governance, financial management and control of LU and its officers, servants and agents, its property, revenues, expenditures, business and affairs are vested in the Board. However, there is a carve-out in section 18(1) for matters that are specifically assigned by the Act to the President, the Senate or federated universities or colleges.

99. Section 21 of the Act provides that the Senate is responsible for the educational policy of LU, subject to approval of the Board with respect to the expenditure of funds and the establishment of facilities.

100. Section 28(2) of the Act provides that the President of LU is the chief executive officer and chairman of the Senate and has supervision over the direction of academic work and the general administration of LU.

i. Composition of the Board

101. Pursuant to the Bylaws, the Board is comprised of 25 voting members, as follows:

(a) President and Vice-Chancellor;

(b) five members named by the Lieutenant Governor in Council; and

(c) nineteen (19) members selected by the Board. These members are comprised of three people nominated by each of the federated universities (SU, Huntington and Thorneloe) one person nominated by the Laurentian University Alumni Association, two people nominated by the Student Associations of LU, and seven people put forward by the Nominations Committee of the Board.

A copy of the Bylaws is attached hereto as **Exhibit** "**R**".

102. All voting members, except the members elected from student nominations, hold office for a period of three (3) years ending at the close of the annual meeting in the third year following such appointments.

103. The elected voting members from student nominations hold office for a period of one (1) year ending at the close of the annual meeting in the year of such appointments.

104. No voting member is permitted to hold office for more than four consecutive terms, however, the number of terms of a voting Board member who serves as Chair, Vice-Chair or past Chair of the Board may be extended. A former voting member is eligible for re-election after a lapse of one year.

105. In addition, the Board may provide for non-voting members on the Board and Board Standing Committees. Such non-voting members are entitled to participate in the

discussions at meetings of the Board and Board Standing Committees, except when confidential matters are to be discussed "in camera".

106. A quorum is reached if there are ten (10) voting members present at a Board meeting. All bylaws, motions and resolutions are decided by a majority of the votes of members present at said meeting with the exception of the enactment, amendment or repeal of by-laws, which must be approved at a meeting where at least fifty percent (50%) of the voting Board members are present, by a two-third majority of the voting Board members present. Further, a resolution signed by all members of the Board has the same force and effect as if passed at a regularly constituted meeting of the Board.

ii. Formation of the Ad Hoc Committee

107. On November 12, 2020, the Executive Committee of the Board, in exercising the powers of the Board under the Bylaws, authorized the formation of a special In Camera Ad Hoc Committee on Contingency Planning (the "**Ad Hoc Committee**"). The Ad Hoc Committee was formed in response to the important and time sensitive work required to address LU's financial challenges.

108. The Ad Hoc Committee has the authority to act on behalf of the Board on matters related to all initiatives to address LU's financial challenges, including the preparation for this application under the CCAA and providing certain ongoing strategic direction following the commencement of this CCAA proceeding. The purpose of the Ad Hoc Committee is to provide day-to-day oversight and direction with respect to the CCAA proceedings in order to report back to the Board on any fundamental strategic decisions.

109. The Ad Hoc Committee is comprised of nine (9) voting members of the Board. Since its formation, the Ad Hoc Committee has met on at least a bi-weekly basis, with increasing frequency over the past several weeks.

110. Based upon the recommendation of the Ad Hoc Committee, the Board retained independent legal counsel (Peter Osborne of Lenczner Slaght Royce Smith Griffin LLP) to advise the Board with respect to issues solely related to the Board.

iii. Authority to Commence Proceedings

111. As set out above, section 8 of the Act provides that LU may commence proceedings. Further, section 18(1) of the Act provides that all powers over, in respect of or in relation to the governance, financial management and control of LU and its officers, revenues, expenditures, business and affairs are vested in the Board.

112. Accordingly, the Board has the authority to authorize the commencement of this court proceeding. On January 29, 2021, the Board convened a meeting duly constituted with quorum and on proper notice. At such meeting, the Board passed a resolution in camera authorizing LU to file this application to commence proceedings under the CCAA. A copy of the Board resolution is attached hereto as **Exhibit** "**S**".

G. *Key University Performance Measures*

113. LU has faced several major challenges recently, including declining demographics in Northern Ontario, the closure of LU's Barrie campus which commenced in 2016 and was finalized in 2019, high debt levels and the Province's domestic tuition reduction and freeze that was implemented in 2019.

114. Since 2011, Ontario has been facing weak demographic trends for university-aged entrants. This problem is particularly acute in Northern Ontario, where LU is located. LU's domestic undergraduate direct entry high school enrolment, which represents Ontario high school students who attend LU immediately after high school, is a significant contributor to LU's overall enrolment (around 40%) but has declined 22% since 2011. Ontario's population projections suggest these trends will continue to get worse until 2024. Although this decline was offset by enrolment growth from students in online degrees and graduate programs, this growth is not sustainable.

115. The current COVID-19 pandemic has exacerbated these issues, including due to the loss of ancillary revenues derived from, among other areas, residence, parking, conferences and food services. The loss of these revenues has made it increasingly difficult to manage the financial challenges that LU faces.

116. LU has the fourth lowest domestic tuition and student ancillary fees in the Province. Historically, this was a strategic decision designed to attract more students to LU. As tuition fees are one of LU's primary sources of revenue, the Provincially-mandated tuition reduction of 10% in 2019 resulted in further stress to the financial situation of LU. While LU did receive one-time funding from the MCU to partially offset this revenue decline in 2019-2020, the decrease in domestic tuition rates is a permanent loss of revenue which is further compounded by the Province-wide tuition freeze that is currently in place. There is a risk that continued tuition freezes may be implemented by the Province, notwithstanding rising costs on an annual basis.

117. In addition to the low tuition fees, every employee of LU (including those of the Unions) and all retirees are entitled to free tuition for themselves, their spouses and their dependants. As a significant employer within Sudbury, this creates a potentially significant loss of tuition revenue every year.

118. Due to these and other financial challenges, LU now has the worst primary reserve ratio of all universities in the Province (-29 days), the worst viability ratio (-17.6%) and one of the worst net income/loss ratios (-1.5%).

119. In Maclean's 2021 university rankings of primarily undergraduate schools across Canada, LU placed 12 out of 19 universities. Reflective of LU's leading research programs, LU ranked first in Canada in primarily undergraduate schools for total research dollars allocated to the school.[6] This figure, calculated relative to the size of each institution's full-time faculty, includes income from sponsored research such as grants and contracts, federal, provincial and foreign government funding, and funding from non-governmental organizations.

H. ***Employees***

120. As at December 30, 2020 LU employed approximately 1,751 people. Of this total, approximately 758 are full-time employees. Term employees funded through grants may also work full-time hours, but are not included in the full-time employee total. The total number of employees fluctuates on a regular basis given the large volume of part-time and student employment offered by LU. Typically, the operating departments of LU employ

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[6] Source: https://www.macleans.ca/education/university-rankings/canadas-best-primarily-undergraduate-universities-rankings-2021/.

approximately 400-500 student employees. However, due to the impact of COVID-19 and students studying remotely, there were only approximately 200 student employees in November 2020, whereas there were 470 in November 2019. These amounts do not include GTAs (as defined below) and students employed by faculty for research purposes.

121. There are approximately 612 employees represented by LUFA. Among these employees, 355 are full-time faculty (including seven employees currently on a leave of absence from LU), 221 are sessional faculty or health care professionals and five are full-time counsellors. Almost all of the full-time faculty have acquired tenure as defined in the collective agreement. In addition, there are 31 individuals who are staff or students of LU who also teach a sessional/clinical course. The number of sessional employees varies from term to term depending on need.

122. The non-faculty staff are represented by the Laurentian University Staff Union ("**LUSU**"). LUSU represents LU's staff, which includes all employees of LU in clerical, technical, administrative, service and security work. LUSU represents approximately 268 employees.

123. The remainder of LU's full-time employees who are not represented by a union include approximately 23 senior leadership employees, and 111 administrative and professional staff, most of which are in managerial roles. The managerial and non-managerial employees are considered part of an informal association that LU recognizes as the Laurentian University Administrative and Professional Staff Association ("**LUAPSA**"). LUAPSA has an executive committee that meets with LU on occasion and LU solicits feedback from the LUAPSA executive committee regarding matters that affect employees that are in positions falling under the LUAPSA umbrella.

I. *Unions and Collective Bargaining Agreements*

i. LUFA

124. Total salaries and benefits represent the single largest expense item for LU on an annual basis (approximately $134 million of $201 million in total expenses during fiscal year 2019-20). The total salaries and benefits paid by LU to its faculty (i.e. the members of LUFA) were approximately $70 million during fiscal year 2019-20, or 52% of total consolidated salaries and benefits. However, when excluding funding for salaries and benefits received from research grants, faculty are 57% of total salaries and benefits funded through operations, comprising LU's single largest operating expense.

125. Currently, LUFA members represent approximately 60% of total salaries and benefits.

126. LUFA and the Board of LU are parties to a Collective Agreement (the "**LUFA CA**"), with a three year term which expired on June 30, 2020. Pursuant to the provisions of the LUFA CA, the agreement automatically continues year-to-year unless notice is provided that either LUFA or LU intends to terminate or amend the LUFA CA. In February 2020, LUFA provided LU with a notice to bargain. Pursuant to Article 13.15.3 of the LUFA CA, the agreement automatically remains in force during any period of negotiation. A copy of the LUFA CA is attached at **Exhibit** "**T**" hereto.

127. LU and LUFA have been engaged in bargaining with respect to a new collective bargaining agreement. As a prelude to bargaining and with a sense of the economic impact of COVID-19 becoming apparent, LU met with the LUFA bargaining team on April 27, 2020, and briefed them on the economic state of LU. In that discussion, LUFA was explicitly told by the University's chief labour spokesperson, Michael Kennedy from Hicks Morley LLP,

that there was a material risk that LU could run out of money during the life of the collective agreement and that could happen as early as the Fall 2020 or as late as Spring 2021. LUFA was also advised that LU would seek rollbacks in faculty compensation in the same way that it would with other unionized and non-unionized employee groups.

128. LUFA's response after the April 27, 2020, financial update meeting was to defer the commencement of bargaining on May 25 and 26, 2020, and seek more financial information regarding LU's financial status and the budget for the upcoming and future academic years. LUFA required such information prior to the continuation of bargaining.

129. LU has endeavoured to respond to much of LUFA's information requests. On April 27, 2020, LU responded to LUFA's first request for financial information. Further, on August 18, 2020, LU provided LUFA with a comprehensive package of financial information in response to their questions. LU also provided LUFA with financial update presentations on June 9, 2020 and August 26, 2020.

130. LU and LUFA bargained on September 11, 23, 25, 29, October 1 and 2, 2020. On September 11, 2020, LUFA responded to LU's response to its financial information requests by indicating that "the administration is indicating a sudden and unprecedented financial crisis – the data reveals that while our financial situation is not optimal, our current position fiscal situation is better than 2016". Following the September 11, 2020 bargaining date, LUFA provided a list of 11 priority questions regarding financial information they were seeking.

131. On October 1, 2020, LU advised LUFA that EY had been retained as a financial advisor and that more financial information would not be forthcoming until LU had a chance to

work with EY. On October 2, 2020, LUFA advised they did not think the information provided to date showed a financial crisis. LU responded that given LUFA's lack of satisfaction with the information provided to date demonstrating a financial crisis, that LU would defer providing more financial information until LU had the opportunity to review its financial data with EY.

132. The parties also engaged the services of William Kaplan as mediator and met with him on October 5 and 6, 2020. After the two-day mediation, bargaining was put on hold pending further review of LU's finances.

133. LU met with LUFA again on January 18, 2021 and responded to LUFA's preliminary response to University's financial circumstances. During the meeting on January 18, 2021, LUFA was advised by LU's chief labour spokesperson that since the parties broke off bargaining in October, LU's efforts to review and assess its finances had not changed the view that LU has profound economic challenges. In fact, the passage of time had only served to confirm how profound LU's financial challenges are. More specifically, LU's chief labour spokesperson confirmed as follows:

(a) LU continued to be at risk of running out of money prior to the end of the academic term;

(b) that LU had incurred short and long-term borrowing in excess of $100 million;

(c) LU has consistently realized annual deficits going back to at least 2014-15; and

(d) LU has no further capacity to service debt and/or acquire more debt.

134. Later that day on January 18, 2021, LUFA's chief spokesperson, David Wright, of Ryder Wright Blair and Holmes LLP emailed LU's chief labour spokesperson seeking production of a wide- ranging series of documents including:

(a) all documents and financial records which support LU's position that it is in an immediate financial crisis and will be unable to service debt or is likely to run out of funds in the near future; and

(b) any documents provided to LU by Ernst & Young Inc. as a result of its review/analysis/consultation regarding LU's finances.

135. On January 22, 2021, the President of LUFA wrote to me indicating an intention to bring an Unfair Labour Practice Complaint pursuant to the Ontario Labour Relations Board alleging that LU had not provided any financial information to support that LU was in financial duress and that LU, as a result, had unduly delayed bargaining. A copy of the letter is attached hereto as **Exhibit "U"**.

136. LU's chief labour spokesperson responded in an email to LUFA's information request on Friday, January 29, 2021. In his email response, LU's chief labour spokesperson explained the following:

(a) many of LUFA's questions were predicated on previously provided financial information which did not reflect the current financial circumstances of LU and were no longer applicable;

(b) LUFA's request for **all** documents and financial records which supports LU's position that it was in an immediate financial crisis, was unable to service its debt,

or likely to run out of funds in the near future, was overly broad and beyond the duty to bargain in good faith;

(c) LUFA already had the information it needs to understand the precariousness of LU's financial circumstances. It was well known and documented that LU has had an ongoing deficit since 2014-2015 and had accumulated debt of over $100 million. Moreover, the December 11, 2020 Board Information Package showed LU's anticipated actual 2020-21 revenues were $148,548,297 and expenditures were $159,147,976; and

(d) LU did not have the ability to obtain or service more debt or have access to borrow more money to finance its operations. LU's operations continue to be funded by the revenue it receives from tuition, grants, and other ancillary revenue.

137. I am advised by our external labour counsel, Michael Kennedy of Hicks Morley LLP that as of the date of this affidavit, LUFA has not exercised its statutory right to request a conciliator pursuant to the *Labour Relations Act* and in fact, LUFA requested that LU agree to a moratorium whereby neither party would request a conciliator.

138. I am further advised by Mr. Kennedy that there are a number of terms of the LUFA CA in favour of LUFA members that are considered to be above-market. The following summarizes such provisions:

(a) the annual salary increases provided for in the LUFA CA have resulted in salaries for LU assistant professors that are among the highest when compared to other Ontario universities;

(b) faculty have the option to elect "buying out" of a course (up to 15 credits over 5 years, but no more than 6 credits in a given Academic Year) for the purposes of dedicating more time to scholarly activity if faculty reimburses LU for the cost of their replacement. The Dean of each faculty decides whether to approve the buy-out, however, LU has an obligation to not unreasonably withhold its approval. This was intended to have a net-zero cost impact, however, in practice, if a sessional is required to replace the course, there are additional benefits and vacation pay obligations which result in a 10% premium to LU because LU is not permitted to seek reimbursement over and above the base salary for a course;

(c) the large number of faculty who are able to reduce their teaching load to do other work that may not generate revenue (i.e. assume a chair/director position or the coordination of other duties), which causes LU to replace the workload through sessional instructors, thereby increasing overall faculty expenses;

(d) courses assigned to full-time faculty members may only be cancelled if there is zero enrolment, which requires LU to continue offering courses with very low enrolment that are not financially sustainable;

(e) sessional contracts which are typically entered into well in advance of the start date of a course cannot be reassigned to a full-time member or be cancelled without a financial penalty equal to 15% of the contract (approximately $1,200 per course), limiting LU's flexibility in ensuring appropriate deployment of academic resources;

(f) LUFA members who work between ages 65 and 71 are permitted to draw upon their pension while at the same time receiving a full salary. This has created a

situation where LU has one of the highest rates of faculty members over the age of 65 in the Province. As of December 9, 2020, approximately 26 full-time faculty members were collecting both a pension and receiving a full salary;

(g) Some LUFA members, who earn an income over a certain threshold and are enrolled in the Pension Plan are also eligible for the SuRP (as defined below). Based on my experience at other Canadian universities, a SuRP such as the plan provided by LU is not normative in the university sector, particularly as a smaller university;

(h) Faculty years of service and earnings after the age of 62 continue to be counted towards accrual of pension value for LUFA members, which incentivizes LUFA members to postpone retirement; and

(i) all full-time faculty and retirees are entitled to free tuition at LU, together with the spouses and dependants of all full-time faculty, retirees, deceased retirees, and deceased faculty. As discussed above, this can contribute to a significant loss of tuition revenue every year.

139. The LUFA CA also contains financial exigency provisions which provide for a collegial process to evaluate the financial affairs of LU and determine whether budgetary cuts affecting members of LUFA are necessary.

140. Determination of whether financial exigency exists is made by a Financial Commission (the "**Commission**") consisting of three members (one LU representative, one LUFA representative and one mutually agreeable person).

141. The salient terms of the financial exigency provisions provide:

(a) financial exigency is defined as substantial and recurring deficits that are projected to continue for more than two years, which threaten the long-term solvency of LU as a whole;

(b) reductions in academic staff for reasons of financial exigency may only occur after efforts to alleviate the financial crisis by reductions in all other segments of the budget have been made;

(c) LU is responsible for providing notice that a state of financial exigency exists and bears the onus of proving financial exigency;

(d) the Commission decides whether financial exigency exists and, if so, the amount of reduction required in the budgetary allocation to salary and benefits;

(e) the Commission decides how the budget will be reduced across faculty, library and other similar units at which point, the faculty and library councils shall apportion the budgetary reductions across their departments and schools;

(f) tenured members may not be laid-off in preference to a non-tenured member, unless there is a clear and substantial reason for doing otherwise;

(g) LU must make efforts to secure alternative positions within the university for members who have been laid off with up to one year of re-training and members are entitled to a first right of refusal on academic vacancies for which they are competent for three years following lay off; and

(h) any members who are laid off are entitled to: (i) 12 months' notice or 12 months' salary in lieu of notice, and (ii) an additional one month's salary for each year as a

full-time employee, provided that no tenured member shall receive less than 12 month's salary.

142. The financial exigency provisions entail a lengthy process for establishing whether financial exigency exists. LU does not have access to cash to meet its obligations while that process would be undertaken. LU's prospects of a successful restructuring will be handicapped if the financial exigency provisions and timeline are followed, particularly if a stay of proceedings is not obtained when financial exigency is declared by LU. The process is onerous and rigid requiring: (i) the transfer of control to the Commission, (ii) a protracted timeline for the review of LU's financial state and recommendations on terminations, (iii) priority rights in respect of who may be terminated, which may be incompatible with LU's long-term faculty requirements and need for an overall restructuring; and (iv) a high degree of discretion in decisions made by the three members constituting the Commission.

143. The financial exigency provisions of the LUFA CA create extraordinary liabilities for LU with respect to termination and severance payments that LU also does not have the cash to fund. This additional burden places LU in the untenable situation that it cannot be fiscally prudent and take the steps required for its financial stability, while also being unable to address material faculty costs as a result of the obligations arising under the financial exigency provisions of the LUFA CA.

144. Creating an effective process under the supervision of the Court and with the benefit of CCAA protection will provide LU with the opportunity to address the shortcomings in the process contemplated by the financial exigency provisions. LU is of the view that the

appointment of a Mediator by the Court within the parameters of these CCAA proceedings and providing the Mediator with flexibility to adapt a process and timeline to achieve a resolution is the best option available. Ultimately, it is the hope of LU that such mediation and discussions will result in LU achieving a collective agreement with LUFA in conjunction with negotiations and a resolution with other key stakeholders, that fits within the parameters of future sustainability of LU.

145. These negotiations, and most importantly a resolution, need to be undertaken, completed and capable of being implemented by May 2021 due to: (i) the extent of DIP financing relative to the cash flow forecast; (ii) the need to plan for and implement the necessary changes in programming for the 2021/2022 Academic Year to be ready for September; and (iii) the need to demonstrate to existing and prospective incoming students of the successful restructuring of these critical components in order for 2021 high school graduates to choose LU as their destination for university prior to the June 2021 deadline for acceptances, and in order to retain the support of existing LU students and their families.

146. The need for the court-supervised mediation to commence immediately is urgent. The labour situation at LU is tenuous, and stability and transparency within this CCAA proceeding and the involvement of the Monitor will be critically important to provide the Applicant with the best possibility of success.

ii. LUSU

147. On July 1, 2018, LUSU and LU entered into a Collective Agreement that was set to expire on June 30, 2021 (the "**LUSU CA**"). Over the past two years, LUSU executives and their members have engaged in dialogue with LU to address some of the issues facing LU. A copy of the LUSU CA is attached hereto as **Exhibit** "**V**".

148. The LUSU CA provides a 1.5% salary increase effective July 1, 2020. It also contains highly burdensome provisions regarding temporary lay-offs, which offers LU limited flexibility in addressing staffing issues. Deferring salary increases and loosening the provisions on temporary lay-offs will need to be reviewed and considered as part of LU's restructuring.

149. The LUSU CA provides flexibility to transfer and reassign staff based on the operational requirements of LU. Practically, this flexibility is limited due to the specialized skills of non-administrative positions in the LUSU bargaining unit. For example, biology technicians, information technology specialists and security require a specialized skillset which makes it difficult to reassign LUSU members to these positions when greater need arises.

150. Most importantly, the LUSU CA includes a memorandum of understanding, negotiated into a prior CA which has since been renewed for the remainder of the LUSU CA term, waiving the redundancy and termination provisions. This effectively prevents LU from terminating any LUSU employee for redundancy for the remaining term of the LUSU CA.

151. In light of the financial challenges of LU, LUSU agreed to open the existing LUSU CA early for negotiation, prior to its expiration on June 30, 2021. Those negotiations achieved the following:

(a) **Year 1:** a 1.0% salary reduction, which previously was a 1.5% salary increase under the LUSU CA;

(b) **Year 2:** a 0.5% salary increase on July 1, 2021 and January 1, 2022;

(c) **Year 3**: a 0.5% salary increase on July 1, 2022 and January 1, 2023;

(d) Six furlough days for all LUSU members without pay in 2020. This provided LU with a one-time cash savings of $450,000;

(e) Confirmation of LU's ability to effect employee transfers and the additional flexibility to reassign and transfer staff during the collective agreement;

(f) Retirement incentive to maintain salary and pension at the pre-reduced salary level on June 30, 2020, with the condition to retire on or before October 31, 2020; and

(g) The reassignment, transfer and retirement provisions resulted in 11.5 position redundancies in 2020, a total annual salary and benefits savings of approximately $808,077.

iii. CUPE Collective Agreement

152. On September 1, 2019, CUPE and LU entered into a Collective Agreement (the "**CUPE CA**") which covers Masters level and Ph.D-level students who are employed as Graduate Teaching Assistants ("**GTAs**"). Approximately 305 GTAs are represented by CUPE although this number can fluctuate. The CUPE CA is set to expire on August 31, 2021. A copy of the CUPE CA is attached hereto as **Exhibit** "**W**".

153. In September 2019, CUPE agreed to a total compensation increase of 1%. The entirety of the increase was allocated to scholarship payments, with a 0% increase in salary over the two-year term of the CUPE CA.

J. *Pension and Benefit Plans*

154. LU is the administrator of three types of plans for its employees: (i) a Primary Retirement Plan for Laurentian University and its Federated and Affiliated Universities (the "**Pension**

Plan"), (ii) a Supplementary Retirement Plan ("**SuRP**"), and (iii) a Retirement Health Benefits Plan (the "**RHBP**").

i. Defined Benefit Pension Plan

155. There are currently 406 individuals collecting a lifetime pension from the Pension Plan. There are 981 active members currently contributing to the Pension Plan but not yet collecting a benefit. In addition, there are approximately 500 individuals no longer employed by LU that are eligible, but not yet collecting such benefits. This includes beneficiaries of the Federated Universities, the Sudbury Neutrino Observatory Laboratory ("**SNOLab**"), the Mining Innovation Rehabilitation and Applied Research Corporation ("**MIRARCO**") and Centre for Excellence in Mining Innovation ("**CEMI**"). Under the Pension Plan, LU is defined as the "primary employer" for the Federated Universities, SNOLab, MIRARCO and CEMI. A copy of the Pension Plan is attached hereto as **Exhibit "X"**.

156. The Pension Plan is a defined benefit pension plan for all eligible employees of LU and the Federated Universities. Pursuant to the Pension Plan, all full-time employees of LU or the other applicable employers who are employed on a continuous full-time basis (as determined by the employer) must participate in the Pension Plan. Other employees who are not full-time employees may elect to join the Pension Plan once such employee has been continuously employed for at least two years and the employee meets certain minimum salary or employment hour requirements.

i. Pension Plan Valuation

157. Based on the actuarial valuation of the Pension Plan as of January 1, 2020 (updated December 2020), the Pension Plan had a solvency ratio of 85.4%, representing a going

concern deficiency of approximately $4.5 million. This liability must be liquidated over a period not exceeding ten years, beginning one year after the date of valuation (i.e. January 1, 2021).

158. As a result of this going concern deficiency, the actuary concluded that LU must make an annual special payment contribution of $505,000, payable in monthly instalments of approximately $42,083. LU made the January instalment of the special payment during the week of January 17, 2021.

159. Due to its insolvency, LU will be seeking relief from this Court to stay the payment of any pre-filing or post-filing special payments to the Pension Plan, which will assist LU with its current liquidity crisis and maximize the chance that LU can successfully restructure.

ii. Supplementary Retirement Plan (SuRP)

160. In addition to the Pension Plan, LU is the provider of a SuRP for certain employees of LU who are eligible for the Pension Plan and earn an income over a certain threshold.

161. The SuRP was commenced on July 1, 2002. If retiring employees are eligible based on income, they are automatically put into the plan and receive either an annual or monthly payment. In 2020, the aggregate amount of SuRP payments was $384,489.18. The projected amount of SuRP payments to be made in 2021 is $262,744.87. A copy of the SuRP policy is attached hereto as **Exhibit "Y"**.

162. The contributions and benefits of the Pension Plan are directly related to employees' salary. However, due to certain limitations under the *Income Tax Act*, the pension benefits payable from the Pension Plan to higher-paid employees may be less, as a percentage of salary, than the benefits payable to lower-paid employees. As a result, the SuRP was implemented

to provide additional benefits to active employees of LU over the amounts payable from the Pension Plan. The intention is that the total benefits from the two plans combined should be roughly equal to the amount that would have been payable from the Pension Plan alone if the *Income Tax Act* limits were not a factor.

163. Historically, LU has never set aside cash to fund the SuRP and as a result, the SuRP is unfunded. In previous years, LU paid the lump-sum payment out of its operations account. As such, the SuRP is entirely unfunded. As at April 30, 2020, the accrued benefit obligation was $3,063,000.

iii. Retirement Health Benefits Plan (RHBP)

164. LU also provides the RHBP to retired employees of LU that elect to enrol in the program. In addition to LU employees, the RHBP is available to employees of the Federated Universities, SNOLab, Mirarco and CEMI. There are currently 866 employees contributing to the RHBP but not yet collecting the benefit, and 358 retirees who are eligible to collect the benefit. A copy of the RHBP policy is attached hereto as **Exhibit "Z"**.

165. To be eligible to participate in the RHBP, employees must satisfy the following conditions:

(a) the employee must retire at age 55 or older;

(b) the employee must have contributed for at least 15 years to the RHBP; and

(i) the employee has purchased private coverage and can provide the employer with receipts for private coverage; or

(ii) the employee did not purchase private coverage, but can provide the employer with receipts for medical expenses.

166. Employees do not qualify if the employee qualifies for continued coverage under the Laurentian University Group Plan.

167. Employees participating in the RHBP are required to pay a monthly premium which varies depending on the type of employee (i.e. LU, Federated Universities, SNOLab or LUSU member) and whether the employee enrolls in single or family coverage.

168. The RHBP Policy provides that LU will establish a trust account in respect of the RHBP. This trust account was to receive all contributions by employees participating in the RHBP, the annual $25,000 contribution by LU and the proportionate contributions by the Federated Universities.

169. Rather than establishing a separate trust account, I understand that LU has historically tracked contributions to the RHBP as a liability in its accounting records. Contributions received by LU in respect of the RHBP were deposited into LU's general operating bank account and are not held separately, or at all at this time. As at April 30, 2020, the accrued benefit obligation was approximately $7,200,000.

170. I have only recently become aware of the fact that these contributions were merely recorded as internal accounting entries and had not actually been set aside. Upon this issue being brought to my attention, I have requested the finance team to take the steps necessary to establish a segregated bank account for the monthly RHBP contributions received from the employees of LU to be deposited and retained, and this process is currently underway.

K. *Certain Material Relationships and Contractual Arrangements*

i. SNOLab

171. SNOLab is Canada's deep underground research laboratory, located in Vale's Creighton mine in close proximity to Sudbury, Ontario. SNOLab's science program focuses on astroparticle physics, although it also conducts biology and geology experiments.

172. SNOLab is governed by the Third SNOLab Trust Agreement (the "**SNOLab Trust Agreement**") dated May 10, 2012 between Queen's University, Carleton University, the University of Montreal, and LU (collectively, the "**SNOLab Member Institutions**"). The SNOLab Trust Agreement incorporates the SNOLab Constitution, the most recent version of which is dated November 27, 2012 and effective as of February 1, 2013 (the "**SNOLab Constitution**"). A copy of the SNOLab Trust Agreement is attached hereto as **Exhibit "AA"** and a copy of the SNOLAB Constitution is attached hereto as **Exhibit "BB"**.

173. SNOLab is an unincorporated Senate-approved Institute of Queen's University. The SNOLab Constitution provides that although SNOLab is formally constituted as a part of Queen's University, it operates through the SNOLab Trust Agreement among the SNOLab Member Institutions.

174. The SNOLab Member Institutions have changed over time, but at present they are Queen's University, Carleton University, Université de Montreal, University of Alberta and LU. Pursuant to the SNOLab Trust Agreement, each SNOLab Member Institution has a twenty percent (20%) interest in SNOLab's assets, and is responsible for SNOLab's liabilities and obligations (including any potential wind-up obligations) on the same percentage basis.

175. Oversight and governance of SNOLab and its operational management occurs through the SNOLab Institute Board of Directors (the "**SNOLab Board**"). The SNOLab Board is made up of a majority of independent directors. Each of the SNOLab Member Institutions are entitled to appoint one non-independent director to the SNOLab Board and, as such, LU appoints one member to the SNOLab Board. LU's appointee is the Vice President, Research.

176. The operations of SNOLab are funded by a combination of federal and provincial government research grants. The SNOLab Trust Agreement provides that SNOLab Member Institutions may also apply for and receive individual grants on behalf of SNOLab and, when granted, such funds are governed by the SNOLab Trust Agreement.

177. During the time that LU has been a SNOLab Member Institution, certain LU faculty members have received research grants that, in whole or in part, are for research conducted at or with SNOLab. Prior to December 2020, those research grant funds were typically received and deposited by LU into its main operating account. It is likely that LU holds grant money that is allocated to research activities at SNOLab, but those amounts are difficult to ascertain absent an extensive reconciliation exercise.

178. SNOLab is the employer for all individuals appointed to SNOLab. However, pursuant to the SNOLab Constitution, SNOLab shall make arrangements for each employee to be on the payroll of a Member Institution and paid by a check drawn on its payroll account. All direct costs of such Member Institution will be charged and reimbursed by SNOlab, including salaries and benefits, termination costs and legal fees, if any. SNOLab retains

control of the employees and retains responsibility for ensuring that all statutory obligations are met for the employees.

179. As a result of this employee structure, LU processes the payroll for approximately 128 of SNOLab employees (2 on a monthly basis and 126 on a bi-weekly basis), provides their benefit programs, and eligible SNOLab employees participate in the Pension Plan.

180. LU funds the payroll, benefit programs and contributions to the Pension Plan on behalf of SNOLab up front and then invoices SNOLab for the total amounts paid. Upon receipt of the invoice, SNOLab reimburses LU in full for the total cost of payroll, benefits and Pension Plan contributions.

181. Save and except for the costs of administering such employment related matters, there are no further costs to LU related to providing these services to SNOLab. SNOLab funds all of the amounts required to meet its own payroll, benefits programs and the employer contributions to the Pension Plan.

ii. MIRARCO

182. MIRARCO is headquartered in Sudbury, Ontario and is the mining research arm of LU. MIRARCO's success is a significant reason for LU's reputation as a leading mining university in Canada. The operations of MIRARCO are funded by a combination of private research contracts and government grants for research and the provision of technical services. MIRARCO also generates revenue by conducting training workshops for various entities in the mining sector.

183. MIRARCO is a non-share capital corporation incorporated under the *Corporations Act*. MIRARCO is a wholly owned by LU and is consolidated in LU's financial statements. The

majority of MIRARCO's Board of Directors are independent from LU, although there is some overlap with the Board. MIRARCO's executive team is comprised primarily of mining experts.

184. As LU's mining research arm, LU processes the payroll for all of MIRARCO's 19 employees, provides their benefit programs and eligible MIRARCO employees participate in the Pension Plan.

185. Save and except for the costs of administering such employment related matters, there are no further costs to LU related to providing these services to MIRARCO. MIRARCO funds all of the amounts required to meet its own payroll, benefits programs and the employer contributions to the Pension Plan.

186. LU funds the payroll, benefit programs and contributions to the Pension Plan on behalf of MIRARCO up front and then invoices MIRARCO for the total amounts paid. Upon receipt of the invoice, MIRARCO reimburses LU in full for the total cost of payroll, benefits and Pension Plan contributions. I understand that MIRARCO has itself experienced financial difficulties in the last several years, which has resulted in outstanding payables owing to LU.

iii. CEMI

187. CEMI is a non-share capital corporation incorporated pursuant to the *Corporations Act.* CEMI is one of Canada's leading contributors to mining innovation by introducing new practices, procedures, tools and techniques to help generate significant improvement in the performance of mines. CEMI coordinates innovation initiatives with mining companies and helps ensure they are successfully implemented. The operations of CEMI are funded

by a combination of private research grants and government research grants. CEMI also generates revenue by conducting training workshops for various entities in the mining sector.

188. Oversight and governance of CEMI occurs through the CEMI Board of Directors, which is composed of leaders of the mining industry, including mining experts, government agency representatives and academics. CEMI has partnerships with numerous academic institutions globally, including LU.

189. Although LU is only one of CEMI's institutional partners, as part of its partnership with CEMI, LU processes the payroll for CEMI's five employees, provides their benefit programs and eligible CEMI employees participate in the Pension Plan.

190. Save and except for the costs of administering such employment related matters, there are no further costs to LU related to providing these services to CEMI. CEMI funds all of the amounts required to meet its own payroll, benefits programs and the employer contributions to the Pension Plan.

191. LU funds the payroll, benefit programs and contributions to the Pension Plan on behalf of CEMI up front and then invoices CEMI for the total amounts paid. Upon receipt of the invoice, CEMI reimburses LU in full for the total cost of payroll, benefits and Pension Plan contributions.

iv. St. Joseph's Health Centre of Sudbury

192. Pursuant to a lease between LU and St. Joseph's Health Centre of Sudbury ("**St. Joseph's**") dated February 26, 2001, LU leased certain lands to St. Joseph's for the construction of a

long-term health care facility with a term of 99 years (the "**St. Joseph's Lease**"). The rental rate was a one-time payment of $300,000 at the commencement of the term. LU and St. Joseph's are independent of each other, but have agreed to collaborate on certain research projects. A copy of the lease is attached hereto as **Exhibit "CC"**.

193. LU and St. Joseph's entered into a further agreement dated April 1, 2003, whereby LU agreed that it would not encumber or mortgage the title to the lands covered by the St. Joseph's Lease between April 1, 2003 and March 31, 2024. This restrictive covenant was registered on title to the leased lands. However, the agreement also provided that despite the restrictive covenant, LU is not precluded from selling the leased lands during the term of the St. Joseph's Lease. A copy of the agreement is attached hereto as **Exhibit "DD"**.

194. On October 20, 2003, St. Joseph's mortgaged its leasehold interest, with the consent of LU, in the leased lands to Royal Trust Corporation of Canada ("**Royal Trust**") in the amount of $8,005,693.00 pursuant to a financing agreement between St. Joseph's and Royal Trust. A Notice of Charge of Lease has been registered on title to the leased lands by Royal Trust. A copy of the mortgage with Royal Trust is attached here to as **Exhibit "EE"**.

v. Leases

195. LU has entered into a number of leases with various parties in which LU is the lessor. The following chart summarizes certain details of each lease:

Date	Counterparty	Expiry of Term	Building/Space Leased	Registration on title	Exhibit
Sept. 11, 2011 (amended September 1, 2016)	Ontario Minister of Infrastructure (Crown)	August 31, 2021	Vale Living with Lakes Centre	N/A	"**FF**"

April 1, 2019	Silvia Larocque	May 31, 2023	1,771 square feet in the McEwen School of Architecture	N/A	"**GG**"
January 1, 2019	Zayo Canada Inc.	December 31, 2020 (now monthly tenancy)	3,032 square feet in the McEwen School of Architecture	N/A	"**HH**"
February 26, 2001	St. Joseph's Health Centre of Sudbury	March 1, 2100	Village of Care Campus	Registered on PIN 73592-0412. Instrument # LT908773.	"**CC**"
October 24, 2019	Students' General Association	May 1, 2068	Student Centre building	N/A	"**II**"
April 9, 1965	University of Sudbury	April 9, 2064	University of Sudbury buildings	Registered on PIN 73593-0465. Instrument # LT223242.	"**L**"
July 3, 1964	Huntington University	July 3, 2063	Huntington buildings	Registered on PIN 73593-0465. Instrument # LT213378.	"**N**"
October 24, 1964	Thorneloe University	October 24, 2063	Thorneloe builidngs	Registered on PIN 73593-0465. Instrument # LT217228.	"**Q**"
July 1, 2006	NOSM	June 30, 2016 (now monthly tenancy)	Health Sciences Education Resource Centre	N/A	"**D**"
December 1, 2005 (amended July 1, 2011)	NOSM	August 31, 2035	Northern Ontario School of Medicine Building	N/A	"**E**"
March 16, 1964	Hydro-Electric Power Commission of the City of Sudbury	November 1, 2013 (now monthly tenancy)	Certain lands used for hydro substation	Registered on PIN 73593-0465. Instrument # LT436399.	"**JJ**"

September 12, 1969	Ontario Student Housing Corp.	August 14, 2019. Either party had option to renew for 5-year term, otherwise, the lessee is to return all lands and buildings to LU.	Single Student Residence (SSR) building	Registered on PIN 73593-0465. Instrument # LT287236.	"**KK**"
November 8, 1973	Ontario Student Housing Corp.	August 14, 2023.	Single Student Residence (SSR) building	Registered on PIN 73593-0465. Instrument # LT353270.	"**LL**"
February 12, 1988	Ontario Minister of Government Services (Crown)	January 1, 2087	Mineral and Mining Research Centre	Registered on PIN 73593-0465. Instrument # LT804581.	"**MM**"
October 15, 1968	Ontario Minister of Lands and Forests (Crown)	No term provided.	Crown granted LU certain tracts of land. LU agreed that if the land is no longer required for university purposes, LU will re-convey the land to the Crown if the Crown requests it to do so.	Registered on PIN 73583-0406. Instrument # LT264533.	"**NN**"

L. ***Cash Management System***

196. Until December 2020, LU utilized a simple cash management system with one primary operating bank account at Royal Bank of Canada ("**RBC**") whereby substantially all funds received by LU were deposited and LU funded its operations and all expenses from the same account.

197. In addition, LU maintains an investment account with SEI Investments for the purpose of depositing all donations received to fund future scholarship in the endowment fund of LU and has a blocked account with both the Bank of Montreal ("**BMO**") and Toronto-Dominion Bank ("**TD**") solely for the purpose of sweeping and processing debt service payments.

198. Since December 2020, LU has taken steps to alter its cash management system to better manage the various sources of cash that are provided to LU, which included opening three new bank accounts. Today, LU's cash management system includes the following bank accounts:

(a) operating bank accounts where all grants, tuition and ancillary revenues are received, and through which disbursements are made;

(b) the investment account with SEI (which holds the endowment funds);

(c) the blocked accounts with BMO and TD;

(d) a bank account dedicated to all research grants and award funding;

(e) a bank account for all other restricted funds, other than certain restricted donations that are received through a dedicated account which funds will remain in that account; and

(f) a bank account dedicated to the employee and employer contributions to the RHBP.

199. The changes to the cash management system will allow LU to better account for cash that is received for specific purposes, and ensure that such funds are not comingled with other

operational amounts such as tuition, enrollment-based grants received from the Province and ancillary revenues

IV. FINANCIAL STATEMENTS

200. For the financial information that is described below, I have been advised of same by LU's VP Administration, and believe it to be true.

A. Financial Statements of LU

201. As at the close of business on January 28, 2021, LU had approximately $13 million in unrestricted cash on hand, after allowing for known payments that were due on that day. LU does not prepare interim quarterly financial statements and the audited annual financial statements are the most recent available financial statements in the last twelve months. A copy of LU's audited consolidated annual financial statements for the year ended April 30, 2020, are attached hereto as **Exhibit "OO"**.

202. As at April 30, 2020, LU's assets had a book value of approximately $358.5 million and LU's liabilities were valued as follows:

(CAD $'000s)	**April 30, 2020**
ASSETS	
Current	
Cash and short-term investments	4,544
Accounts receivable	27,045
Other current assets	1,650
	33,239
Non-current	
Accounts receivable	169
Investments	52,845
Employee future benefit assets	-
Capital assets	272,267
TOTAL ASSETS	**358,520**
LIABILITIES, DEFFERED CONTRIBUTIONS AND NET ASSETS	
Current liabilities	
Line of credit	14,400
Short-term loan	1,367

Accounts payable and accrued liabilities	22,319
Accrued vacation pay	1,846
Deferred revenue	1,009
Current portion of long-term debt	2,738
	43,679
Long-term obligations	
Long-term debt	88,973
Employee future benefits liabilities	20,788
	109,761
Deferred contributions	
Deferred contributions	38,519
Deferred capital contributions	129,879
	168,398
Net assets	
Unrestricted	(19,986)
Vacation and employee future benefits	(22,635)
Internally restricted	3,848
Investment in capital assets	22,610
Endowment	52,845
TOTAL LIABILITIES, DEFERRED CONTRIBUTIONS AND NET ASSETS	**358,520**

B. Assets

203. As at April 30, 2020, LU had assets with a book value totaling approximately $358 million, of which approximately $33 million is comprised of current assets such as cash and short-term investments, accounts receivable and other current assets.

204. The remaining assets of LU consist primarily of investments in LU's segregated endowment fund ($53 million) and capital assets ($272 million), comprising LU's land and buildings.

i. Capital Assets

205. The capital assets of LU are comprised of: (i) buildings, (ii) equipment and furnishing, (iii) site improvements, (iv) land; and (v) an art and library collection. The book value of the capital assets (except land) are derived by their cost less accumulated amortization. As of April 30, 2020, the book value of buildings is approximately $249 million, equipment is

approximately $7 million and site improvement is approximately $2 million. The land has a book value of approximately $13 million.

206. In addition to the land and buildings on LU's main campus, the capital assets of LU consist of other buildings and real property in and around the Sudbury area such as the Art Gallery Building located at 251 John Street, the President's House located at 179 John Street, the Vale Living with Lakes Centre at 840 Ramsey Lake Road and the McEwen School of Architecture located in downtown Sudbury at 85 Elm Street.

ii. Investments

207. LU's investments consist solely of its endowment fund created through historic gifts and donations from third parties to LU for the specific purpose of funding scholarships at LU. As of April 30, 2020, LU's endowment fund is approximately $53 million. As described previously, approximately $14 million of that is in respect of endowment funds received for NOSM students.

208. LU's endowment fund has been treated as not being accessible for operational purposes as it is only to be used for limited purposes such as the funding of student scholarships and other commitments supported by the fund. For 2020-2021, LU has set a spending rate of 2.5% of the endowment fund.

209. The endowment fund is comprised of an investment portfolio that holds the following asset classes: equity funds ($22 million), fixed income ($26 million), structured credit ($1.8 million) and real estate ($2.7 million).

210. As a result of the COVID-19 pandemic, the investment portfolio yielded a negative return for the 2019-2020 fiscal year, requiring LU to fund from its operations the shortfall of the

spending rate from 2019-2020 and a portion from 2018-2019. That shortfall was approximately $1.8 million.

211. Since access to the assets in the endowment fund is treated as limited to the specific purposes described above, these assets have not been accessed by LU for operational purposes or to satisfy any obligations and liabilities.

V. LIABILITIES OF THE APPLICANT

212. As at April 30, 2020, LU had liabilities with a book value totaling approximately $322 million, of which approximately $43 million is comprised of current liabilities, including $14.4 million for unsecured lines of credit (which as of today's date, have not been utilized due to LU's insolvency), a short-term loan, accounts payable, the current portion of long-term debt, accrued vacation pay and deferred revenue.

213. As at April 30, 2020, LU had deferred contributions with a book value of approximately $168 million, of which approximately $130 million consists of deferred capital contributions and $38 million consists of deferred external contributions for research and other expenses to be incurred in subsequent fiscal years.

214. The remaining long-term liabilities are mostly comprised of LU's long-term debt and future pension benefit liabilities in respect of LU's employees and those of the Federated Universities whose employees are members of the Plan.

215. As of January 29, 2021, LU is current on all statutory priority payables for which it is responsible, including with respect to SNOLab, MIRARCO and CEMI, which LU administers payroll on behalf of.

A. PPSA Registrations

216. Based on the searches conducted in the Personal Property Security Registration System (the "**PPSA Registry**") for "Laurentian University of Sudbury", the only security interest registrations made against LU are with respect to certain computer equipment lessors.

217. A copy of a certified search of the PPSA Registry as at January 26, 2021, with respect to LU is attached hereto as **Exhibit** "**PP**".

B. Unsecured Lines of Credit and Short-Term Credit Facility

218. LU had access to two unsecured revolving credit facilities with two financial institutions. Pursuant to a letter agreement most recently dated May 1, 2019, between LU and Caisse Populaire Voyageurs Inc. ("**Desjardins**"), LU had access to a revolving demand loan facility up to the maximum amount of $26 million (the "**Desjardins Line of Credit**"). The Desjardins Line of Credit provides that it may be used to finance daily operations, however, the agreement also provides that the revolving demand loan facility is for the purposes of providing short-term variable rate financing of internal projects. Attached hereto as **Exhibit "QQ"** is a copy of the agreement governing the Desjardins Line of Credit.

219. Due to the nature of LU's cyclical revenue cycle and the timing of when tuition payments and grant amounts are received by LU annually, the Desjardins Line of Credit is only needed at specific times during the year. For example, during the summer months, LU utilizes the full amount of the Desjardins Line of Credit. When tuition is received in September, the Desjardins Line of Credit is typically paid down and is not drawn again during the Fall. However, LU typically draws on the Desjardins Line of Credit again in February. At this time, no amounts are drawn on the Desjardins Line of Credit.

220. Upon filing for CCAA protection, LU will no longer have access to the Desjardins Line of Credit. Accordingly, LU is seeking DIP financing at the comeback hearing, as discussed below.

221. Pursuant to a letter agreement most recently dated June 12, 2019 (as amended from time to time, the "**RBC Credit Facilities Agreement**"), between LU and RBC, LU had access to, among other credit facilities with RBC, a demand revolving facility with availability of up to a maximum principal amount of $5 million (the "**RBC Line of Credit**"). Similar to the Desjardins Line of Credit discussed above, LU would draw on the RBC Line of Credit at various times of the year based on its immediate cash requirements. In addition to the RBC Line of Credit, RBC provided LU with a $250,000 revolving demand facility in respect of letters of guarantee. Attached hereto as **Exhibit "RR"** is a copy of the RBC Credit Facilities Agreement.

222. Pursuant to a letter agreement dated October 3, 2005 (as amended on May 30, 2008, June 1, 2009 and July 27, 2016, the "**TD Credit Facility Agreement**"), among other credit facilities, The Toronto-Dominion Bank ("**TD Bank**") provided LU with a single draw committed reducing term facility in the initial principal amount of $2,000,000, with a maturity date of April 3, 2021, for financing in respect of the Athletic Facility. As of January 29, 2021, the outstanding principal balance owing under this facility is $1,323,626 (exclusive of accrued interest and costs). This is a single draw facility and LU is not entitled to draw further amounts under this facility.

C. Guarantees

223. In accordance with a Guarantee dated June 27, 2018, LU guaranteed the obligations owed by the Laurentian University Students' General Association ("**SGA**") to TD Bank up to

the maximum principal amount of $8,500,000 pursuant to a Letter Agreement between SGA and TD Bank dated April 10, 2018 which is attached hereto as **Exhibit** "**SS**". Attached hereto as **Exhibit "TT"** is a copy of the Guarantee dated June 27, 2018.

D. Unsecured Long-term Debt

224. In addition to its short-term unsecured lines of credit with Desjardins and RBC, LU has unsecured long-term debt obligations to Bank of Montreal, RBC and TD Canada Trust.

Bank of Montreal

225. Pursuant to a term sheet, fixed rate promissory note and an ISDA Master Agreement (collectively, the "**BMO Facility**"), each dated November 12, 2004, LU and BMO entered into an unsecured fixed rate term loan and fixed rate operating loan with an interest rate SWAP option up to the maximum principal amount of $4,116,098 (the "**BMO Credit Facility**"). The term of the BMO Credit Facility is 20 years.

226. On June 16, 2020, LU requested and BMO agreed to provide certain payment accommodations to LU in light of the ongoing COVID-19 pandemic and defer principal payments under the BMO Credit Facility for a period of several months. As of today's date, approximately $1.3 million is outstanding under the BMO Facility. A copy of the credit facility agreement is attached hereto as **Exhibit** "**UU**".

Royal Bank of Canada

227. Pursuant to the RBC Credit Facilities Agreement, in addition to the RBC Line of Credit, RBC has provided LU with the following additional unsecured credit facilities:

(a) a fully advanced non-revolving term facility in the principal amount of $13,547,000, with a maturity date of November 22, 2040, the proceeds of which were used by LU to finance the construction of a new building on LU's campus;

(b) a fully advanced non-revolving term facility in the principal amount of $17,994,000, with a maturity date of October 7, 2042, the proceeds of which were used as takeout financing of a new residence located on LU's campus (the "**Residence Takeout Facility**");

(c) a fully advanced non-revolving term facility in the principal amount of $40,509,000, with a maturity date of December 15, 2041, the proceeds of which were used as takeout financing of the Sudbury Campus Modernization Project; and

(d) a fully advanced non-revolving term facility in the principal amount of $3,616,000, with a maturity date of May 31, 2023, the proceeds of which were used as takeout financing in respect of a renovation loan in respect of a single student residence (the "**Renovation Takeout Facility**")

(collectively, the "**RBC Credit Facilities**").

228. On or about June 25, 2020, LU requested, and RBC agreed, to provide certain payment accommodations to LU in light of the ongoing COVID-19 pandemic and defer principal payments for a period of several months in respect of the Residence Takeout Facility and the Renovation Takeout Facility.

229. Pursuant to the RBC Credit Facilities Agreement, LU has, among other things, covenanted not to grant, create, assume or suffer any charge, security interest or encumbrance affecting any of its properties or assets without the written consent of RBC.

230. Commencing January 11, 2021, LU engaged in open discussions with RBC with respect to its financial situation and the contingency planning exercises underway. Those discussions included advising RBC that LU was already in discussions with prospective DIP lenders

and requesting whether RBC would consider providing DIP financing on an expedited basis.

231. As a result of LU's financial situation, LU could not satisfy the conditions precedent to borrow any additional amounts under the RBC Credit Facilities and LU advised RBC that it did not intend to make any further draws on any of the RBC Credit Facilities.

232. As a result, on January 15, 2021, RBC delivered a letter through counsel advising that all availability under the RBC Credit Facilities were cancelled. However, all cash balances in RBC bank accounts have continued to be available to LU.

Toronto-Dominion Bank

233. Pursuant to the TD Credit Facility Agreement, TD Bank has provided LU with the following unsecured credit facilities:

(a) committed reducing term facility in the initial principal amount of $14,800,000, with a maturity date of August 31, 2021, used to pay out a previous facility advanced by TD Bank for the construction of a student residence. As of January 29, 2021, the outstanding principal balance owing under this facility is $10,575,875 (exclusive of accrued interest and costs). This is a single draw facility and LU is not entitled to draw further amounts under this facility; and

(b) committed reducing term facility in the initial principal amount of $6,150,000 (subsequently increased to $10,000,000), with a maturity date of September 30, 2018 (which was extended to September 28, 2023), used to pay out previous facilities advanced by TD Bank and Infrastructure Ontario for the construction of a new Athletic Facility and to convert to long term debt. As of January 29, 2021, the

outstanding principal balance owing under this facility is $6,570,917 (exclusive of accrued interest and costs). This is a single draw facility and LU is not entitled to draw further amounts under this facility.

234. Pursuant to the TD Credit Facility Agreement, LU has covenanted that its indebtedness under the TD Credit Facility Agreement to TD Bank will rank at least *pari passu* with all other obligations of LU. A copy of the TD Credit Facility Agreement is attached hereto as **Exhibit "VV"**.

235. On or about June 25, 2020, LU requested, and TD Bank agreed, to provide certain payment accommodations to LU in light of the ongoing COVID-19 pandemic and defer principal payments for a period of several months in respect of the TD Credit Facility Agreement.

236. Commencing January 11, 2021, LU engaged in open discussions with TD Bank with respect to its financial situation and the contingency planning exercises underway. Those discussions included advising TD Bank that LU was already in discussions with prospective DIP lenders and requesting whether TD Bank would consider providing DIP financing on an expedited basis.

237. Below is a summary of the long-term debt obligations of LU (in thousands) as at April 30, 2020 and as reflected in the notes to the annual financial statements:

Bank	**Maturity**	**Amount Outstanding**
BMO	2024	1,366
RBC	2040	13,187
RBC	2043	17,573
RBC	2023	2,770
RBC	2042	39,496
TD	2036	10,647
TD	2043	6,672

TOTAL LONG-TERM DEBT	91,711

E. Interest Rate Swaps

238. In order to manage its long-term interest rate risk, LU entered into a series of interest rate swap transactions with its lenders. In each case, LU agreed to pay a fixed rate of interest on a notional principal amount and the counterparty lender agreed to pay a variable rate of interest on a notional principal amount based on the Canadian Dollar Offered Rate ("**CDOR**").

239. As the interest rate swap transactions correspond to certain of LU's long-term debt obligations, the notional principal amount outstanding varies month to month in accordance with the amortization schedules appended to the interest rate swap confirmations. The net impact of these interest rate swap transactions to LU has been a net monthly cash outflow of approximately $340,000. Copies of the swap confirmations for the interest rate swap transactions separated by financial institution are attached hereto as **Exhibits "WW**" (RBC), **"XX**" (TD) and **"YY**" (BMO).

F. Employee Future Benefits

240. As described above, LU has three post-employment benefit plans. On an annual basis, LU determines its obligations for its employee future benefits using certain funding assumptions within the financial statements of LU.

241. In fiscal year 2019 - 2020, LU reduced the discount rate used in the calculation of future employee benefits, which had the corresponding effect of increasing the liability component to the post-employment benefit plans. The decrease in the discount rate was caused by the reduction of overnight interest rates by the Bank of Canada in response to the COVID-19 pandemic.

242. A lower discount rate resulted in a net increase in total plan liability after the asset value of the investments as at April 30, 2020.

G. Deferred Contributions

243. The deferred contribution amounts on LU's balance sheet represent funds that have been received by LU in advance of the related expense being incurred and in respect of which the funds were designated by the payor for a specific purpose. Such purposes include:

(a) **Research Grants:** Grants received pursuant to specific research awards that in many cases are received in advance of the research actually being undertaken. These funds are required to be held and only used for the specific research contemplated in the grant and only for qualifying types of expenditures;

(b) **Restricted Donations:** Donations or other contributions received with a requirement that the funds are to be used for specific purposes; and

(c) **Scholarships:** Donations or funds received specifically to fund scholarships to students.

244. Deferred research contributions include external research grants that faculty members have received which have outstanding allocations for 2021 to, among other things, pay students, fund research projects and research equipment purchases, and to transfer to affiliated research partners.

245. Contracts associated with research grants typically include the amount and designated purpose for which the funds are allocated. Most contracts also contain certain provisions with respect to financial administration obligations. For example, universities receiving funds from the Tri-Agencies are governed by the *Tri-Agency Guide on Financial*

Administration and are further bound by the *Agreement on the Administration of Agency Grants and Awards by Research* Institutions (the "**Tri-Agency Agreement**"). Typically, these agreements provide for reporting obligations and that the funds received by LU must be used for the specific purpose intended by the grant or award. In the case of the Tri-Agency Agreement, it requires LU to establish a separate account for each grant or award.

246. As of December 30, 2020, LU had a liability of approximately $36.5 million in respect of deferred contributions, which have been allocated in the internal general ledger. Although funds which comprise deferred contributions are received by LU for an intended purpose, historically, the funds have been received and deposited into LU's sole operating account and comingled with all other sources of revenue. As a result of the current financial position of LU, those funds have been spent and there are no funds set aside or available to satisfy the obligations represented by these deferred contributions.

247. I understand that it is not uncommon for Ontario universities to deposit research grants and awards into their main operating account. However, it is not an issue with universities that have sufficient cash. In this case, it is LU's liquidity crisis and insolvency over a number of years that have caused the issue because LU used those research grant and award funds for operating purposes.

248. This issue may impact LU's ability to meet its research obligations as they become due, which may cause an event of default under certain research contracts it has entered into privately and with the Tri-Agencies. LU's access to research funding may be negatively impacted in the future if corrective actions are not taken to rectify these historical issues.

249. Although LU cannot retroactively remedy the amounts received on account of historical deferred contributions, LU implemented measures in December 2020 to account for and separately track all funds that are received by LU for a specific purpose. As discussed above, LU implemented a new cash management system to allow LU to appropriately manage future research grant and award funding received.

250. The new cash management system and processes contemplate that new incoming restricted funds will be deposited and held in the appropriate dedicated bank accounts until such time as the underlying obligations as specified in the research grant or donation have been satisfied, at which time LU will reimburse itself for such costs from the segregated account.

251. Going forward, LU intends to continue to utilize the segregated bank account system established for all deferred contribution funds received and will advise agencies and donors of the establishment of these new bank accounts. However, there may be an interim period whereby these funds are first received in LU's general operating account until updated banking information for the new accounts can be provided to the sources for these payments. In the circumstances, members of LU's finance department will track receipts and transfer funds into the appropriate segregated account where they will be held for the specific purpose intended.

H. Deferred Capital Contributions

252. As at April 30, 2020, LU had a deferred capital contributions liability of approximately $129 million. This represents donations, grants or other contributions previously received by Laurentian to fund capital projects. This amount is amortized or recognized as income over a period consistent with the amortization of the capital assets. As a result, this amount does not represent a future cash liability of LU.

253. LU assesses the condition of its buildings and other assets and estimates the amount (the "**Deferred Maintenance Amount**") required to be spent on maintenance and other improvement-type items to ensure that the buildings remain in a good state of repair. This Deferred Maintenance Amount is not recorded on LU's financial statements because it is not an obligation that has been incurred, although it does represent future obligations that may need to be incurred to maintain the infrastructure, unless LU reduces its footprint. Currently, LU's estimate of the Deferred Maintenance Amount is approximately $135 million.

254. LU has allocated 1.5% of operating revenues, including the amounts received from the MCU under the Facilities Renewal Grant, in its annual budget since 2017 (approximately $2.3 million in 2020-21) to deferred maintenance contributions in order to deal with required capital and building repairs. It is very likely that the budgeted amount is not sufficient to manage the deferred maintenance needs of LU. However, as a result of LU's financial circumstances it is unable to contribute any additional amounts.

255. In the event that there are a series of significant and expensive maintenance projects that require immediate attention by LU, it would be extremely difficult for LU to address these issues without obtaining further external financing. Through these CCAA proceedings, LU intends to address its underlying financial difficulties, which will allow LU to normalize amounts allocated to deferred maintenance.

I. Litigation

256. LU is currently involved in several outstanding litigation matters. I am advised by the General Counsel of LU, that the outstanding litigation that LU is a party to generally consists of:

(a) **Construction Claims brought by LU:** LU has initiated a claim for damages against several contractors and subcontractors in the amount of approximately $2,500,000 with respect to certain alleged deficiencies in the cladding work on the School of Education building. Further, LU has initiated a separate claim for breach of contract damages against Bondfield Construction Company Ltd. ("**Bondfield**") in the amount of approximately $2,500,000 as well as a claim against Travelers Insurance Company for $2,000,000;

(b) **Construction Lien Claims**: Several subcontractors have registered construction liens against the lands owned by LU in relation to the McEwen School of Architecture project. The aggregate amount of the outstanding construction liens is approximately $5.9 million made by the following six lien claimants: (i) Accel Electrical Contractors Limited, (ii) BBM Excavating Company Ltd., (iii) F&M Caulking Ltd., (iv) Forma-Con Construction, (v) Interpaving Ltd. And (vi) Sandro Steel Fabrication Ltd.;

(c) **Civil Claims:** There are several minor civil litigation claims brought by and against LU;

(d) **Human Rights Claims:** There are four current human rights applications brought against LU for various alleged acts of discrimination;

(e) **Litigation Covered by Insurer:** Several claims for damages are covered by LU's insurance policies and are being defended by the insurer and its respective counsel; and

(f) **Data Breach Class Action:** LU is a named party to a proposed $40 million class action claim in respect of a security incident that resulted in the personal and confidential information of certain LU students being disclosed without permission. As of today's date, the proposed class action has not been certified to proceed as a class action and the claims against LU have not been evaluated on their merits.

257. A summary of the outstanding litigation matters described above is attached hereto as **Exhibit** "**ZZ**".

258. With respect to the construction projects on property and buildings owned by LU, I have been advised by the University Secretary and General Counsel at LU that pursuant to the *Construction Act* (Ontario), LU is required to holdback 10% of the price of the services or materials as they are actually supplied under the contract until all liens have been expired or satisfied. Based on information provided to me by the VP Administration and the LU Finance team, I understand that LU is responsible for approximately $3 million in unpaid holdback. While these obligations were recorded for internal accounting purposes as being held in trust, since LU uses only one operating account and has no trust accounts, LU does not have the requisite funds required to pay the holdback amounts.

259. As of January 8, 2021, LUFA has filed approximately 102 active grievances and one ongoing Unfair Labour Practice complaint. I am advised by LU's labour counsel Michael Kennedy of Hicks Morley LLP, who also acts for other universities, that the number of grievances at LU is considerably higher than he has seen at other universities in Ontario. During the fiscal years 2018/2019 and 2019/2020, LU's legal costs associated with grievances and complaints were $328,303 and $379,276, respectively. The most common

issues described in these grievances are challenges to LU's management rights, allegations of insufficient resources and challenges to promotion or performance assessments. There are a further two active grievances filed by LUSU and none by CUPE.

260. In the summer of 2020, LUFA brought an application for judicial review of the Provost and VP Academic's decision to suspend admissions to 17 academic programs which all had either low or very low enrolment. In some instances, these programs had 2-3 students. The Provost and VP Academic reached this conclusion after discussions with the various Deans and the future of the programs was then to be put to the Academic Planning Committee in the Senate. LUFA's application argues that the jurisdiction to make decisions on academic programs lies solely with the Senate. The decision to suspend admissions to programs as being within the purview of the Provost and VP Academic is supported by the Ontario Universities Council on Quality Assurance ("**CQA**"), which is the provincial body responsible for assuring the quality of all programs leading to degrees and graduate diplomas. A copy of the letter from the CQA dated January 22, 2021 approving the decision is attached hereto as **Exhibit** "**AAA**".

VI. CASH FLOW FORECAST

261. Attached as **Exhibit "BBB"** is a statement of the projected 13-week cash flow forecast (the "**Cash Flow Statement**") of LU for the week beginning February 1, 2021 to the week ending April 30, 2021. The Cash Flow Statement was prepared with the assistance of Ernst & Young Inc. ("**EY**"), the Proposed Monitor herein.

262. The Cash Flow Statement demonstrates that if the relief requested is granted, including the approval of the DIP Facility (as defined below) at the comeback hearing, LU has sufficient liquidity to meet its obligations during the initial 13-week period of a CCAA filing.

VII. INSOLVENCY AND LIQUIDITY CRISIS

A. Historical Long-Term Financial Stability Initiatives

263. LU's financial issues were first identified as early as 2008-09 when a previous administration presented a budget to the Board that would not likely be balanced for the 2008-2009 academic year, with little to no improvement for the future financial prospects of LU absent any change. Although that budget was approved, the Board expected the financial situation to be remedied as a top priority item.

264. During the summer of 2008, the acting President of LU convened a retreat of the entire leadership team at LU to launch a process to create a plan to address the current and future financial prospects of LU. This retreat led to the formation of a Core Transition Group Committee ("**CTG Committee**") made up of fifteen employees of LU from management and faculty to meet on a weekly basis to examine the various components identified at the retreat with a view to drafting a go-forward plan to present to the Board. The CTG Committee prepared a Plan for Regaining Sustainability at LU (the "**2009 Plan**") and presented it to the Board on December 18, 2008 and again on February 20, 2009. The Board approved the implementation of the 2009 Plan, expected to occur over a three-year period, during the February meeting. A copy of the 2009 Plan is attached hereto as **Exhibit "CCC"**.

265. Pursuant to the 2009 Plan, the CTG Committee recommended a number of measures such as: (i) efforts to increase domestic and international enrolment, (ii) an increased internet presence through a revamped website, (iii) an integrated marketing and communications strategy, (iv) the retention of first-year students, international students and aboriginal students, (v) a reorganization of several upper management positions to eliminate

inefficiencies and provide for a better decision-making process, and (vi) the establishment of the "Next 50 Campaign"– an initiative to raise $50 million in cash and pledges.

266. The 2009 Plan also identified that the growth of LU would lead to a severe shortage of space and a corresponding need for new capital projects. Beginning in 2014, LU undertook a $64 million Campus Modernization Project for the construction of approximately 250,000 sq. ft. of classrooms, research, study and public space.

267. The Campus Modernization Project involved LU incurring a substantial amount of long-term debt (approximately $40 million) to pay for the construction of buildings and facilities to modernize the campus in order to accommodate LU's historical growth and fuel the projected enrolment growth. LU elected to defer repayment of the principal amounts borrowed until after construction was completed, leading to the accrual of further interest.

268. LU approved further significant investments in the 2014-15 budget to further support the 2012-2017 strategic plan outcomes, graduate expansion strategy and enrolment growth targets.

269. When the Board approved the 2016-17 operating budget, LU forecasted operational deficits continuing through 2021-22 leading to an accumulated operational deficit of greater than $43 million. The Board took steps to address the issue and in February 2017, the Board approved the Long-Term Sustainability Report (the "**2017 Report**"). The 2017 Report highlighted the need to take a hard look at areas where LU could reduce costs and increase revenues in an effort to improve LU's financial outlook. It also outlined that many of the measures required to achieve long-term sustainability will take time to implement

and will generate benefits that start small and increase over time. A redacted copy of the Long-Term Sustainability Report is attached hereto as **Exhibit "DDD"**.

270. In June 2017, the Board approved the 2017-18 Budget and the multi-year projected revenues and expenses for 2018-2019 to 2022-2023. This budget included savings targets and forecasted a deficit of $889,000 for 2018-19.

271. In response to the financial challenges faced by LU, including the unexpected enrolment decline in Fall 2017, steps were taken by academic and non-academic senior leaders and other support resources to implement on-going sustainability measures identified in the 2017 Report and various other measures identified and informed by feedback from staff and faculty. Since 2018, LU and its senior leaders have tried to identify all potential sources of savings, efficiencies, cost avoidances and new sources of revenue in an effort to address its financial challenges and the accumulated operational deficit.

272. At one point, LU delivered programs at Georgian College in Barrie, beginning in 2001. After the term of the original agreements expired in 2014, LU and Georgian College engaged in negotiations to continue the relationship. LU considered a major expansion in Barrie, however, negotiations stalled with Georgian College and the MCU. Declining revenues and increasing expenses associated with the delivery of programs in Barrie, together with the failed expansion, resulted in the decision to close the Barrie campus being made in February 2016.

273. The Barrie campus ultimately closed in May 2019. As a result of the closure, LU experienced an overall decline in enrolment in 2017 and additional one-time and on-going faculty costs. LU also lost the enrolment of many international students as a result of

foreign policy issues in 2018. Notably, Saudi Arabia ordered its international students studying in Canada to relocate to educational institutions in other countries as a result of a diplomatic dispute with the Canadian government. Prior to this dispute, there were 163 students from Saudi Arabia enrolled at LU in Fall 2017. This enrollment decreased to 26 students from Saudi Arabia in Fall 2018.

274. These stresses on LU's revenue were exacerbated by changes made to the tuition fee structure across the Province. The Provincial Tuition Fee Framework for 2019-20 and 2020-21 required all universities in Ontario to reduce domestic tuition fees by 10% and the Province implemented a subsequent tuition freeze. This had the impact of a permanent loss of $5.5 million in revenue in 2019-20, including the foregone ability to increase rates by 3%. This projected loss of revenue compounds to approximately $6.8 million in 2020-21. The MCU provided a one-time Northern Tuition Sustainability Grant in 2019-20 in the amount of $4.3 million, of which $0.2 million was shared with each of the Federated Universities A further aggravating factor related to the tuition decrease and freeze is that prior to the implementation of the Provincial Tuition Fee Framework, LU's fees were already below the allowed maximum amount of tuition fees set by the Province as a result of a past strategic decision made by LU that was designed to increase enrolment.

275. At the same time as the tuition freeze, LU received less funding from certain MCU grants (such as the Graduate Capital Grant and Teacher Education Stabilization Grant). In 2020-2021, LU anticipates a decline in the funding of the Core Enrolment grant due to declining domestic enrolments, including from the closure of the Barrie campus.

276. With the exception of the modest growth experienced in 2020, enrolment has declined each year from 2015 to 2018 and tuition fees remain low, while labour and debt servicing costs have grown substantially. LU's academic costs are generally higher as a percentage of total costs than other Ontario universities. LU has made efforts to reduce administrative costs which has resulted in a situation in which the reduced administrative staff has limited ability to focus on potential revenue-generating projects, while academic costs have become unsustainable.

277. During the previous decade, LU has not periodically re-evaluated its offered programs to ensure it is focusing on programs that reflect current student demands. For example, demand for Faculty of Arts programs have declined while demand for business and engineering programs has increased. LU has not typically made program changes to align with these shifts in demand.

278. Finally, the financial impact of the COVID-19 pandemic, which is discussed below, has further derailed LU's efforts to achieve financial sustainability.

279. Despite the continued and best efforts of members of the LU administration, a fundamental change to the status quo is required.

B. Impact of COVID-19

280. Upon the declaration by the World Health Organization of the COVID-19 pandemic, LU halted in-person activity, restricted its facilities to staff and students and took steps to move to a remote delivery format in March 2020 based on recommendations from Public Health Ontario.

281. Both the Spring and Summer semesters were transferred to alternate delivery and most of the Fall 2020 and Winter 2021 semesters are online, with the delivery of on-campus activities where deemed necessary and in accordance with guidance from Public Health Ontario.

282. As a result of the COVID-19 pandemic, LU continues to face a number of financial and operational challenges. As at December 30, 2020, LU estimates that the impacts associated with the COVID-19 pandemic were approximately $5 million in 2019-20 and approximately $7.5 million in 2020-21 for a total of approximately $12.5 million since March 2020. These estimates are based on increased costs and decreased revenues, such as:

(a) a decrease in ancillary revenues associated with: (i) less students staying in on-campus residences owned and operated by LU, (ii) the loss of rental income from events and conferences hosted on campus, (iii) the loss of parking income, (iv) the loss of food service income, and (iv) reduced student fees and revenue from campus recreation services;

(b) an increase in the employer pension contributions in 2020-2021 and an increase in the associated future employee benefits liability as a result of the reduction in the Bank of Canada's overnight lending rate, resulting in a decrease to the discount rate used in such calculations;

(c) increased costs associated with the implementation of additional protective measures designed to reduce or eliminate the risk of COVID-19 transmission on-campus when students, faculty and staff are required to be physically present; and

(d) endowment investment return declines related to COVID-19 affected scholarships paid from operations, as of April 30, 2020.

283. LU received $0.8 million in one-time COVID relief funding from MCU. In addition, in response to known and potential COVID-19 impacts, LU amended and accelerated its sustainability plan to reduce reliance on revenue growth and focus on cost reductions and structural change to address its financial challenges. In addition, a series of one-time fiscal restraint measures were implemented to reduce spending in an attempt to mitigate the projected losses in 2020-21. The COVID-19 pandemic continues to evolve, and LU continues to adopt strategies to ensure that students continue to receive high quality education in the safest possible environment at LU. However, given that the outcome and timeframe to a recovery from the COVID-19 pandemic is highly unpredictable, it is difficult to estimate the pandemic's effect on future operations and the financial situation of LU.

C. Discussions with the Provincial Government

284. Concurrent with the exploration of contingency planning scenarios, LU has been completely transparent with the MCU regarding the financial challenges it faces, has provided details to the MCU regarding its financial situation and the concerns that are described herein, and the outcome if the efforts undertaken by LU could not achieve the required results.

285. Discussions regarding LU's financial challenges occurred with MCU during the Strategic Mandate Agreement bilateral negotiations which took place from November 2019 to April 2020, during the summer of 2020 and then again with LU's external advisors joining the discussions in December 2020.

286. During these discussions, LU highlighted the benefits that it provides to the community of Northern Ontario, but more importantly, the costs and risks associated with attempting an informal restructuring outside of a proceeding and the costs and risks associated with a potential CCAA restructuring.

287. In December 2020 and January 2021, I, together with LU's external counsel and advisors, have regularly met with the Minister of Colleges and Universities, several senior staff members at the MCU, members of the Treasury Board and senior staff members at the Ministry of Finance.

288. I have been advised that MCU is the lead Ministry on this matter and that MCU has also involved the Finance and Treasury functions of the Province and I understand that the Premier's office has been made aware of the situation. MCU has asked two sets of follow-up questions, which LU has provided prompt and complete responses to.

289. In the weeks and days leading up to this application, I have been in frequent communication with members of MCU and LU advised the MCU the date that LU would seek to commence CCAA proceedings.

290. More particularly, LU and MCU exchanged correspondence in the ten days prior to filing. A copy of the letter from MCU to LU dated January 21, 2021 is attached hereto as **Confidential Exhibit "EEE"** and a copy of the letter from LU to MCU dated January 25, 2021 is attached hereto as **Confidential Exhibit "FFF"**.

291. In summary, LU has been in continuous dialogue with MCU and intends to continue this dialogue throughout the CCAA proceedings.

VIII. OBJECTIVE OF THE CCAA FILING

A. Proposed Restructuring of LU

292. Leading up to this application for protection under the CCAA, I have worked with the Internal Team to plan for "Laurentian 2.0". Externally, Laurentian 2.0 will not look or feel much different than LU today because a vast majority of LU students take the most popular courses and the delivery of those courses should not materially change. However, LU will be internally overhauled from an operational and financial standpoint to focus on its strengths and shed areas of relative weakness or unnecessary costs.

293. Today, the future of LU could be in jeopardy due to, among others, the following factors:

(a) a Student-to-Faculty teaching ratio that is far too low when compared to other Ontario universities (LU is approximately 20:1);

(b) as described earlier, the annual cost to educate each student at LU and the Federated Universities is approximately $2,000 higher than the average cost when compared to other Ontario universities;

(c) LU employs more faculty members than are required (355), which is one of the largest expense items annually for LU;

(d) LU offers too many undergraduate programs today (132), many of which only have a handful of students, leading to programs that do not break-even; and

(e) in circumstances which LU's annual revenue is not expected to materially increase over the next five years due to declining demographics, LU's total estimated operating expenses for 2020-21 of $156 million, plus increases for inflation, are too high.

294. To address these operational and financial issues, the implementation of Laurentian 2.0 will seek to:

(a) increase the Student-to-Faculty teaching ratio;

(b) restructure its current academic model to reduce the number of undergraduate programs;

(c) reduce the number of faculty members as a result of the elimination of admissions into certain programs and reduce or re-deploy the number of non-faculty members as a result of internal reorganization and the elimination of unnecessary cost centres; and

(d) through these measures, significantly reduce expenses.

295. The Laurentian 2.0 framework seeks to accomplish the foregoing through:

(a) **Restructuring the Academic Model** by streamlining academic programming and delivery through the reduction of number of programs, restructuring academic supports and terminating the agreements and relationship with the Federated Universities; and

(b) **Restructuring the Business Model** by updating business operations, restructuring existing obligations through a compromise in the CCAA and ultimately balancing the budget.

296. Due to the unique bicameral nature of the university, the structure of the Federated Universities and LU's Unions and the many challenges it faces, LU requires the platform of a Court-supervised proceeding to effect its proposed restructuring into Laurentian 2.0.

297. LU intends to use this CCAA proceeding to commence an intensive mediation with certain of its stakeholders that can be conducted within a relatively short time frame, as a necessary pre-condition to determining if a financially sustainable outcome can be achieved. Given LU's significant cash requirements, the availability and extent of DIP financing, and the timing of the academic year for programs and students in September 2021, a determination must be made expeditiously as to whether, and if so on what terms, that may be accomplished.

298. More particularly, during this CCAA proceeding, LU intends to:

(a) complete its review of the breadth of academic programs offered at LU to ensure that adequate students are enrolling in programs and classes to justify their continuance at LU and engaging in discussions with the Senate of LU in respect of same;

(b) re-evaluate the Federated Universities model in such a way that the historic significance of the Federated Universities can be preserved while ensuring that the relationships reflect the current realities of each organization;

(c) use the CCAA proceeding as a platform for negotiations with its unions regarding what LU must look like in the future and ensuring that a restructured LU can be aligned with collective agreements that will facilitate its future sustainability;

(d) identify opportunities for future revenue generation;

(e) focus on refining the student experience at LU so that students continue to receive a top-notch education at a university that they enjoy attending;

(f) consider available options for addressing its current and long-term indebtedness to its lenders; and

(g) ultimately, implement the Laurentian 2.0 framework.

B. Evaluation of Federated Universities Model

299. In 2019, LU provided notice of a change in the funding agreement between LU and each of the Federated Universities. While this amendment was necessary to make the funding arrangements consistent with metrics in respect of tuition and grants from the Province, further work is required. LU estimates that the Federated Universities model costs LU approximately $5 million each year.

300. Currently, the Federated Universities have duplicative organizational infrastructure, functions and services. Although LU respects the autonomy of the Federated Universities, the Federated Universities also have financial challenges. One successful outcome of this CCAA proceeding may be the remolding of the Federated Universities model in such a way that creates economies of efficiency for LU and the Federated Universities while maintaining the historical significance and identities of the Federated Universities.

301. This Court-supervised proceeding will assist LU in focusing its discussions and negotiations with leadership of the Federated Universities to arrive at a compromise and solution that is acceptable and, more importantly, ensures the long-term sustainability of LU. If necessary, LU may utilize the proposed mediation to address and resolve the Federated Universities model.

C. Restructuring of Program Offerings

302. As summarized above, LU offers too many courses with low enrolment levels that cause the offering of such course to be financially unsustainable. Although LU recognizes that not every course offered will have consistently high levels of enrolment, LU cannot continue to offer courses and programs where there are less than ten students enrolled. The financial resources required to continue offering such courses are too great in circumstances which LU is insolvent.

303. The Provost of LU, working with members of the Senate, the various faculties and academic departments has taken a number of steps to academically restructure LU to save costs:

(a) on July 30, 2020, by way of report to the Senate (the "**July 30 Report**"), the interim Vice-President, Academic and Provost of LU identified 17 academic programs requiring temporary suspension, pending review by ACAPLAN, the academic planning committee of the Senate. Notwithstanding objection to the recommendation at the September 15, 2020 meeting of the Senate, ACAPLAN approved a motion on September 18, 2020, directing the Provost of LU to contact the programs listed in the July 30 Report to ensure the appropriate processes were followed;

(b) subsequently, an additional suspension of low enrolment programs is being considered in accordance with the Senate-approved Institutional Quality Assurance Program changes;

(c) in Fall 2020, faculties working collegially with Deans and the Provost agreed to decrease the number of course offerings for the 2021 Winter Term;

(d) there are ongoing discussions to create efficiencies by reducing the number of Departments and Schools at LU through realignment, mergers and closures;

(e) LU is moving towards implementing a new responsibility-based budget model, which empowers and holds Deans and academic units accountable for activity-based revenues, expenses and sustainable academic outcomes; and

(f) in my December report to Senate, I advised that LU has one of the highest education costs per student in the Province and that to be sustainable, LU must find ways to offer attractive, compelling programming in a way that also increases our student-to-faculty ratio and brings our cost per student in line with sustainable levels.

304. In my experience as an academic administrator, the normal course of Senate decision making entails extensive collegial committee work and Senate discussions, and takes up to one year to complete an academic program review and is only completed every seven years. LU does not have the necessary liquidity to sustain it during such a process, while it seeks to achieve financial sustainability.

305. Outside of a CCAA proceeding, LU will not be able to reduce the number of academic programs through the Senate in a timely way. This process must also be completed in an expedited fashion so LU can negotiate with LUFA to facilitate a reduction in the number of faculty members commensurate with the reduction in academic programs. Further, LU is financially unable to facilitate voluntary retirements or terminations under the LUFA CA due to the massive liabilities such actions precipitate, with no means of addressing same.

306. In conjunction with its academic restructuring efforts in the Senate, LU is working on reducing the number of full-time tenured faculty members such that the student to faculty ratios and class sizes that will be comparable to other Ontario comprehensive research universities. LU predicts this will require further reductions in the faculty complement. To facilitate reductions, the following measures are being taken:

(a) there will be no replacement of vacant faculty positions (except for: (i) critical positions approved in June 2020 as term contract hires to incentivise retirement, and (ii) externally funded research chairs);

(b) recruitment has been stopped for seven existing vacancies; and

(c) six retirements are anticipated by June 2021.

307. In addition to restructuring its program offerings, LU plans to increase academic-related revenue streams by implementing various measures, including:

(a) expanding LU's continuing education and micro-credential offerings, commencing in Spring 2021 which will include additional options for post-graduate training, professional development, summer youth camps, bridge programs for university admission, customized training programs for employers, specialized opportunities related to leadership, management, health and wellness, Indigenous culture and Francophone culture. LU has set a revenue goal for this expansion, net of costs, of $1.5 million for 2023;

(b) developing and enhancing business partnerships in order to deliver programs that meet the needs of businesses and the general public in collaboration with other postsecondary institutions in the Greater Sudbury area and employers;

(c) continuing to focus on the attraction and retention of international students, including a focus on competitive international tuition rates to attract and grow Francophone enrolment;

(d) restructuring student services under the leadership of AVP Student Affairs and AVP Student Experience, with an aligned focus on recruitment, admissions, health and well-being, pedagogical support and increased opportunities for lifelong learning;

(e) focusing on student success, leading to strong employment outcomes that will grow student demand, including bilingual and Francophone students;

(f) implementing a new marketing plan, focused on student recruitment, retention, and ancillary operations including targeted recruitment and retention strategies to increase domestic and international student enrolment (both undergraduate and graduate), with a minimum goal of maintaining current levels of student enrolment to counterbalance the declining regional demographic trends;

(g) continuing to build partnerships with other postsecondary institutions both within Canada and internationally to expand articulation opportunities;

(h) growing philanthropic revenues to support student scholarships and strategic priorities/initiatives; and

(i) reducing LU’s space footprint by a minimum of 20% from current occupancy which will create opportunities for revenue generation.

IX. RELIEF BEING SOUGHT

A. Stay of Proceedings and Limited Exemptions

308. Given LU's current financial situation, LU requires a broad of stay of proceedings, including the stay of pre-filing amounts for goods, services, and principal and interest debt obligations, to provide it with the breathing room required to restructure. I am advised by external counsel that the stay of proceedings sought is consistent with the Model Initial Order commonly used in CCAA proceedings, subject to certain exemptions described below.

309. As a publicly-funded university, LU is subject to information requests in respect of the *Freedom of Information and Protection of Privacy Act* ("**FIPPA**"). In the ordinary course, these requests are handled by the Office of the University Secretary and General Counsel. It is expected that one by-product of the CCAA proceeding will be an extraordinary influx of FIPPA requests. LU's human and financial resources are extremely thin, due in part to reductions undertaken over the past several years as a cost-cutting measure. LU's already-thin resources are stretched further by the demands of its insolvency, this CCAA proceeding and the "real-time" nature of responses required to extensive information and documentation requests from our external advisors and stakeholders. LU seeks an Order that the stay of proceedings will operate to suspend the requirement of LU to respond to existing and future FIPPA requests during the currency of the CCAA proceeding.

310. If the stay of proceedings does not extend to FIPPA requests, the limited resources of LU will be further stressed during a critical time period that it needs to focus on its restructuring efforts. This diversion of key resources could negatively affect LU's ability to achieve a successful restructuring. There are, and will continue to be, numerous means by which

interested parties can obtain full disclosure of all material facts throughout this CCAA proceeding. That includes the website hosted by the Monitor, an extensive communications plan implemented by LU itself, access to up to date information on LU's website, and through public statements, communications, Q&As and similar documents disseminated.

Limited Stay for Students General Association

311. As described herein, the finances and operations of LU are intertwined with certain entities that, while they are not related parties to LU, the commencement of proceedings under the CCAA may affect such parties. At this time, LU believes that only one entity, the SGA, may be directly affected by the CCAA proceedings of LU due to the SGA's credit facility in the amount of $8.5 million being guaranteed by LU. At this time, LU seeks a limited stay of proceedings in favour of the SGA.

312. The stay of proceedings in respect of the SGA is limited in nature in that it prevents any person from: (i) commencing proceedings against the SGA, (ii) terminating, repudiating, making any demand or otherwise altering any contractual relationships with the SGA or enforcing any rights or remedies, or (iii) discontinuing or ceasing to perform any obligations under any contractual agreements with the SGA, resulting from the commencement of CCAA proceeding by LU, the stay of proceedings granted to LU and any default or cross-default arising due to the foregoing.

Stay of Interest Rate Swaps

313. As previously described in the summary of LU's financial health, LU entered into a series of interest rate swap transactions with RBC, TD and BMO. In each of these swap

transactions, LU has agreed to pay a fixed rate of interest that varies between 4% to 5% on a notional principal amount and LU receives a variable rate of interest a notional principal amount based on CDOR.

314. Due to the low interest rate environment in Canada at this time and the decrease in the Bank of Canada's Prime Rate in 2020, the net effect of the interest rate swap transactions is that LU is required to pay approximately $341,764.22 per month, or approximately $4.1 million annually.

315. Given LU's current financial situation, LU seeks relief in the Initial Order confirming that the payment of any post-filing net amounts payable pursuant to the interest rate swap transactions is not permitted during the CCAA proceedings. For clarity, LU is not seeking to amend the swap transactions. Instead, LU simply seeks to stay payment of the net interest payment amounts.

Exemptions to the Stay of Certain Pre-filing Amounts

316. At its core, LU exists because of its students who attend the university and LU must make every effort to protect its students or suffer the irreparable result that it has a restructured university with no students to teach.

317. LU seeks to permit the payment of all outstanding amounts in respect of the current 2020-21 academic year and future amounts owing in respect of rebates, refunds or other amounts that are owing or may be owed to students or the student associations of LU, whether such amounts are as a result of the reimbursement of tuition fees, ancillary fees or otherwise. LU also seeks to permit the continued payment of pre-filing and post-filing amounts

payable in respect of scholarship, bursary or grants. This exemption is limited as long as any such rebates, refunds or other amounts are in accordance with LU's existing policies and procedures.

318. This exemption is intended to apply to students of LU and students who take courses offered by the Federated Universities (but are LU students).

319. LU intends on operating in the ordinary course during the CCAA proceeding and minimizing the disruption to students as much as possible. To facilitate this, LU must be able to process certain rebates owing to students and continue to provide students with scholarship and bursary money, which is a critical payment for students in need of financial aid. Students represent a particularly vulnerable population in terms of their age and the academic pressures they face, in addition to the added stress that remote learning and reduced interaction and services due to COVID has had.

B. Appointment of the Monitor

320. On August 28, 2020, the Board approved the engagement of EY as financial advisor to LU through a competitive process led by external counsel to LU. EY was engaged by the Board as financial advisor to assist LU in its restructuring efforts and if necessary, act as the Court-appointed Monitor of LU should LU decide to seek protection under the CCAA. The engagement letter was signed by EY and LU on September 4, 2020.

321. EY (the "**Proposed Monitor**") has consented to act as the Court-appointed Monitor of the Applicant, subject to its consent to any form of order of appointment that may be approved by the Court. A copy of EY's consent is attached hereto as **Exhibit** "**GGG**". I am advised by Sharon Hamilton of EY that EY is a "trustee" within the meaning of section 2 of the

BIA, and is not subject to any of the restrictions on who may be appointed as Monitor set out in section 11.7(2) of the CCAA.

C. Appointment of Mediator

322. In order for this restructuring to be successful, difficult negotiations are required with multiple stakeholders in a condensed period of time before LU runs out of cash. As a result of this dynamic, the Applicant is of the view that the best way to proceed is through court-supervised mediation in order to advance such negotiations and reach an outcome that results in a financially sustainable university.

323. LU will be seeking the appointment of a neutral third-party mediator (the "**Court-Appointed Mediator**"). At the outset, the Applicant expects the Court-Appointed Mediator to assist with: (i) negotiations related to the review and restructuring of the academic programs of the Academic, and (ii) the collective agreement between the Applicant and LUFA. However, the Court-Appointed Mediator's mandate will not be limited to such roles and will assist with any other issues that cannot be resolved consensually among the stakeholders and the Applicant.

324. The Applicant's counsel recently reached out to one party to canvass the possibility of being put forward as a proposed mediator, if appointed by the Court. That party's existing schedule did not permit them to undertake the role and intense time commitment that would be required through February, March and April. In our view, the need for the appointment of a mediator by the Court is urgent and a highest priority item, given the timeframes involved if key aspects of a restructuring can be effected.

325. The Applicant's relations with LUFA are strained at this time, and I am of the view that a fresh start in the negotiations within a court-supervised mediation setting will allow the parties to engage in open discussions with the benefit of all financial and other information that will provide the best framework for success. In my view, regardless of the skills and experience of any party that may be proposed by the Applicant to be appointed by the Court as mediator, such proposal will unfortunately face fierce objections from LUFA. I am concerned that valuable time will be lost in debating or objecting to the identity of the mediator, when there is virtually no time that can be lost in the process. It is critically important that the court-supervised mediation commence forthwith, in order to allow any outcome to be implemented within the availability of DIP Facility, with faculty and program changes that can be implemented for the Fall 2021 academic calendar, and with key messages of stability to students for their continued education at LU being available.

326. I believe that, in order to avoid any debates by stakeholders as to personal preferences, claims of bias or any other basis for objection, it would be most appropriate for the Court to identify and appoint a Mediator of its choosing at the earliest opportunity. In the Applicant's view, certain criteria that would be helpful in view of the issues to be addressed through mediation would be someone who is: bilingual, has experience in insolvency matters, is familiar with collective agreements and labour negotiations, and has the time available in their schedule to commit to an intensive schedule over the months of February, March and April. A sitting or recently-retired judge would be welcome, and in the case of a sitting judge, would not result in the costs being paid from the Applicant's strained cash position.

D. Administration Charge

327. The Applicant seeks a super-priority charge (the "**Administration Charge**") on the Property (as defined in the draft Initial Order) to secure the fees and disbursements incurred in connection with services rendered to LU both before and after the commencement of the CCAA proceedings by counsel and advisors to LU, the Proposed Monitor, counsel to the Proposed Monitor and independent counsel to the Board. During the initial ten days until the comeback hearing, the Applicant seeks the Administration Charge up to the maximum amount of $400,000, consistent with the first ten days in the Cash Flow Forecast. At the comeback hearing, the Applicant will seek to increase the Administration Charge up to $1.25 million, representing the estimated restructuring costs for a one-month period.

328. It is contemplated that each of the aforementioned parties: (i) will have extensive involvement during the CCAA proceedings; (ii) have contributed and will continue to contribute to the restructuring of LU; and (iii) will ensure that there is no unnecessary duplication of roles among the parties.

329. I understand that the Proposed Monitor has reviewed the proposed quantum of the Administration Charge and is of the view that it is reasonable and appropriate in the circumstances given the contemplated work required to be completed during the pendency of the CCAA proceedings and the services provided and to be provided by the beneficiaries of the Administration Charge.

E. Directors' Charge

330. To provide LU with continued direction during the CCAA proceedings, LU believes that the continued participation of the members of the Board would be helpful in this CCAA proceeding. None of the Board members receive remuneration for acting, and each brings

a unique perspective to the bilingual and tricultural nature of the university's operations. The volunteer nature of a directorship in a non-share corporation such as LU distinguishes it from a directorship in a typical OBCA or CBCA share capital corporation, where directors are typically both compensated and insured under their own policy. The Directors' Charge will also secure the fees of independent counsel to the Board.

331. There is a concern that the members of the Board may discontinue their services during this restructuring unless the Initial order grants the Directors' Charge to secure LU's indemnity obligations to the directors and officers that arise post-filing in respect of potential personal statutory liabilities.

332. The Applicant's payroll is approximately $11 million per month, and is payable once each month with some limited exceptions.

i. Insurance Policies

333. LU maintains an educational errors and omissions liability insurance policy with Canadian Universities Reciprocal Insurance Exchange ("**CURIE**") (the "**E&O Policy**"), which renews annually on January 1. The E&O Policy provides coverage for up to $5,000,000 in respect of claims for "wrongful acts", as defined under the E&O Policy, save and except for claims for "wrongful acts" in respect of terrorism, cyber risk and asbestos, which limit is only $3,000,000. It is notable that since the E&O Policy is only an errors and omissions policy, the E&O Policy expressly excludes, among others, the following categories of claim: (i) employee benefits, (ii) breach of contract, (iii) employment-related practices, including consequential losses, and (iv) tuition, fees or rents.

334. In addition, LU also maintains an excess liability insurance policy from CURIE (the "**Excess Policy**"). The Excess Policy provides increased coverage for up to $45 million for each claim in excess of the $5 million covered under the E&O Policy.

335. The proposed Initial Order contemplates that the Directors' Charge will be in the amount of $2 million. The Applicant worked with the Proposed Monitor in determining the proposed quantum of the Directors' Charge and believes that the Directors' Charge is reasonable and appropriate in the circumstances. The Director's Charge is proposed to rank behind the Administration Charge. At the comeback hearing, the Applicant proposes that the Directors' Charge will rank in priority to the DIP Lender's Charge up to the maximum amount of $2 million, with an additional amount that will rank subordinate to the DIP Lender's Charge.

336. The Proposed Monitor supports the granting of the Directors' Charge and will expand on such support for the Directors' Charge in its pre-filing report to the Court.

337. The directors and officers of LU do not know whether CURIE will seek to deny coverage on the basis that the E&O Policy and the Excess Policy do not cover particular claims (specifically in circumstances where the E&O Policy excludes claims commonly asserted against directors and officers of insolvent corporations and those that could be reasonably anticipated in this insolvency proceeding) or that coverage limits have been exhausted.

338. LU may not have sufficient funds available to satisfy any contractual indemnities to the directors or officers should the directors or officers need to call upon those indemnities. It is proposed that the Directors' Charge will only be engaged if the E&O Policy or Excess Policy, if applicable, fail to respond to a claim.

F. DIP Financing and DIP Lender's Charge

339. At the initial hearing for the commencement of these CCAA proceedings, LU will not be seeking approval of the DIP financing.

340. At the comeback hearing, LU will seek to have the DIP Term Sheet and the DIP financing approved. As demonstrated by the Cash Flow Forecast, LU forecasts that it will require an amount of up to $25 million of DIP financing during the first thirteen weeks of these CCAA proceedings.

341. During its contingency planning process, LU, with the assistance of its external legal counsel, canvassed the market for interim financing and evaluated competing offers. In order to preserve confidentiality, LU's counsel required potential lenders to execute a redacted form of Non-Disclosure Agreement ("**NDA**") prior to having LU's identity disclosed to them and prior to receiving any information in respect of LU. Once the redacted NDA was executed by the potential lender, external counsel to LU provided the potential lender with an unredacted form of NDA and requested that it be executed as well.

342. In December 2020, four potential external lenders were contacted by LU's counsel and each executed the applicable two forms of NDA. Beginning in December 2020, the potential lenders were granted access to a virtual data room containing certain information and documents that may be relevant to interim financing and external counsel convened telephone calls with these lenders. The data room was updated at various times with additional information.

343. The potential lenders requested and reviewed additional due diligence materials as necessary and were invited to submit interim financing term sheet proposals. Three non-binding term sheets were received from the four potential lenders originally contacted.

344. In January, LU, through its external counsel, also reached out to four additional parties (including three of LU's existing lenders) to see if those parties wished to provide DIP financing.

345. Following this process, LU identified two proposals for DIP financing as being superior to all others received by LU. LU engaged in further negotiations with the potential lenders in respect of the terms of their DIP financing proposals.

346. For the reasons described below, with the assistance of counsel and on an informed basis and in good faith with a view to the best interests of LU and its stakeholders, LU selected the DIP facility (the "**DIP Facility**") offered by Firm Capital Corporation ("**FCC**").

347. LU has negotiated and is seeking Court approval of the DIP Facility, described in more detail below, and a charge over the Property (defined below) securing the DIP Facility (the "**DIP Lender's Charge**"), as further described in the Term Sheet between LU and FCC dated January 29, 2021 (the "**DIP Term Sheet**") attached as **Exhibit** "**HHH**" hereto. I am advised by LU's external counsel Thornton Grout Finnigan LLP that subsequent to execution of the DIP Term Sheet, FCC will be assigning its interest to Firm Capital Mortgage Fund Inc. (the "**DIP Lender**"). In addition to addressing LU's short-term liquidity issues, approval of the DIP Facility will provide assurance to LU's suppliers, employees, students and other stakeholders that LU has the necessary funds to continue operating during this CCAA proceeding.

348. The salient terms of the DIP Term Sheet are as follows:

(a) the DIP Lender will make available to LU two advances of up to a maximum amount of $25 million;

(b) the DIP Facility has a maturity date of May 1, 2021, which maturity date may be extended if LU achieves the following milestones, to the satisfaction of the DIP Lender in its sole and unfettered discretion:

(i) LU enters into a negotiated settlement with LUFA with respect to the terms of a collective agreement between LUFA and LU;

(ii) LU reaches a consensus among all necessary stakeholders on an academic restructuring of LU's program offerings; and

(iii) LU provides the DIP Lender with a revised cash flow forecast and a multi-year budget demonstrating to the DIP Lender, in its sole and unfettered discretion, that LU is financially sustainable;

(c) interest accrues on the outstanding indebtedness at a rate that is the greater of 8.50% per annum or the TD Canada Trust Posted Bank Prime Rate of Interest plus 6.05% per annum, which amounts are reflected in the Cash Flow Forecast;

(d) a Commitment Fee of $500,000 that is earned and payable to the DIP Lender on the date that the Court approves the DIP Facility;

(e) all amounts outstanding under the DIP Facility shall be secured by a charge on all of the current and future assets, undertakings and property of LU pursuant to a court-approved, super-priority charge (the "**DIP Lender's Charge**") that is only subordinate to: (i) the Administration Charge up to the maximum of $1.25 million;

(ii) the Directors' Charge up to the maximum of $2 million (with such further amount to be subordinate to the DIP Lender's Charge); and (iii) any valid purchase money security interests, including the registrations made under the *Personal Property Security Act* (Ontario);

(f) the DIP Facility is conditional on, among other things, LU obtaining a court order approving the DIP Term Sheet and the DIP Facility; and

(g) customary reporting covenants given the size of the DIP Facility and the third party nature of the DIP Lender.

349. The DIP Lender has requested a definitive DIP loan agreement to formally document the terms and conditions of the DIP Facility. Prior to the comeback hearing, the Applicant and the DIP Lender will negotiate and finalize the DIP Loan Agreement.

350. It is necessary to obtain the DIP Facility to support the costs to be incurred by LU after the commencement of the CCAA proceeding, as LU will not be further utilizing its existing unsecured lines of credit and has no other cash reserves on which to draw. The DIP Facility will allow LU to continue to operate in the ordinary course and will allow LU the opportunity to undertake its operational restructuring.

351. LU will access the DIP Facility in two tranches. One will be shortly after the comeback hearing and the second is expected to be 30-45 days afterwards, based on the cash needs of LU.

352. If a successful restructuring with LU's Unions and other stakeholders can be achieved by April, 2021, LU expects that it will seek this Court's approval for exit financing that would

allow LU's operations to return to a position of sustainability, and to fund any payments to be made under a Plan of Arrangement.

G. Ranking of Court-Ordered Charges

353. During the first ten days of the CCAA proceedings, the Applicant proposes ranking the Administration Charge and the Directors' Charge (collectively, the "**CCAA Charges**") as follows:

(a) first, the Administration Charge initially up to a maximum amount of $400,000; and

(b) second, the Directors' Charge initially up to a maximum amount of $2,000,000.

354. During the first ten days of the CCAA proceedings until the comeback hearing, the CCAA Charges are proposed to rank in priority to all other security interests, trusts, liens, construction liens, charges and encumbrances, except for any person who is a "secured creditor" as defined in the CCAA that has not been served with the Notice of Application.

355. At the comeback hearing, the Applicant proposes ranking the CCAA Charges, including the DIP Lender's Charge, as follows:

(a) first, the Administration Charge, which is proposed to be increased up to a maximum amount of $1,250,000;

(b) second, the Directors' Charge up to a maximum amount of $2,000,000;

(c) third, the DIP Lender's Charge, up to a maximum amount of $25,000,000; and

(d) fourth, the balance of the Director's Charge, up to a maximum amount of $3,000,000,

(collectively, the "**Comeback CCAA Charges**").

356. The Applicant intends to provide notice of the comeback hearing to persons who are known to be secured creditors of the Applicant, including the construction lien claimants described above in paragraph 256(b), and will seek to elevate the Comeback CCAA Charges in priority to any other creditor of the Applicant. As discussed above, with the exception of PPSA registrations for certain equipment leases, LU does not have any other secured creditors and is current on all priority payables.

X. FORM OF ORDER

357. LU seeks an Initial Order under the CCAA substantially in the form of the "skinny" Model Initial Order adopted for proceedings commenced before the Commercial List in Toronto, subject to certain changes reflected to address the circumstances of LU, in the proposed form of order attached at Tab 4 in LU's Application Record, blacklined to the Model Order.

358. The form of Amended and Restated Initial Order that will be sought at the Comeback Hearing is attached at Tab 6 in LU's Application Record, blacklined to the Model Order.

359. LU also seeks an order sealing Confidential Exhibits "**EEE**" and "**FFF**" as the correspondence contains sensitive information that could jeopardize the ability of LU to complete a restructuring.

360. This affidavit is sworn in support of LU's application for protection pursuant to the CCAA and for no other or improper purpose.

AFFIDAVIT SWORN BY VIDEO CONFERENCE before me at the City of Toronto, in the Province of Ontario, this 30th day of January, 2021.

Mitchell W. Grossell
LSO # 69993I

DR. ROBERT HACHÉ

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **LAURENTIAN UNIVERSITY OF SUDBURY**

Court File No. 20-CV-_____

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AFFIDAVIT OF DR. ROBERT HACHÉ

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Lawyers for the Applicant

Tab 3

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
LAURENTIAN UNIVERSITY OF SUDBURY

Applicant

CONSENT

Ernst & Young Inc. hereby consents to act as Court-appointed Monitor of the Applicant in this proceeding should such an Initial Order be granted by the Court.

Dated at Toronto, Ontario, this 30th day of January, 2021.

ERNST & YOUNG INC.

Per: Sharon Hamilton

Name: Sharon Hamilton, LIT
Title: Senior Vice-President

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **LAURENTIAN UNIVERSITY OF SUDBURY**

Court File No. 21-CV-

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

CONSENT OF THE MONITOR

Tab 4

Court File No. CV-21-_____-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE CHIEF	)	MONDAY, THE 1ST
	)	
JUSTICE MORAWETZ	)	DAY OF FEBRUARY, 2021

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
LAURENTIAN UNIVERSITY OF SUDBURY

Applicant

INITIAL ORDER

THIS APPLICATION, made by the Applicant pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day by videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the affidavit of Dr. Robert Haché sworn January 30, 2021 and the Exhibits thereto (the "**Haché Affidavit**"), the pre-filing report of the proposed monitor, Ernst & Young Inc. ("**EY**"), dated January 30, 2021 (the "**Pre-Filing Report**"), and on hearing the submissions of counsel for the Applicant, counsel for EY and those other parties listed on the Counsel Slip, and on reading the consent of EY to act as the monitor (the "**Monitor**");

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to them in the Haché Affidavit.

NON-APPLICANT STAY PARTY

3. **THIS COURT ORDERS** that the Laurentian University Students General Association (the "**SGA**") shall be referred to herein as a "**Non-Applicant Stay Party**". Although not an applicant under the CCAA, the Non-Applicant Stay Party shall enjoy certain of the benefits and protections provided herein and be subject to the restrictions as expressly hereunder set out.

APPLICATION

4. **THIS COURT ORDERS AND DECLARES** that the Applicant is insolvent and is a company to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business and deal with its assets, including the businesses and assets of the other entities, partnerships and joint ventures in which the Applicant has a direct or indirect interest, and is authorized to continue to provide services to such parties in respect of which it is currently providing services, in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to use the cash management system currently in place, as described in the Haché Affidavit, which for greater

certainty includes any segregated bank accounts now existing (together with any segregated accounts established pursuant to paragraph 7, the "**Cash Management System**"), and that any present or future bank or institution providing the Cash Management System to the Applicant shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, except to the extent that such terms are expressly modified by this Order or with the consent of the Applicant, the Monitor and any applicable bank or financial institution providing a Cash Management System, and shall be, solely in its capacity as provider of the Cash Management System only, an unaffected creditor under any plan or arrangement filed by the Applicant under the CCAA with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System on or after the date of this Order.

7. **THIS COURT ORDERS** that (a) any segregated bank accounts established by the Applicant from and after December 1, 2020, to hold funds received by it on the condition that such funds be used for a specific purpose in respect of a particular aspect of the Applicant's Business, including without limitation, funds provided to the Applicant for the purpose of research projects (including grants, awards or other similar funds), funds received in respect of restricted donations or endowments, and employee and employer contributions to benefit plans (collectively, the "**Segregated Funds**") shall be used for such specific purpose, and (b) from and after the date of this Order, the Applicant may establish additional segregated bank accounts, including trust accounts if necessary, to hold any additional Segregated Funds that are received by the Applicant under such agreed upon arrangements, and the Segregated Funds shall not form part of the Applicant's Property.

8. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order:

(a) all outstanding and future wages, salaries, employee and retiree benefits (including, without limitation, employee medical, dental, vision, insurance and similar benefit

plans or arrangements), amounts owing under corporate credit cards issued to management and employees of the Applicant, ordinary course pension benefits or contributions, vacation pay, expenses and any director fees and expenses, payable on or after the date of this Order, in each case for costs incurred in the ordinary course of business and consistent with existing practices, compensation policies and arrangements for current and future employees (but not including any payments to former employees or retirees in respect of the SuRP and the RHBP, as such terms are defined in the Haché Affidavit, or termination or severance payments, which are hereby stayed), and all other payroll processing and servicing expenses;

(b) all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts owing in respect of rebates, refunds or other similar amounts that are owing or may be owed to students or student associations of the Applicant, whether such amounts are as a result of the reimbursement of tuition fees, ancillary fees or otherwise, provided that such rebates, refunds or other similar amounts are subject to the existing policies and procedures of the Applicant;

(c) all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts payable to students in respect of student scholarship, bursary or grants; and

(d) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

9. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business (including the value thereof) including, without limitation, payments on account of insurance (including directors and officers' insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicant following the date of this Order or payments to obtain the release of goods or delivery of services contracted for prior to the date of this Order.

10. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

(a) until further order of this Court, all outstanding and future normal course contributions to or payments in respect of the Pension Plan, as defined in the Haché Affidavit, in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;

(c) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(d) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of

the date of this Order (including for greater certainty in respect of the interest rate swap transactions); (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

12. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA, have the right to continue negotiations with stakeholders in an effort to pursue all restructuring options.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

13. **THIS COURT ORDERS** that until and including February 11, 2021, or such later date as this Court may subsequently order (the "**Stay Period**"), no proceeding or enforcement process in or out of any court or tribunal or other forum, whether arising by contract (including pursuant to any collective agreement) or otherwise (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended, except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall:

(a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on;

(b) exempt the Applicant from compliance with any statutory or regulatory provisions relating to health, safety or the environment;

(c) affect such investigations, actions, suits or proceedings by a regulatory body as are specifically permitted by Section 11.1 of the CCAA;

(d) prevent the filing of any registration to preserve or perfect a security interest;

(e) prevent the registration of a claim for lien; or

(f) prevent any actions that are permitted by Section 34(8) of the CCAA.

LIMITED STAY IN RESPECT OF THE NON-APPLICANT STAY PARTY

15. **THIS COURT ORDERS** that during the Stay Period, no Person shall (a) commence or continue any Proceeding or enforcement process, (b) terminate, repudiate, make any demand, accelerate, alter, amend, declare in default, exercise any options, rights or remedies, or (c) discontinue, fail to honour, alter, interfere with or cease to perform any obligation, pursuant to or in respect of any agreement, lease, sublease, license or permit with respect to which the Non-Applicant Stay Party is a party, borrower, principal obligor or guarantor, by reason of:

(a) the Applicant being insolvent or having made an application to this Court under the CCAA;

(b) the Applicant being a party to this proceeding or taking any steps related thereto; or

(c) the stay granted pursuant to this paragraph 15; and

(d) any default or cross-default arising from the matters set out in the foregoing subparagraphs,

except with the written consent of the Applicant and the Monitor, or with leave of this Court.

NO INTERFERENCE WITH RIGHTS

16. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant or the Non-Applicant Stay Party or take any steps to interrupt or interfere with the operation of the

Business or the continued use of the Property of the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the current or future directors or officers of the Applicant, including the members of the Board of Governors of the Applicant (the "**Board**") with respect to any claim against the directors, officers or the Board that arose before the date of this Order and that relates to any obligations of the Applicant whereby the directors, officers or the Board are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until

a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. **THIS COURT ORDERS** that the Applicant shall indemnify its directors, officers and the Board against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer, director or member of the Board, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

21. **THIS COURT ORDERS** that the directors, officers and Board of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of $2,000,000, as security for the indemnity provided in paragraph 20 of this Order. The Directors' Charge shall have the priority set out in paragraphs 32 and 34 herein.

22. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors, officers and the Board shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any applicable insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 20 of this Order.

APPOINTMENT OF MONITOR

23. **THIS COURT ORDERS** that Ernst & Young Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

24. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicant's receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business and such other matters as may be relevant to the proceedings herein;

(c) advise the Applicant in the preparation of the Applicant's cash flow statements and any other reporting to the Court or otherwise;

(d) be at liberty to participate in discussions with representatives of the Ministry of Colleges and Universities ("**MCU**") and such other representatives of Provincial or Federal government agencies, at any time on all aspects of this proceeding and the Applicant's restructuring, subject to such terms of confidentiality as may be appropriate in the Monitor's assessment and in consultation with the Applicant;

(e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, wherever situate, in order to assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

(f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(g) perform such other duties as are required by this Order or by this Court from time to time.

25. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property of the Applicant, or any property of the Non-Applicant Stay Party, and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

26. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental legislation, unless it is actually in possession.

27. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant and the proposed DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

28. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

29. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and the Applicant's counsel and advisors in connection with the CCAA proceedings (collectively, the "Restructuring

Advisors") together with independent counsel to the Board ("**Board Counsel**") shall each be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or subsequent to the date of this Order, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Restructuring Advisors and Board Counsel. Notwithstanding the foregoing, the fees and disbursement of Board Counsel paid by the Applicant from and after the date of this Order shall not exceed the aggregate amount of $250,000, plus HST, pending further Order of the Court.

30. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

31. **THIS COURT ORDERS** that the Restructuring Advisors shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of $400,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Restructuring Advisors, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 32 and 34 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

32. **THIS COURT ORDERS** that the priorities of the Administration Charge and the Directors' Charge (collectively, the "**Charges**" and each individually, a "**Charge**") as among them, shall be as follows:

First – Administration Charge (to the maximum amount of $400,000); and

Second –Directors' Charge (to the maximum amount of $2,000,000).

33. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

34. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, construction liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, except for any Person who is a "secured creditor" as defined in the CCAA that has not been served with the Notice of Application for this Order.

35. **THIS COURT ORDERS** that the Applicant shall be entitled, on a subsequent attendance on notice to those Persons likely to be affected thereby, to seek an increase to the amounts, to seek additional charges and to seek priority of the Charges ahead of any Encumbrance over which the Charges have not obtained priority under this Order.

36. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the Charges affected thereby (collectively, the "**Chargees**"), or further Order of this Court.

37. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

38. **THIS COURT ORDERS** that, notwithstanding anything else contained herein and pending further Order of the Court, the Property subject to the Charges herein shall not include the Segregated Accounts.

SERVICE AND NOTICE

39. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Globe & Mail and the Sudbury Star a notice containing the information prescribed under the CCAA, and (ii) within five days of the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than $1,000 (excluding any individual employees, former employees with pension and/or retirement savings or benefits plan entitlements, and retirees and other beneficiaries who have entitlements under any pension or retirement savings plan), and (C) prepare a list showing the names and addresses of those

creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available, unless otherwise ordered by the Court.

40. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure*, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: www.ey.com/ca/Laurentian.

41. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

42. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the case website as part of the public materials in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

43. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

SEALING PROVISION

44. **THIS COURT ORDERS** that Confidential Exhibits "**EEE**" and "**FFF**" of the Haché Affidavit are hereby sealed pending further order of the Court, and shall not form part of the public record.

GENERAL

45. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

46. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or outside of Canada to give effect to this Order and to assist the Applicant, 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

47. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative

in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

48. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

49. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time on the date of this Order, and is enforceable without any need for entry and filing.

_____

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **LAURENTIAN UNIVERSITY OF SUDBURY**

Court File No.: CV-21-_____-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

INITIAL ORDER

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Lawyers for the Applicant

Tab 5

~~Revised: January 21, 2014~~

Court File No. ~~——~~CV-21-~~_____~~-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE ~~——~~CHIEF	)	~~WEEKDAY~~MONDAY, THE #1ST
	)	
JUSTICE ~~——~~MORAWETZ	)	DAY OF ~~MONTH~~FEBRUARY, ~~20YR~~2021

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 ~~[APPLICANT'S NAME] (the "~~
LAURENTIAN UNIVERSITY OF SUDBURY

Applicant~~")~~

INITIAL ORDER

THIS APPLICATION, made by the Applicant~~,~~ pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the ~~"~~"**CCAA**~~"~~"), was heard this day ~~at 330 University Avenue,~~by videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the affidavit of ~~[NAME]~~Dr. Robert Haché sworn ~~[DATE]~~January 30, 2021 and the Exhibits thereto~~, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice~~ (the "**Haché Affidavit**"), the pre-filing report of the proposed monitor, Ernst & Young Inc. ("**EY**"), dated January 30, 2021 (the "**Pre-Filing Report**"), and on hearing the submissions of counsel for ~~[NAMES], no one appearing for [NAME][1] although duly served as appears from the affidavit of service of [NAME] sworn [DATE]~~the Applicant, counsel for EY and those other parties listed on the Counsel Slip, and on reading the consent of ~~[MONITOR'S NAME]~~EY to act as the monitor (the "**Monitor**~~,~~");

~~[1] Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated[2] so that this Application is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to them in the Haché Affidavit.

NON-APPLICANT STAY PARTY

3. **THIS COURT ORDERS** that the Laurentian University Students General Association (the "**SGA**") shall be referred to herein as a "**Non-Applicant Stay Party**". Although not an applicant under the CCAA, the Non-Applicant Stay Party shall enjoy certain of the benefits and protections provided herein and be subject to the restrictions as expressly hereunder set out.

APPLICATION

4. ~~2.~~ **THIS COURT ORDERS AND DECLARES** that the Applicant is insolvent and is a company to which the CCAA applies~~.~~

~~**PLAN OF ARRANGEMENT**~~

5. ~~3. THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan")~~.

POSSESSION OF PROPERTY AND OPERATIONS

6. ~~4.~~ **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the ~~"~~"**Property**~~"~~"). Subject to further Order of this Court, the Applicant shall continue to carry on business and deal with its assets, including the businesses and assets of the other entities, partnerships and joint ventures in which the Applicant has a direct or indirect interest, and is authorized to continue to provide services to such parties in respect of which it is currently providing services, in a manner consistent with the

[2] ~~If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.~~

preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

7. ~~5. [~~**THIS COURT ORDERS** that the Applicant shall be entitled to continue to ~~utilize~~use the ~~central~~ cash management system[3] currently in place, as described in the Haché Affidavit ~~of [NAME] sworn [DATE] or replace it with another substantially similar central cash management system~~ (, which for greater certainty includes any segregated bank accounts now existing (together with any segregated accounts established pursuant to paragraph 7, the "**Cash Management System**"), and that any present or future bank or institution providing the Cash Management System to the Applicant shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, except to the extent that such terms are expressly modified by this Order or with the consent of the Applicant, the Monitor and any applicable bank or financial institution providing a Cash Management System, and shall be, solely in its capacity as provider of the Cash Management System only, an unaffected creditor under ~~the Plan~~any plan or arrangement filed by the Applicant under the CCAA with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System on or after the date of this Order.~~]~~

8. **THIS COURT ORDERS** that (a) any segregated bank accounts established by the Applicant from and after December 1, 2020, to hold funds received by it on the condition that such funds be used for a specific purpose in respect of a particular aspect of the Applicant's Business, including without limitation, funds provided to the Applicant for the purpose of

[3] ~~This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross-border and inter-company transfers of cash.~~

research projects (including grants, awards or other similar funds), funds received in respect of restricted donations or endowments, and employee and employer contributions to benefit plans (collectively, the "**Segregated Funds**") shall be used for such specific purpose, and (b) from and after the date of this Order, the Applicant may establish additional segregated bank accounts, including trust accounts if necessary, to hold any additional Segregated Funds that are received by the Applicant under such agreed upon arrangements, and the Segregated Funds shall not form part of the Applicant's Property.

9. ~~6.~~ **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order:

(a) all outstanding and future wages, salaries, employee and retiree benefits (including, without limitation, employee medical, dental, vision, insurance and similar benefit plans or arrangements), amounts owing under corporate credit cards issued to management and employees of the Applicant, ordinary course pension benefits or contributions, vacation pay ~~and~~, expenses and any director fees and expenses, payable on or after the date of this Order, in each case for costs incurred in the ordinary course of business and consistent with existing practices, compensation policies and arrangements for current and future employees (but not including any payments to former employees or retirees in respect of the SuRP and the RHBP, as such terms are defined in the Haché Affidavit, or termination or severance payments, which are hereby stayed), and all other payroll processing and servicing expenses;

(b) all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts owing in respect of rebates, refunds or other similar amounts that are owing or may be owed to students or student associations of the Applicant, whether such amounts are as a result of the reimbursement of tuition fees, ancillary fees or otherwise, provided that such rebates, refunds or other similar amounts are subject to the existing policies and procedures of the Applicant;

(c) all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts payable to students in respect of student scholarship, bursary or grants; and

(d) ~~(b)~~ the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

10. ~~7.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business (including the value thereof) including, without limitation, payments on account of insurance (including directors and officers' insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicant following the date of this Order or payments to obtain the release of goods or delivery of services contracted for prior to the date of this Order.

11. ~~8.~~ **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

(a) until further order of this Court, all outstanding and future normal course contributions to or payments in respect of the Pension Plan, as defined in the Haché Affidavit, in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) ~~(a)~~ any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees'' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii~~) Quebec Pension Plan, and (iv~~) income taxes;

(c) ~~(b)~~ all goods and services or other applicable sales taxes (collectively, ""**Sales Taxes**"") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or

collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(d) ~~(c)~~ any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

~~9. THIS COURT ORDERS that until a real property lease is disclaimed **[or resiliated]**[4] in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, twice monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.~~

12. ~~10.~~ **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of the date of this ~~date~~Order (including for greater certainty in respect of the interest rate swap transactions); (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

[4] ~~The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

RESTRUCTURING

13. ~~11.~~ **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA ~~and such covenants as may be contained in the Definitive Documents (as hereinafter defined)~~, have the right to~~:~~ continue negotiations with stakeholders in an effort to pursue all restructuring options.

~~(a) permanently or temporarily cease, downsize or shut down any of its business or operations, **[and to dispose of redundant or non-material assets not exceeding $● in any one transaction or $● in the aggregate]**[5]~~

~~(b) **[terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate]**; and~~

~~(c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,~~

~~all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "Restructuring").~~

~~12. THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims **[or resiliates]** the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period~~

~~[5] Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

~~provided for in Section 32(5) of the CCAA), and the disclaimer **[or resiliation]** of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.~~

~~13. THIS COURT ORDERS that if a notice of disclaimer **[or resiliation]** is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer **[or resiliation]**, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer **[or resiliation]**, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.~~

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

14. ~~14.~~ **THIS COURT ORDERS** that until and including ~~[DATE MAX. 30 DAYS]~~February 11, 2021, or such later date as this Court may subsequently order (the "**Stay Period**"), no proceeding or enforcement process in or out of any court or tribunal or other forum, whether arising by contract (including pursuant to any collective agreement) or otherwise (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court~~, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court~~.

NO EXERCISE OF RIGHTS OR REMEDIES

15. ~~15.~~ **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended, except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall ~~(i)~~ :

(a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on~~, (ii)~~ ;

(b) exempt the Applicant from compliance with any statutory or regulatory provisions relating to health, safety or the environment;

(c) affect such investigations, actions, suits or proceedings by a regulatory body as are specifically permitted by Section 11.1 of the CCAA~~, (iii)~~ ;

(d) prevent the filing of any registration to preserve or perfect a security interest~~, or (iv)~~ ;

(e) prevent the registration of a claim for lien; or

(f) prevent any actions that are permitted by Section 34(8) of the CCAA.

LIMITED STAY IN RESPECT OF THE NON-APPLICANT STAY PARTY

16. **THIS COURT ORDERS** that during the Stay Period, no Person shall (a) commence or continue any Proceeding or enforcement process, (b) terminate, repudiate, make any demand, accelerate, alter, amend, declare in default, exercise any options, rights or remedies, or (c) discontinue, fail to honour, alter, interfere with or cease to perform any obligation, pursuant to or in respect of any agreement, lease, sublease, license or permit with respect to which the Non-Applicant Stay Party is a party, borrower, principal obligor or guarantor, by reason of:

(a) the Applicant being insolvent or having made an application to this Court under the CCAA;

(b) the Applicant being a party to this proceeding or taking any steps related thereto; or

(c) the stay granted pursuant to this paragraph 15; and

(d) any default or cross-default arising from the matters set out in the foregoing subparagraphs,

except with the written consent of the Applicant and the Monitor, or with leave of this Court.

NO INTERFERENCE WITH RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant or the Non-Applicant Stay Party or take any steps to interrupt or interfere with the operation of the Business or the continued use of the Property of the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, ~~payroll services,~~ insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and ~~each of~~ the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or

re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.[6]

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the ~~former,~~ current or future directors or officers of the Applicant, including the members of the Board of Governors of the Applicant (the "**Board**") with respect to any claim against the directors ~~or~~, officers or the Board that arose before the date ~~hereof~~of this Order and that relates to any obligations of the Applicant whereby the directors ~~or~~, officers or the Board are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

21. **THIS COURT ORDERS** that the Applicant shall indemnify its directors ~~and~~, officers and the Board against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings,[7] except to the extent that, with respect to any officer ~~or~~, director or member of the Board, the obligation or liability was incurred as a result of the director~~'~~'s or officer~~'~~'s gross negligence or wilful misconduct.

22. **THIS COURT ORDERS** that the directors ~~and~~, officers and Board of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the ~~"~~"**Directors' Charge**~~"~~")[8] on the Property, which charge shall not exceed an aggregate amount of $~~●~~2,000,000, as security for the indemnity provided in paragraph ~~[~~20~~]~~ of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~[38]~~32 and ~~[40]~~34 herein.

[6] ~~This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

[7] ~~The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

[8] ~~Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

23. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors'' Charge, and (b) the Applicant''s directors ~~and~~, officers and the Board shall only be entitled to the benefit of the Directors'' Charge to the extent that they do not have coverage under any ~~directors' and officers'~~applicable insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~[~~20~~]~~ of this Order.

APPOINTMENT OF MONITOR

24. **THIS COURT ORDERS** that ~~[MONITOR'S NAME]~~Ernst & Young Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its ~~shareholders,~~ officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor''s functions.

25. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicant''s receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business~~,~~ and such other matters as may be relevant to the proceedings herein;

~~(c) assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender and its counsel on a [TIME INTERVAL] basis of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;~~

(c) ~~(d)~~ advise the Applicant in ~~its~~the preparation of the Applicant's cash flow statements and any other reporting ~~required by~~to the ~~DIP Lender, which information shall be~~

~~reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than [TIME INTERVAL],~~Court or ~~as~~ otherwise ~~agreed to by the DIP Lender~~;

~~(e) advise the Applicant in its development of the Plan and any amendments to the Plan;~~

~~(f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;~~

(d) be at liberty to participate in discussions with representatives of the Ministry of Colleges and Universities ("**MCU**") and such other representatives of Provincial or Federal government agencies, at any time on all aspects of this proceeding and the Applicant's restructuring, subject to such terms of confidentiality as may be appropriate in the Monitor's assessment and in consultation with the Applicant;

(e) ~~(g)~~ have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, ~~to the extent that is necessary~~wherever situate, in order to ~~adequately~~ assess the Applicant~~'~~'s business and financial affairs or to perform its duties arising under this Order;

(f) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(g) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

26. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property of the Applicant, or any property of the Non-Applicant Stay Party, and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

27. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, ""**Possession**"") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the ""**Environmental Legislation**""), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor''s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental ~~Legislation~~legislation, unless it is actually in possession.

28. **THIS COURT ORDERS** ~~that~~ that the Monitor shall provide any creditor of the Applicant and the proposed DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

29. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

30. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and the Applicant's counsel and advisors in connection with the CCAA proceedings (collectively, the "Restructuring

Advisors") together with independent counsel to the ~~Applicant~~Board ("**Board Counsel**") shall each be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or subsequent to the date of this Order, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the ~~Monitor, counsel for the Monitor and counsel for the Applicant on a [TIME INTERVAL] basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the~~Restructuring Advisors and Board Counsel. Notwithstanding the foregoing, the fees and disbursement of Board Counsel paid by the Applicant from and after the date of this Order shall not exceed the aggregate amount~~[s]~~ of $~~●~~ [250,000, ~~respectively,] to be held by them as security for payment of their respective fees and disbursements outstanding from time to time~~plus HST, pending further Order of the Court.

31. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

32. **THIS COURT ORDERS** that the ~~Monitor, counsel to the Monitor, if any, and the Applicant's counsel~~Restructuring Advisors shall be entitled to the benefit of and are hereby granted a charge (the ""**Administration Charge**"") on the Property, which charge shall not exceed an aggregate amount of $~~●~~400,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the ~~Monitor and such counsel~~Restructuring Advisors, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~[38]~~32 and ~~[40]~~34 hereof.

~~**DIP FINANCING**~~

~~32. THIS COURT ORDERS that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from [DIP LENDER'S NAME] (the "DIP Lender") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed $● unless permitted by further Order of this Court.~~

33. THIS COURT ORDERS THAT such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicant and the DIP Lender dated as of [DATE] (the "Commitment Letter"), filed.

34. THIS COURT ORDERS that the Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "Definitive Documents"), as are contemplated by the Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

35. THIS COURT ORDERS that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "DIP Lender's Charge") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs **[38]** and **[40]** hereof.

36. THIS COURT ORDERS that, notwithstanding any other provision of this Order:

(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon ● days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge, to make

demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and

(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

37. THIS COURT ORDERS AND DECLARES that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

33. 38. **THIS COURT ORDERS** that the priorities of the Directors' Charge, the Administration Charge and the DIP Lender's Directors' Charge (collectively, the "**Charges**" and each individually, a "**Charge**,") as among them, shall be as follows[9]:

First – Administration Charge (to the maximum amount of $●400,000); and

Second – DIP Lender's Charge; and

Third – Directors' Charge (to the maximum amount of $●2,000,000).

34. 39. **THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge, the Administration Charge or the DIP Lender's Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

[9] The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.

35. ~~40.~~ **THIS COURT ORDERS** that each of the ~~Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein)~~Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, construction liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, ~~"~~"**Encumbrances**~~"~~") in favour of any Person, except for any Person who is a "secured creditor" as defined in the CCAA that has not been served with the Notice of Application for this Order.

36. **THIS COURT ORDERS** that the Applicant shall be entitled, on a subsequent attendance on notice to those Persons likely to be affected thereby, to seek an increase to the amounts, to seek additional charges and to seek priority of the Charges ahead of any Encumbrance over which the Charges have not obtained priority under this Order.

37. ~~41.~~ **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge~~Charges, unless the Applicant also obtains the prior written consent of the Monitor~~, the DIP Lender~~ and the beneficiaries of the ~~Directors' Charge and the Administration Charge~~Charges affected thereby (collectively, the "**Chargees**"), or further Order of this Court.

~~42. THIS COURT ORDERS that the Directors' Charge, the Administration Charge, the Commitment Letter, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an~~

~~"Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:~~

~~(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;~~

~~(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the Commitment Letter, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and~~

~~(c) the payments made by the Applicant pursuant to this Order, the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.~~

38. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant~~'~~'s interest in such real property leases.

39. **THIS COURT ORDERS** that, notwithstanding anything else contained herein and pending further Order of the Court, the Property subject to the Charges herein shall not include the Segregated Accounts.

SERVICE AND NOTICE

40. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in ~~[newspapers specified by~~the Globe & Mail and the ~~Court]~~Sudbury Star a notice containing the information prescribed under the CCAA, and (ii) within five days ~~after~~of the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than $~~1000~~1,000 (excluding any individual employees, former employees with pension and/or retirement savings or benefits plan entitlements, and retirees and other beneficiaries who have entitlements under any pension or retirement savings plan), and (C) prepare a list showing

the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available, unless otherwise ordered by the Court.

41. ~~45.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at ~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure*, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: ~~'@'~~ 'www.ey.com/ca/Laurentian.

42. ~~46.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant~~!~~'s creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

43. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the case website as part of the public materials in relation to this proceeding. Notwithstanding the

foregoing, the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

44. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

SEALING PROVISION

45. **THIS COURT ORDERS** that Confidential Exhibits "**EEE**" and "**FFF**" of the Haché Affidavit are hereby sealed pending further order of the Court, and shall not form part of the public record.

GENERAL

46. ~~47.~~ **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of ~~its~~their powers and duties hereunder.

~~48. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.~~

47. ~~49.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or ~~in the United States,~~outside of Canada to give effect to this Order and to assist the Applicant, 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in

any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

48. ~~50.~~ **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

49. ~~51.~~ **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

50. ~~52.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern ~~Standard/Daylight~~ Time on the date of this Order, and is enforceable without any need for entry and filing.

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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **LAURENTIAN UNIVERSITY OF SUDBURY**	Court File No.: CV-21-_____-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

INITIAL ORDER

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Lawyers for the Applicant

Tab 6

Court File No. CV-21-_____-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE CHIEF	)	MONDAY, THE 1ST
	)	
JUSTICE MORAWETZ	)	DAY OF FEBRUARY, 2021

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
LAURENTIAN UNIVERSITY OF SUDBURY

Applicant

AMENDED AND RESTATED INITIAL ORDER

THIS MOTION, made by the Applicant pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order amending and restating the Initial Order (the "**Initial Order**") issued on February 1, 2021 (the "**Initial Filing Date**") and extending the stay of proceedings provided for therein was heard this day by judicial videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the affidavit of Dr. Robert Haché sworn January 30, 2021 and the Exhibits thereto (the "**Haché Initial Affidavit**"), the Pre-filing Report of Ernst & Young Inc. (the "**Monitor**") dated January 30, 2021, the First Report of the Monitor dated February [►], 2021 (the "**First Report**") and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, and those other parties listed on the Counsel Slip, no one else appearing although duly served as appears from the Affidavit of Service of [►] sworn February [►], 2021, and on reading the consent of Ernst & Young Inc. to act as the Monitor,

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to them in the Haché Initial Affidavit.

NON-APPLICANT STAY PARTY

THIS COURT ORDERS that the Laurentian University Students General Association (the "**SGA**") shall be referred to herein as a "**Non-Applicant Stay Party**". Although not an applicant under the CCAA, the Non-Applicant Stay Party shall enjoy certain of the benefits and protections provided herein and be subject to the restrictions as expressly hereunder set out.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicant is insolvent and is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

4. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business and deal with its assets, including the businesses and assets of the other entities, partnerships and joint ventures in which the Applicant has a direct or indirect interest, and is authorized to continue to provide services to such parties in respect of which it is currently providing services, in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel

and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to use the cash management system currently in place, as described in the Haché Initial Affidavit, which for greater certainty includes any segregated bank accounts now existing (together with any segregated bank accounts established pursuant to paragraph 7, the "**Cash Management System**"), and that any present or future bank or institution providing the Cash Management System to the Applicant shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, except to the extent that such terms are expressly modified by this Order or with the consent of the Applicant, the Monitor and any applicable bank or financial institution providing a Cash Management System, and shall be, solely in its capacity as provider of the Cash Management System only, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System on or after the Initial Filing Date.

7. **THIS COURT ORDERS** that (a) any segregated bank accounts established by the Applicant from and after December 1, 2020, to hold funds received by it on the condition that such funds be used for a specific purpose in respect of a particular aspect of the Applicant's Business, including without limitation, funds provided to the Applicant for the purpose of research projects (including grants, awards or other similar funds), funds received in respect of restricted donations or endowments, and employee and employer contributions to benefit plans (collectively, the "**Segregated Funds**") shall be used for such specific purpose, and (b) from and after the date of this Order, the Applicant may establish additional segregated bank accounts, including trust accounts if necessary, to hold any additional Segregated Funds that are received by the Applicant under such agreed upon arrangements, and the Segregated Funds shall not form part of the Applicant's Property.

8. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order, in all cases subject to the availability of financing under the DIP Term Sheet (as defined below):

(a) all outstanding and future wages, salaries, employee and retiree benefits (including, without limitation, employee medical, dental, vision, insurance and similar benefit plans or arrangements), amounts owing under corporate credit cards issued to management and employees of the Applicant, ordinary course pension benefits or contributions, vacation pay, expenses and any director fees and expenses, payable on or after the date of this Order, in each case for costs incurred in the ordinary course of business and consistent with existing practices, compensation policies and arrangements for current and future employees (but not including any payments to former employees or retirees in respect of the SuRP and the RHBP, as such terms are defined in the Haché Initial Affidavit, or termination or severance payments, which are hereby stayed), and all other payroll processing and servicing expenses;

(b) all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts owing in respect of rebates, refunds or other similar amounts that are owing or may be owed to students or student associations of the Applicant, whether such amounts are as a result of the reimbursement of tuition fees, ancillary fees or otherwise, provided that such rebates, refunds or other similar amounts are subject to the existing policies and procedures of the Applicant;

(c) all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts payable to students in respect of student scholarship, bursary or grants; and

(d) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

9. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after the Initial Filing Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business (including the value thereof) including, without limitation, payments on account of insurance (including directors and officers' insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicant following the date of this Order or payments to obtain the release of goods or delivery of services contracted for prior to the date of this Order,

provided that, to the extent such expenses were incurred prior to the date Initial Filing Date, the Applicant shall only be entitled to pay such amounts if they are determined by the Applicant, in consultation with the Monitor, to be necessary to the continued operation of the Business or preservation of the Property and such payments are approved in advance by the Monitor.

10. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

(a) until further order of this Court, all outstanding and future normal course contributions to or payments in respect of the Pension Plan, as defined in the Haché Initial Affidavit, in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;

(c) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(d) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

11. **THIS COURT ORDERS** that until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant shall pay, without duplication, all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease, but for greater certainty, excluding accelerated rent or penalties, fees or other charges arising as a result of the insolvency of the Applicant or the making of this Order) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

12. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of the date of this Order (including for greater certainty in respect of the interest rate swap transactions); (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

PENSION PLAN

13. **THIS COURT ORDERS** that the obligation of the Applicant to make special payments (whether pursuant to the Ontario *Pension Benefits Act*, RSO 1990, c. P-8 and regulations made thereunder or to the terms of the Pension Plan, as such term is defined in the Haché Initial Affidavit) in respect of the defined benefit component of the Pension Plan (such payments being the "**Special Payments**"), shall be suspended effective on and after February 1, 2021 for the

duration of this CCAA proceeding, subject to further Order of this Court. For greater certainty, the suspension of Special Payments hereunder does not constitute a disclaimer or termination by the Applicant of any component of the Pension Plan.

14. **THIS COURT ORDERS** that for the duration of this proceeding, no Person (as hereinafter defined), including employees and former employees of the Applicant (or the surviving spouse of any such person) entitled to a benefit under the defined benefit component of the Pension Plan (whether or not such member was represented by a union when the member was employed by the Applicant) or the Superintendent of Financial Services, shall commence any action or other proceeding in connection with the suspension of the Special Payments or because the Applicant has not made the Special Payments.

15. **THIS COURT ORDERS** that the Applicant and each of its respective directors, officers, officials, and agents shall not incur any obligation or liability, whether by way of debt, damages for breach of any duty whether statutory, fiduciary, common law or otherwise, or for breach of trust, nor shall any trust be imposed, whether express, implied, constructive, resulting, deemed or otherwise, as a result of the suspension of the Special Payments in accordance with the terms of this Order.

16. **THIS COURT ORDERS** that if any claim, lien, charge or trust, including deemed trust, arises as a result of the suspension of the Special Payments, no such claim, lien charge or trust, including deemed trust, shall have priority over the Charges (as hereinafter defined) in this proceeding, or in any subsequent receivership, interim receivership or bankruptcy of the Applicant.

RESTRUCTURING

17. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA, have the right to:

(a) permanently or temporarily cease, downsize or shut down any of its Business or operations, and to dispose of redundant or non-material assets not exceeding $50,000 in any one transaction or $250,000 in the aggregate. Notwithstanding the foregoing, the Applicant shall not cease, downsize or shut down any parts of its Business if such action would cause any current students of the Applicant to be unable to continue and

complete courses that they are already enrolled in, subject to further Order of the Court;

(b) terminate the employment of such of its employees or temporarily lay off such of its employees as they deem appropriate;

(c) vacate, abandon or quit any leased premises and disclaim or resiliate any real property lease and any ancillary agreements relating to any leased premises, subject to paragraphs 11 and 18 of this Order;

(d) disclaim arrangements or agreements of any nature whatsoever with whomever, whether oral or written, as the Applicant deems appropriate, with the Monitor's consent or pursuant to further Order of the Court, in accordance with Section 32 of the CCAA;

(e) pursue all avenues of refinancing of the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing; and

(f) pursue all avenues and to engage in discussions with key stakeholders of the Applicant in an effort to give effect to an operational restructuring of the Applicant;

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of its business (the "**Restructuring**").

18. **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days' prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days' notice to such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease

pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

19. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

20. **THIS COURT ORDERS** that until and including April 30, 2021, or such later date as this Court may subsequently order (the "**Stay Period**"), no proceeding or enforcement process in or out of any court or tribunal or other forum, whether arising by contract (including pursuant to any collective agreement) or otherwise (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

21. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended, including any existing, pending or future information requests made to the Applicant under the *Freedom of Information and Protection of Privacy Act*, except with the written consent of the Applicant and the Monitor, or leave of this Court, including, without limitation, by way of

terminating, making any demand, accelerating, amended or declaring in default, sweeping any cash in the Applicant's bank accounts (if available), exercising any option, right or remedy or taking any enforcement steps under or in respect of any agreement or agreements with respect to which the Applicant is a party, borrower, principal obligor or guarantor, by reason of:

(a) the Applicant being insolvent or having made an application to this Court under the CCAA;

(b) the Applicant being a party to this proceeding or taking any steps related thereto; or

(c) any default or cross-default arising from the matters set out in the foregoing subparagraphs,

provided that nothing in this Order shall:

(a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on;

(b) exempt the Applicant from compliance with any statutory or regulatory provisions relating to health, safety or the environment;

(c) affect such investigations, actions, suits or proceedings by a regulatory body as are specifically permitted by Section 11.1 of the CCAA;

(d) prevent the filing of any registration to preserve or perfect a security interest;

(e) prevent the registration of a claim for lien; or

(f) prevent any actions that are permitted by Section 34(8) of the CCAA.

LIMITED STAY IN RESPECT OF THE NON-APPLICANT STAY PARTY

22. **THIS COURT ORDERS** that during the Stay Period, no Person shall (a) commence or continue any Proceeding or enforcement process, (b) terminate, repudiate, make any demand, accelerate, alter, amend, declare in default, exercise any options, rights or remedies, or (c) discontinue, fail to honour, alter, interfere with or cease to perform any obligation, pursuant to or

in respect of any agreement, lease, sublease, license or permit with respect to which the Non-Applicant Stay Party is a party, borrower, principal obligor or guarantor, by reason of:

(a) the Applicant being insolvent or having made an application to this Court under the CCAA;

(b) the Applicant being a party to this proceeding or taking any steps related thereto; or

(c) the stay granted pursuant to this paragraph 22; and

(d) any default or cross-default arising from the matters set out in the foregoing subparagraphs,

except with the written consent of the Applicant and the Monitor, or with leave of this Court.

NO INTERFERENCE WITH RIGHTS

23. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant or the Non-Applicant Stay Party or take any steps to interrupt or interfere with the operation of the Business or the continued use of the Property of the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

24. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal

payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

25. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

26. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the current or future directors or officers of the Applicant, including the members of the Board of Governors of the Applicant (the "**Board**") with respect to any claim against the directors, officers or the Board that arose before the date of this Order and that relates to any obligations of the Applicant whereby the directors, officers or the Board are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

27. **THIS COURT ORDERS** that the Applicant shall indemnify its directors, officers and the Board against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer, director or member of the Board, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

28. **THIS COURT ORDERS** that the directors, officers and Board of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of $5,000,000, as security for the

indemnity provided in paragraph 27 of this Order. The Directors' Charge shall have the priority set out in paragraphs 54 and 56 herein.

29. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors, officers and the Board shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any applicable insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 27 of this Order.

APPOINTMENT OF MONITOR

30. **THIS COURT ORDERS** that Ernst & Young Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

31. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicant's receipts and disbursements;

(b) liaise with and assist the Applicant and the Assistants with respect to all matters relating to the Applicant's Business, the Applicant's Property and the Restructuring, and such other matters as may be relevant to the proceedings herein;

(c) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business and such other matters as may be relevant to the proceedings herein;

(d) advise the Applicant in the preparation of the Applicant's cash flow statements and any other reporting to the Court or otherwise;

(e) be at liberty to participate in discussions with representatives of the Ministry of Colleges and Universities ("**MCU**") and such other representatives of Provincial or Federal government agencies, at any time on all aspects of this proceeding and the Applicant's restructuring, subject to such terms of confidentiality as may be appropriate in the Monitor's assessment and in consultation with the Applicant;

(f) assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender (as defined below) and its counsel on a weekly basis of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;

(g) advise the Applicant in its development of the Plan and any amendments to the Plan;

(h) assist the Applicant, to the extent required by the Applicant, with the holding and administering of a creditors' meeting for voting on the Plan;

(i) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, wherever situate, in order to assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

(j) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(k) perform such other duties as are required by this Order or by this Court from time to time.

32. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property of the Applicant, or any property of the Non-Applicant Stay Party, and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

33. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental legislation, unless it is actually in possession.

34. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

35. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order or the Initial Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order or the Initial Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

36. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and the Applicant's counsel and advisors in connection with the CCAA proceedings (collectively, the "Restructuring

Advisors") together with independent counsel to the Board ("**Board Counsel**") shall each be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or subsequent to the date of this Order, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Restructuring Advisors and Board Counsel. Notwithstanding the foregoing, the fees and disbursement of Board Counsel paid by the Applicant from and after the date of this Order shall not exceed the aggregate amount of $250,000, plus HST, pending further Order of the Court.

37. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

38. **THIS COURT ORDERS** that the Restructuring Advisors shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of $1,250,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Restructuring Advisors, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 54 and 56 hereof.

COURT-APPOINTED MEDIATOR

39. **THIS COURT ORDERS** that [►] is hereby appointed, as an officer of the Court and to act as a neutral third party (the "**Court-Appointed Mediator**") to assist the Applicant and the relevant stakeholders with a mediation of:

(a) the review and restructuring of the academic programs of the Applicant;

(b) the collective agreement between the Applicant and the Laurentian University Faculty Association;

(c) the framework for the Applicant's restructuring and future operations; and

(d) any other matters that are referred to the Court-Appointed Mediator by the Applicant, the Monitor or this Court

(together, the "**Mediation Objectives**").

40. **THIS COURT ORDERS** that in carrying out his/her mandate, the Court-Appointed Mediator may, among other things:

(a) adopt processes, procedures and timelines which, in his/her discretion, he/she considers appropriate to facilitate an effective and efficient negotiation of the Mediation Objectives (the "**Mediation Process**"); and

(b) consult with an appointed representative of the parties affected by the Mediation Objectives, the Monitor, the Applicant, and such other creditors and stakeholders of the Applicant and any other persons the Court-Appointed Mediator considers appropriate.

41. **THIS COURT ORDERS** that, subject to an agreement between the Applicant and the Court-Appointed Mediator, all reasonable fees and disbursements of the Court-Appointed Mediator as may have been incurred prior to the date of this Order or which shall be incurred by them in relation to carrying out his mandate shall be paid by the Applicant on a monthly basis, forthwith upon the rendering of accounts to the Applicant.

42. **THIS COURT ORDERS** that the Court-Appointed Mediator is authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including as it relates to any Court, regulatory body or other government ministry, department or agency, and to take all such steps as are necessary or incidental thereto.

43. **THIS COURT ORDERS** that, in addition to the rights and protections afforded as an officer of this Court, the Court-Appointed Mediator shall incur no liability or obligation as a result of his/her appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on his/her part. Nothing in this Order shall derogate from the protections afforded to a person pursuant to Section 142 of the *Courts of Justice Act* (Ontario).

44. **THIS COURT ORDERS** that the Court and the Court-Appointed Mediator may communicate between one another directly to discuss, on an ongoing basis, the conduct of the Mediation Process and the manner in which it will be coordinated with the CCAA proceedings, including but not limited to individual matters referred specifically by the Court to the Court-Appointed Mediator for resolution.

45. **THIS COURT ORDERS** that the Court will not disclose to the Court-Appointed Mediator how the Court will decide any matter which may come before the Court for determination and the Court-Appointed Mediator will not disclose to the Court the negotiating positions or confidential information of any of the parties in the Mediation Process.

46. **THIS COURT ORDERS** that all statements, discussions, offers made and documents produced by any of the parties in the course of the Mediation Process shall not be subject to disclosure through discovery or any other process; shall be confidential; shall not be referred to in Court and shall not be admissible into evidence for any purpose, including impeaching credibility or to establish the meaning and/or validity of any settlement or alleged settlement arising from the Mediation Process.

47. **THIS COURT ORDERS** that any notes, records, statements made, discussions had and recollections of the Court-Appointed Mediator in conducting the Mediation Process shall be confidential and without prejudice and protected from disclosure for all purposes in accordance with paragraph 46 hereof.

DIP FINANCING

48. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from Firm Capital Mortgage Fund Inc., or its assignee (the "**DIP Lender**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed $25,000,000, unless permitted by further Order of this Court.

49. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the term sheet between the Applicant and the DIP Lender dated as of January 29, 2021 (the "**DIP Term Sheet**") attached as Exhibit "HHH" to the Hache Initial Affidavit, subject to such minor amendments as may be acceptable to the Applicant and the DIP Lender and approved by the Monitor.

50. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents and other definitive documents (collectively, the "**DIP Documents**"), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender

pursuant to the terms of the DIP Term Sheet, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the DIP Documents, as and when the same become due, and are to be performed, notwithstanding any other provision of this Order.

51. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, including without limitation, the real property set out in Schedule "A", and the DIP Lender's Charge shall not secure any obligation that exists between the Applicant and the DIP Lender before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 54 and 56 hereof.

52. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the DIP Documents;

(b) upon the occurrence of an event of default under the DIP Documents or the DIP Lender's Charge or upon the Maturity Date (as defined in the DIP Term Sheet), the DIP Lender, upon 14 days' written notice to the Applicant and the Monitor, may exercise, with prior approval of this Court, any and all of its rights and remedies against the Applicant or the Property under or pursuant to the DIP Term Sheet, the DIP Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant, to make, demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and

(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

53. **THIS COURT ORDERS AND DECLARES** that, unless otherwise agreed by the DIP Lender, the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise

filed by the Applicant under the CCAA, or any other or similar proceeding that may be commenced by the Applicant with respect to any advances made under the DIP Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

54. **THIS COURT ORDERS** that the priorities of the Administration Charge, the Directors' Charge and the DIP Lender's Charge (collectively, the "**Charges**" and each individually, a "**Charge**") as among them, shall be as follows:

First – Administration Charge (to the maximum amount of $1,250,000);

Second – Directors' Charge (to the maximum amount of $2,000,000);

Third – DIP Lender's Charge (to the maximum amount of $25,000,000); and

Fourth – Directors' Charge (to the maximum amount of $3,000,000).

55. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

56. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, construction liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

57. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the Charges affected thereby (collectively, the "**Chargees**"), or further Order of this Court.

58. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein;

(b) any application(s) for bankruptcy order(s) issued pursuant to *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

(a) the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the DIP Documents shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Term Sheet, the creation of the Charges or the execution, delivery or performance of the DIP Documents; and

(c) the payments made by the Applicant pursuant to this Order, the DIP Term Sheet or the DIP Documents and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

59. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

60. **THIS COURT ORDERS** that, notwithstanding anything else contained herein and pending further Order of the Court, the Property subject to the Charges herein shall not include the Segregated Funds.

SERVICE AND NOTICE

61. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Globe & Mail and the Sudbury Star a notice containing the information prescribed under the CCAA,

and (ii) within five days of the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than $1,000 (excluding any individual employees, former employees with pension and/or retirement savings or benefits plan entitlements, and retirees and other beneficiaries who have entitlements under any pension or retirement savings plan), and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available, unless otherwise ordered by the Court.

62. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure*, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: www.ey.com/ca/Laurentian.

63. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

64. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the case website as part of the public materials in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

65. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

SERVICE AND NOTICE

66. **THIS COURT ORDERS** that, subject to paragraph 67, all motions in this proceeding are to be brought on not less than seven (7) calendar days' notice to all persons on the Service List. Each Notice of Motion shall specify a date (the "**Return Date**") and time for the hearing.

67. **THIS COURT ORDERS** that motions for relief on an urgent basis need not comply with the notice protocol described herein.

68. **THIS COURT ORDERS** that any interested Person wishing to object to the relief sought in a motion must serve responding motion material or, if they do not intend to file material, a notice in all cases stating the objection to the motion and the grounds for such objection in writing (the "**Responding Material**") to the moving party, the Applicant and the Monitor, with a copy to all Persons on the Service List, no later than 5:00 p.m. on the date that is four (4) calendar days prior to the Return Date (the "**Objection Deadline**").

69. **THIS COURT ORDERS** that, if no Responding Materials are served by the Objection Deadline, the judge having carriage of the motion (the "**Presiding Judge**") may determine:

(a) whether a hearing is necessary;

(b) whether such hearing will be in person, by telephone, by video conference, or by written submissions only; and

(c) the parties from whom submissions are required

(collectively, the "**Hearing Details**"). In the absence of any such determination, a hearing will be held in the ordinary course.

70. **THIS COURT ORDERS** that, if no Responding Materials are served by the Objection Deadline, the Monitor shall communicate with the Presiding Judge regarding whether a determination has been made by the Presiding Judge concerning the Hearing Details. The Monitor shall thereafter advise the Service List of the Hearing Details and the Monitor shall report upon its dissemination of the Hearing Details to the Court in a timely manner, which may be contained in the Monitor's next report in the proceeding.

71. **THIS COURT ORDERS** that if any party objects to the motion proceeding on the Return Date or believes that the Objection Deadline does not provide sufficient time to respond to the motion, such objecting party shall, promptly upon receipt of the Notice of Motion and in any event prior to the Objection Deadline, contact the moving party and the Monitor (together with the objecting party and any other party who has served Responding Materials, the "**Interested Parties**") to advise of such objection and the reasons therefor. If the Interested Parties are unable to resolve the objection to the timing and schedule for the motion following good faith consultations, the Interested Parties may seek a scheduling appointment before the Presiding Judge to be held prior to the Return Date or on such other date as may be mutually agreed by the Interested Parties or as directed by the Presiding Judge to establish a schedule for the motion. At the scheduling appointment, the Presiding Judge may provide directions including a schedule for the delivery of any further materials and the hearing of the contested motion, and may address such other matters, including interim relief, as the Court may see fit. Notwithstanding the foregoing, the Presiding Judge may require the Interested Parties to proceed with the contested motion on the Return Date or on any other date as may be directed by the Presiding Judge or as may be mutually agreed by the Interested Parties, if otherwise satisfactory to the Presiding Judge.

SEALING PROVISION

72. **THIS COURT ORDERS** that Confidential Exhibits "**EEE**" and "**FFF**" of the Haché Initial Affidavit, are hereby sealed pending further order of the Court, and shall not form part of the public record.

GENERAL

73. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

74. **THIS COURT ORDERS** that upon the registration in the Land Titles Division of the Real Property of the DIP Lender's Charge in the form prescribed in the *Land Titles Act* or the *Registration Reform Act*, or both, as applicable, the Land Registrar is hereby directed to register the DIP Lender's Charge on title of the Real Property.

75. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

76. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or outside of Canada to give effect to this Order and to assist the Applicant, 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

77. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

78. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

79. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time on the date of this Order, and is enforceable without any need for entry and filing.

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Schedule "A"
Real Property

PIN	Legal Description
73584-0678	LT 63-67 PL 4SB MCKIM; LT 158-159 PL 25SA MCKIM; PT LT 160 PL 25SA MCKIM; PT LT 68-69 PL 4SB MCKIM; PT NELSON ST, DAVID ST PL 4SB MCKIM (CLOSED BY S70); PT S1/2 LT 5 CON 3 MCKIM AS IN S61148; S/T INTEREST IN S61148; S/T EXECUTION 00-00878, IF ENFORCEABLE; GREATER SUDBURY
73584-0804	LT 232-234 PL 6S MCKIM; PT LT 229-231 PL 6S MCKIM AS IN S53645 EXCEPT PART 1 53R6379; GREATER SUDBURY
73585-1052	PT N1/2 LT 5 CON 3 MCKIM; PT LT 6 CON 3 MCKIM PT 1, 2, 3, 4 & 5 53R16518; GREATER SUDBURY; SUBJECT TO AN EASEMENT IN GROSS OVER PT 2 53R19698 AS IN SD225472; SUBJECT TO AN EASEMENT IN GROSS OVER PT 3 53R19698 AS IN SD225678; SUBJECT TO AN EASEMENT IN GROSS OVER PT 3, 53R19698 AS IN SD239534
73585-1167	PT LT 6, CON 3 MCKIN, PTS 1, 2, AND 3 ON PLAN 53R-19698; SUBJECT TO AN EASEMENT IN GROSS OVER PT 2, 53R19698 AS IN SD225472; SUBJECT TO AN EASEMENT IN GROSS OVER PT 3, 53R19698 AS IN SD225678; SUBJECT TO AN EASEMENT IN GROSS OVER PT 3, 53R19698 AS IN SD229534; CITY OF GREATER SUDBURY
73592-0084	PCL 46194 SEC SES SRO; PT LT 2 CON 2 MCKIM PT 2 53R7594; GREATER SUDBURY
73592-0217	PCL 30769 SEC SES; PT LT 2 CON 2 MCKIM AS IN LT212290 (THIRDLY) EXCEPT PT 3 53R7594; PT LT 3 CON 2 MCKIM AS IN LT212290 (FIRSTLY) EXCEPT PT 1, 53R16920; LT 1 EXPROP PL M785 & UNIT 8 EXPROP PL D49; EXCEPT PT 13, 14 53R9175, UNITS 1-7, 9 EXPROP PL D49, PT 1-16 53R5371; PT BROKEN LT 4 CON 2 MCKIM AS IN LT220905 (FIRSTLY) EXCEPT UNITS 1, 2, 3, 13 EXPROP PL D48; S/T LT233153, LT32862, LT622331, LT748126, LT842126; GREATER SUDBURY
73592-0412	PCL 53884 SEC SES; 1STLY: PT LT 3 CON 2 MCKIM PT 1, 53R16920: 2NDLY: PT LT 3 CON 2 MCKIM PT 5, 8, 11 & 12 53R5371; GREATER SUDBURY; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2,4,5,6,8,10,11,12 & 13 53R17763 AS IN SD246793
73592-0414	PCL 53880 SEC SES; PT LT 3 CON 2 MCKIM PT 7, 53R5371; GREATER SUDBURY
73592-0427	PCL 30769 SEC SES; PT LT 3 CON 2 MCKIM LT 1 EXPROP PL M785; S/T LT622331; GREATER SUDBURY; SUBJECT TO AN EASEMENT IN GROSS OVER PT 1 53R19195 AS IN SD246792
73593-0063	PCL 21810 SEC SES; FIRSTLY: PT LT 2 CON 1 MCKIM; SECONDLY: PT LT 2 CON 2 MCKIM AS IN LT130739; GREATER SUDBURY

73593-0276	PCL 30769 SEC SES; PT LT 3 CON 1 MCKIM; PT LT 4 CON 1 MCKIM; PT LT 2 CON 1 MCKIM AS IN LT212290 (SECONDLY, FIFTHLY), LT220905 (SECONDLY, THIRDLY), LT 1 EXPROP PL M764, EXCEPT PT 1 SR754, PT 1 53R4053, PT 1-6 & 8 53R6915, PT 1 53R7807, PT 1, 2 53R8716, PT 1, 2 53R9178,; PT LT 3 CON 1 MCKIM SRO AS IN LT 212290 (FOURTHLY); PT LT 3 CON 1 MCKIM COMMENCING AT THE NORTHWEST ANGLE OF THE SAID LT; THENCE SOUTH ALONG THE WEST LIMIT THEREOF TWENTY CHAINS; THENCE EAST PARALLEL TO THE NORTH LIMIT OF THE LOT 5 CHAINS; THENCE NORTH PARALLEL TO THE WEST LIMIT TWENTY CHAINS MORE OR LESS TO A POINT ON THE NORTH LIMIT OF THE LOT; THENCE WEST ALONG SAID LIMIT FIVE CHAINS MORE OR LESS TO THE POINT OF COMMENCEMENT; PT LT 5 PL M92 MCKIM PT 2, 53R7807; S/T LT119418, LT233153, LT25019, LT436834, LT748126, LT842126; GREATER SUDBURY
73593-0406	PCL 34100 SEC SES AS IN LT264521; PT BROKEN LT 1 CON 1 MCKIM LOCATION 145, PT 1 SR1028; GREATER SUDBURY
73593-0444	PCL 30769 SEC SES; LT 3 CON 2 MCKIM S OF UNIT 1, 2, 3, 4, 5 & 6 EXPROPPL D49 & SW OF PT 2, 3, 7, 9 & 14, 53R5371 EXCEPT PT 1 SR754; N 1/2 LT 2 CON 1 MCKIM EXCEPT LT130739; PT LT 2 CON 2 MCKIM AS IN EP6694 EXCEPT LT130739, PT 3 53R7594; SRO E 1/2 LT 3 CON 1 MCKIM EXCEPT PT 1-6, 8 53R6915; PT LT 3 CON 1 MCKIM AS IN LT211094, EP4842, LT 1 EXPROP PL M764 EXCEPT PT 1 SR754; PT BROKEN LT 4 CON 2 MCKIM AS IN LT220905 (FIRSTLY) EXCEPT UNITS 1-3, 13 EXPROP PL D48; PT LT 4 CON 1 MCKIM AS IN LT2 20905 (SECONDLY) & PT 2 SR754 EXCEPT PT 1 53R4053, PT 1 53R7807, PT 1 & 2 53R8716 & PT 1 & 2 53R9178; PT LT 5 PL M92 PT 2 53R7807; S/T LT119418, LT32862, LT233153 (PARTIALLY RELEASED AS IN SD371949), LT436834, LT25019, LT748126, LT842126;; SUBJECT TO AN EASEMENT IN GROSS OVER PT LT 4 CON 2, PT 1 53R7680 AS IN SD261440; SUBJECT TO AN EASEMENT IN GROSS OVER PART LOT 3 CONCESSION 3 MCKIM,PART 1 PLAN 53R20567 AS IN SD317507; SUBJECT TO AN EASEMENT IN GROSS OVER PART LOTS 3 AND 4 CONCESSION 2 MCKIM PARTS 2 AND 3 PLAN 53R20797 AS IN SD353369; CITY OF GREATER SUDBURY
73593-0446	PCL 53880 SEC SES; PT LT 3 CON 2 MCKIM PT 7 53R5371; GREATER SUDBURY

73593-0465	PCL 30769 SEC SES; LT 3 CON 2 MCKIM S OF UNIT 1,2,3,4,5 & 6 EXPROP PL D49 & SW OF PT 2,3,7,9 & 14 53R5371; EXCEPT PT 1 SR754 & PARTS 1,2,3 53R20763; N 1/2 LT 2 CON 1 MCKIM; EXCEPT LT130739; PT LT 2 CON 2 MCKIM AS IN EP6694; EXCEPT LT130739, PT 3 53R7594; SRO E 1/2 LT 3 CON 1 MCKIM; EXCEPT PT 1-6, 853R6915; PT LT 3 CON 1 MCKIM AS IN LT211094, EP4842, LT 1 EXPROP PL M764; EXCEPT PT 1 SR754; PT BROKEN LT 4 CON 2 MCKIM AS IN LT220905 (FIRSTLY); EXCEPT UNITS 1-3, 13 EXPROP PL D48; PT LT 4 CON 1 MCKIM AS IN LT2 20905 (SECONDLY) & PT 2 SR754; EXCEPT PT 1 53R4053, PT 1 53R7807, PT 1 & 2 53R8716 & PT 1 & 2 53R9178; PT LT 5 PL M92 PT 2 53R7807; S/T LT119418, LT32862, LT233153 (PARTIALLY RELEASED AS IN SD371949), LT436834, LT25019, LT748126, LT842126;; SUBJECT TO AN EASEMENT IN GROSS OVER PT 1 53R7680 AS IN SD261440; SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 53R20567 AS IN SD317507; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 2 & 3 53R20797 AS IN SD353369; CITY OF GREATER SUDBURY
	Lease between Her Majesty the Queen in Right of Ontario as Represented by the Minister of Government and Consumer Services and Laurentian University dated January 1, 2020

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **LAURENTIAN UNIVERSITY OF SUDBURY**

Court File No.: CV-21-_____-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

AMENDED AND RESTATED INITIAL ORDER

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Lawyers for the Applicant

Tab 7

~~Revised: January 21, 2014~~

Court File No. ~~——~~CV-21-~~_____~~-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE ~~——~~CHIEF	)	~~WEEKDAY~~MONDAY, THE #1ST
	)	
JUSTICE ~~——~~MORAWETZ	)	DAY OF ~~MONTH~~FEBRUARY, ~~20YR~~2021

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 ~~[APPLICANT'S NAME] (the "~~
LAURENTIAN UNIVERSITY OF SUDBURY

Applicant~~")~~

AMENDED AND RESTATED INITIAL ORDER

THIS ~~APPLICATION~~**MOTION**, made by the Applicant~~,~~ pursuant to the *Companies~~'~~' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the ~~"~~"**CCAA**~~"~~") for an order amending and restating the Initial Order (the "**Initial Order**") issued on February 1, 2021 (the "**Initial Filing Date**") and extending the stay of proceedings provided for therein was heard this day ~~at 330 University Avenue,~~by judicial videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the affidavit of ~~[NAME]~~Dr. Robert Haché sworn ~~[DATE]~~January 30, 2021 and the Exhibits thereto~~, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice,~~ (the "**Haché Initial Affidavit**"), the Pre-filing Report of Ernst & Young Inc. (the "**Monitor**") dated January 30, 2021, the First Report of the Monitor dated February [►], 2021 (the "**First Report**") and on hearing the submissions of counsel for ~~[NAMES]~~the Applicant, counsel for the Monitor, and those other parties listed on the Counsel Slip, no one else appearing ~~for [NAME]~~[1] although duly served as appears from the ~~affidavit~~Affidavit of ~~service~~Service of [~~NAME~~►] sworn ~~[DATE]~~February

[1] ~~Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

[►], 2021, and on reading the consent of [MONITOR'S NAME]Ernst & Young Inc. to act as the Monitor,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of ApplicationMotion and the ApplicationMotion Record is hereby abridged and validated[2] so that this ApplicationMotion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to them in the Haché Initial Affidavit.

NON-APPLICANT STAY PARTY

THIS COURT ORDERS that the Laurentian University Students General Association (the "**SGA**") shall be referred to herein as a "**Non-Applicant Stay Party**". Although not an applicant under the CCAA, the Non-Applicant Stay Party shall enjoy certain of the benefits and protections provided herein and be subject to the restrictions as expressly hereunder set out.

APPLICATION

3. 2. **THIS COURT ORDERS AND DECLARES** that the Applicant is insolvent and is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

4. 3. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

5. 4. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the ""**Property**"") . Subject to further Order of this Court, the Applicant shall continue to carry on business and deal with its assets, including the businesses and assets of the other entities, partnerships and joint ventures in which the

[2] If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.

Applicant has a direct or indirect interest, and is authorized to continue to provide services to such parties in respect of which it is currently providing services, in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. ~~5. [~~**THIS COURT ORDERS** that the Applicant shall be entitled to continue to ~~utilize~~use the ~~central~~ cash management system[3] currently in place, as described in the Haché Initial Affidavit ~~of [NAME] sworn [DATE] or replace it with another substantially similar central cash management system (~~, which for greater certainty includes any segregated bank accounts now existing (together with any segregated bank accounts established pursuant to paragraph 7, the "**Cash Management System**"), and that any present or future bank or institution providing the Cash Management System to the Applicant shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, except to the extent that such terms are expressly modified by this Order or with the consent of the Applicant, the Monitor and any applicable bank or financial institution providing a Cash Management System, and shall be, solely in its capacity as provider of the Cash Management System only, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System on or after the Initial Filing Date.~~]~~

7. **THIS COURT ORDERS** that (a) any segregated bank accounts established by the Applicant from and after December 1, 2020, to hold funds received by it on the condition that such funds be used for a specific purpose in respect of a particular aspect of the Applicant's

[3] ~~This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross-border and inter-company transfers of cash.~~

Business, including without limitation, funds provided to the Applicant for the purpose of research projects (including grants, awards or other similar funds), funds received in respect of restricted donations or endowments, and employee and employer contributions to benefit plans (collectively, the "**Segregated Funds**") shall be used for such specific purpose, and (b) from and after the date of this Order, the Applicant may establish additional segregated bank accounts, including trust accounts if necessary, to hold any additional Segregated Funds that are received by the Applicant under such agreed upon arrangements, and the Segregated Funds shall not form part of the Applicant's Property.

8. ~~6.~~ **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order, in all cases subject to the availability of financing under the DIP Term Sheet (as defined below):

(a) all outstanding and future wages, salaries, employee and retiree benefits (including, without limitation, employee medical, dental, vision, insurance and similar benefit plans or arrangements), amounts owing under corporate credit cards issued to management and employees of the Applicant, ordinary course pension benefits or contributions, vacation pay ~~and~~, expenses and any director fees and expenses, payable on or after the date of this Order, in each case for costs incurred in the ordinary course of business and consistent with existing practices, compensation policies and arrangements for current and future employees (but not including any payments to former employees or retirees in respect of the SuRP and the RHBP, as such terms are defined in the Haché Initial Affidavit, or termination or severance payments, which are hereby stayed), and all other payroll processing and servicing expenses;

(b) all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts owing in respect of rebates, refunds or other similar amounts that are owing or may be owed to students or student associations of the Applicant, whether such amounts are as a result of the reimbursement of tuition fees, ancillary fees or otherwise, provided that such rebates, refunds or other similar amounts are subject to the existing policies and procedures of the Applicant;

(c) all outstanding amounts owing in respect of the current 2020-21 academic year and future amounts payable to students in respect of student scholarship, bursary or grants; and

(d) ~~(b)~~ the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

9. ~~7.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after ~~this Order~~the Initial Filing Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business (including the value thereof) including, without limitation, payments on account of insurance (including directors and officers' insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicant following the date of this Order or payments to obtain the release of goods or delivery of services contracted for prior to the date of this Order,

provided that, to the extent such expenses were incurred prior to the date Initial Filing Date, the Applicant shall only be entitled to pay such amounts if they are determined by the Applicant, in consultation with the Monitor, to be necessary to the continued operation of the Business or preservation of the Property and such payments are approved in advance by the Monitor.

10. ~~8.~~ **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

(a) until further order of this Court, all outstanding and future normal course contributions to or payments in respect of the Pension Plan, as defined in the Haché Initial Affidavit, in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) ~~(a)~~ any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees'' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii~~) Quebec Pension Plan, and (iv~~) income taxes;

(c) ~~(b)~~ all goods and services or other applicable sales taxes (collectively, ""**Sales Taxes**"") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(d) ~~(c)~~ any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

11. ~~9.~~ **THIS COURT ORDERS** that until a real property lease is disclaimed ~~[~~or resiliated~~]~~[4] in accordance with the CCAA, the Applicant shall pay, without duplication, all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease, but for greater certainty, excluding accelerated rent or penalties, fees or other charges arising as a result of the insolvency of the Applicant or the making of this Order) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

[4] ~~The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

12. ~~10.~~ **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of the date of this ~~date~~Order (including for greater certainty in respect of the interest rate swap transactions); (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

PENSION PLAN

13. **THIS COURT ORDERS** that the obligation of the Applicant to make special payments (whether pursuant to the Ontario *Pension Benefits Act*, RSO 1990, c. P-8 and regulations made thereunder or to the terms of the Pension Plan, as such term is defined in the Haché Initial Affidavit) in respect of the defined benefit component of the Pension Plan (such payments being the "**Special Payments**"), shall be suspended effective on and after February 1, 2021 for the duration of this CCAA proceeding, subject to further Order of this Court. For greater certainty, the suspension of Special Payments hereunder does not constitute a disclaimer or termination by the Applicant of any component of the Pension Plan.

14. **THIS COURT ORDERS** that for the duration of this proceeding, no Person (as hereinafter defined), including employees and former employees of the Applicant (or the surviving spouse of any such person) entitled to a benefit under the defined benefit component of the Pension Plan (whether or not such member was represented by a union when the member was employed by the Applicant) or the Superintendent of Financial Services, shall commence any action or other proceeding in connection with the suspension of the Special Payments or because the Applicant has not made the Special Payments.

15. **THIS COURT ORDERS** that the Applicant and each of its respective directors, officers, officials, and agents shall not incur any obligation or liability, whether by way of debt, damages for breach of any duty whether statutory, fiduciary, common law or otherwise, or for breach of trust, nor shall any trust be imposed, whether express, implied, constructive, resulting, deemed or otherwise, as a result of the suspension of the Special Payments in accordance with the terms of this Order.

16. **THIS COURT ORDERS** that if any claim, lien, charge or trust, including deemed trust, arises as a result of the suspension of the Special Payments, no such claim, lien charge or trust, including deemed trust, shall have priority over the Charges (as hereinafter defined) in this proceeding, or in any subsequent receivership, interim receivership or bankruptcy of the Applicant.

RESTRUCTURING

17. ~~11.~~ **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA ~~and such covenants as may be contained in the Definitive Documents (as hereinafter defined)~~, have the right to:

(a) permanently or temporarily cease, downsize or shut down any of its ~~business~~Business or operations, ~~[~~and to dispose of redundant or non-material assets not exceeding $~~●~~50,000 in any one transaction or $~~●~~250,000 in the aggregate~~]~~[5]. Notwithstanding the foregoing, the Applicant shall not cease, downsize or shut down any parts of its Business if such action would cause any current students of the Applicant to be unable to continue and complete courses that they are already enrolled in, subject to further Order of the Court;

(b) ~~[~~terminate the employment of such of its employees or temporarily lay off such of its employees as ~~it deems~~they deem appropriate~~]~~; ~~and~~

(c) vacate, abandon or quit any leased premises and disclaim or resiliate any real property lease and any ancillary agreements relating to any leased premises, subject to paragraphs 11 and 18 of this Order;

(d) disclaim arrangements or agreements of any nature whatsoever with whomever, whether oral or written, as the Applicant deems appropriate, with the Monitor's consent or pursuant to further Order of the Court, in accordance with Section 32 of the CCAA;

~~[5] Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

(e) ~~(c)~~ pursue all avenues of refinancing of ~~its~~the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing~~,~~; and

(f) pursue all avenues and to engage in discussions with key stakeholders of the Applicant in an effort to give effect to an operational restructuring of the Applicant;

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of ~~the Business~~its business (the ~~"~~"**Restructuring**~~"~~").

18. ~~12.~~ **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days~~'~~ prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days~~'~~ notice to ~~such landlord and any such secured creditors. If the Applicant disclaims **[or resiliates]** the lease governing~~ such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer ~~**[or resiliation]**~~ of the lease shall be without prejudice to the Applicant~~'~~'s claim to the fixtures in dispute.

19. ~~13.~~ **THIS COURT ORDERS** that if a notice of disclaimer ~~**[or resiliation]**~~ is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer ~~**[or resiliation]**~~, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours~~'~~' prior written notice, and (b) at the effective time of the disclaimer ~~**[or resiliation]**~~, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of

such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

20. ~~14.~~ **THIS COURT ORDERS** that until and including ~~[DATE MAX.~~April 30~~ DAYS]~~, 2021, or such later date as this Court may subsequently order (the ~~"~~"**Stay Period**~~"~~"), no proceeding or enforcement process in or out of any court or tribunal or other forum, whether arising by contract (including pursuant to any collective agreement) or otherwise (each, a ~~"~~"**Proceeding**~~"~~") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

21. ~~15.~~ **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being ~~"~~"**Persons**~~"~~" and each being a ~~"~~"**Person**~~"~~") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended, including any existing, pending or future information requests made to the Applicant under the *Freedom of Information and Protection of Privacy Act*, except with the written consent of the Applicant and the Monitor, or leave of this Court, including, without limitation, by way of terminating, making any demand, accelerating, amended or declaring in default, sweeping any cash in the Applicant's bank accounts (if available), exercising any option, right or remedy or taking any enforcement steps under or in respect of any agreement or agreements with respect to which the Applicant is a party, borrower, principal obligor or guarantor, by reason of:

(a) the Applicant being insolvent or having made an application to this Court under the CCAA;

(b) the Applicant being a party to this proceeding or taking any steps related thereto; or

(c) any default or cross-default arising from the matters set out in the foregoing subparagraphs,

provided that nothing in this Order shall ~~(i)~~ ;

(a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on~~, (ii)~~ ;

(b) exempt the Applicant from compliance with any statutory or regulatory provisions relating to health, safety or the environment;

(c) affect such investigations, actions, suits or proceedings by a regulatory body as are specifically permitted by Section 11.1 of the CCAA~~, (iii)~~ ;

(d) prevent the filing of any registration to preserve or perfect a security interest~~, or (iv)~~ ;

(e) prevent the registration of a claim for lien; or

(f) prevent any actions that are permitted by Section 34(8) of the CCAA.

LIMITED STAY IN RESPECT OF THE NON-APPLICANT STAY PARTY

22. **THIS COURT ORDERS** that during the Stay Period, no Person shall (a) commence or continue any Proceeding or enforcement process, (b) terminate, repudiate, make any demand, accelerate, alter, amend, declare in default, exercise any options, rights or remedies, or (c) discontinue, fail to honour, alter, interfere with or cease to perform any obligation, pursuant to or in respect of any agreement, lease, sublease, license or permit with respect to which the Non-Applicant Stay Party is a party, borrower, principal obligor or guarantor, by reason of:

(a) the Applicant being insolvent or having made an application to this Court under the CCAA;

(b) the Applicant being a party to this proceeding or taking any steps related thereto; or

(c) the stay granted pursuant to this paragraph 22; and

(d) any default or cross-default arising from the matters set out in the foregoing subparagraphs,

except with the written consent of the Applicant and the Monitor, or with leave of this Court.

NO INTERFERENCE WITH RIGHTS

23. ~~16.~~ **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant or the Non-Applicant Stay Party or take any steps to interrupt or interfere with the operation of the Business or the continued use of the Property of the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

24. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, ~~payroll services,~~ insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and ~~each of~~ the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

25. ~~18.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or

re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.[6]

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

26. ~~19.~~ **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the ~~former,~~ current or future directors or officers of the Applicant, including the members of the Board of Governors of the Applicant (the "**Board**") with respect to any claim against the directors ~~or~~, officers or the Board that arose before the date ~~hereof~~of this Order and that relates to any obligations of the Applicant whereby the directors ~~or~~, officers or the Board are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

27. ~~20.~~ **THIS COURT ORDERS** that the Applicant shall indemnify its directors ~~and~~, officers and the Board against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings,[7] except to the extent that, with respect to any officer ~~or~~, director or member of the Board, the obligation or liability was incurred as a result of the director~~'~~'s or officer~~'~~'s gross negligence or wilful misconduct.

28. ~~21.~~ **THIS COURT ORDERS** that the directors ~~and~~, officers and Board of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the ~~"~~"**Directors' Charge**~~"~~")[8] on the Property, which charge shall not exceed an aggregate amount of $~~●~~5,000,000, as security for the indemnity provided in paragraph ~~[20]~~27 of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~[38]~~54 and ~~[40]~~56 herein.

[6] ~~This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

[7] ~~The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

[8] ~~Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

29. ~~22.~~ **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors~~'~~' Charge, and (b) the Applicant~~'~~'s directors ~~and~~, officers and the Board shall only be entitled to the benefit of the Directors~~'~~' Charge to the extent that they do not have coverage under any ~~directors' and officers'~~applicable insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~[20]~~27 of this Order.

APPOINTMENT OF MONITOR

30. ~~23.~~ **THIS COURT ORDERS** that ~~[MONITOR'S NAME]~~Ernst & Young Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its ~~shareholders,~~ officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor~~'~~'s functions.

31. ~~24.~~ **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicant~~'~~'s receipts and disbursements;

(b) liaise with and assist the Applicant and the Assistants with respect to all matters relating to the Applicant's Business, the Applicant's Property and the Restructuring, and such other matters as may be relevant to the proceedings herein;

(c) ~~(b)~~ report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business~~,~~ and such other matters as may be relevant to the proceedings herein;

(d) advise the Applicant in the preparation of the Applicant's cash flow statements and any other reporting to the Court or otherwise;

(e) be at liberty to participate in discussions with representatives of the Ministry of Colleges and Universities ("**MCU**") and such other representatives of Provincial or Federal government agencies, at any time on all aspects of this proceeding and the Applicant's restructuring, subject to such terms of confidentiality as may be appropriate in the Monitor's assessment and in consultation with the Applicant;

(f) ~~(c)~~ assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender (as defined below) and its counsel on a ~~[TIME INTERVAL]~~weekly basis of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with ~~the DIP Lender;~~

(g) ~~(d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by~~ the DIP Lender;

(h) ~~(e)~~ advise the Applicant in its development of the Plan and any amendments to the Plan;

(i) ~~(f)~~ assist the Applicant, to the extent required by the Applicant, with the holding and administering of a creditors' ~~or shareholders' meetings~~meeting for voting on the Plan;

(j) ~~(g)~~ have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, ~~to the extent that is necessary~~wherever situate, in order to ~~adequately~~ assess the Applicant~~'~~'s business and financial affairs or to perform its duties arising under this Order;

(k) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(l) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

32. ~~25.~~ **THIS COURT ORDERS** that the Monitor shall not take possession of the Property of the Applicant, or any property of the Non-Applicant Stay Party, and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

33. ~~26.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, ~~"~~"**Possession**~~"~~") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the ~~"~~"**Environmental Legislation**~~"~~"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor~~'~~'s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental ~~Legislation~~legislation, unless it is actually in possession.

34. ~~27.~~ **THIS COURT ORDERS** that ~~that~~ the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

35. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order or the Initial Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order or the Initial Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

36. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and ~~counsel to~~ the Applicant's counsel and advisors in connection with the CCAA proceedings (collectively, the "Restructuring Advisors") together with independent counsel to the Board ("**Board Counsel**") shall each be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or subsequent to the date of this Order, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the ~~Monitor, counsel for the Monitor and counsel for the Applicant on a [TIME INTERVAL] basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the~~Restructuring Advisors and Board Counsel. Notwithstanding the foregoing, the fees and disbursement of Board Counsel paid by the Applicant from and after the date of this Order shall not exceed the aggregate amount~~[s]~~ of $~~●~~ [250,000, ~~respectively,] to be held by them as security for payment of their respective fees and disbursements outstanding from time to time~~plus HST, pending further Order of the Court.

37. ~~30.~~ **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

38. ~~31.~~ **THIS COURT ORDERS** that the ~~Monitor, counsel to the Monitor, if any, and the Applicant's counsel~~Restructuring Advisors shall be entitled to the benefit of and are hereby granted a charge (the ~~"~~"**Administration Charge**~~"~~") on the Property, which charge shall not exceed an aggregate amount of $~~●~~1,250,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the ~~Monitor and such counsel~~Restructuring Advisors, both before and after the making of this Order in respect of these

proceedings. The Administration Charge shall have the priority set out in paragraphs ~~[38]~~54 and ~~[40]~~56 hereof.

COURT-APPOINTED MEDIATOR

39. **THIS COURT ORDERS** that [►] is hereby appointed, as an officer of the Court and to act as a neutral third party (the "**Court-Appointed Mediator**") to assist the Applicant and the relevant stakeholders with a mediation of:

(a) the review and restructuring of the academic programs of the Applicant;

(b) the collective agreement between the Applicant and the Laurentian University Faculty Association;

(c) the framework for the Applicant's restructuring and future operations; and

(d) any other matters that are referred to the Court-Appointed Mediator by the Applicant, the Monitor or this Court

(together, the "**Mediation Objectives**").

40. **THIS COURT ORDERS** that in carrying out his/her mandate, the Court-Appointed Mediator may, among other things:

(a) adopt processes, procedures and timelines which, in his/her discretion, he/she considers appropriate to facilitate an effective and efficient negotiation of the Mediation Objectives (the "**Mediation Process**"); and

(b) consult with an appointed representative of the parties affected by the Mediation Objectives, the Monitor, the Applicant, and such other creditors and stakeholders of the Applicant and any other persons the Court-Appointed Mediator considers appropriate.

41. **THIS COURT ORDERS** that, subject to an agreement between the Applicant and the Court-Appointed Mediator, all reasonable fees and disbursements of the Court-Appointed Mediator as may have been incurred prior to the date of this Order or which shall be incurred by

them in relation to carrying out his mandate shall be paid by the Applicant on a monthly basis, forthwith upon the rendering of accounts to the Applicant.

42. **THIS COURT ORDERS** that the Court-Appointed Mediator is authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including as it relates to any Court, regulatory body or other government ministry, department or agency, and to take all such steps as are necessary or incidental thereto.

43. **THIS COURT ORDERS** that, in addition to the rights and protections afforded as an officer of this Court, the Court-Appointed Mediator shall incur no liability or obligation as a result of his/her appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on his/her part. Nothing in this Order shall derogate from the protections afforded to a person pursuant to Section 142 of the *Courts of Justice Act* (Ontario).

44. **THIS COURT ORDERS** that the Court and the Court-Appointed Mediator may communicate between one another directly to discuss, on an ongoing basis, the conduct of the Mediation Process and the manner in which it will be coordinated with the CCAA proceedings, including but not limited to individual matters referred specifically by the Court to the Court-Appointed Mediator for resolution.

45. **THIS COURT ORDERS** that the Court will not disclose to the Court-Appointed Mediator how the Court will decide any matter which may come before the Court for determination and the Court-Appointed Mediator will not disclose to the Court the negotiating positions or confidential information of any of the parties in the Mediation Process.

46. **THIS COURT ORDERS** that all statements, discussions, offers made and documents produced by any of the parties in the course of the Mediation Process shall not be subject to disclosure through discovery or any other process; shall be confidential; shall not be referred to in Court and shall not be admissible into evidence for any purpose, including impeaching credibility or to establish the meaning and/or validity of any settlement or alleged settlement arising from the Mediation Process.

47. **THIS COURT ORDERS** that any notes, records, statements made, discussions had and recollections of the Court-Appointed Mediator in conducting the Mediation Process shall be

confidential and without prejudice and protected from disclosure for all purposes in accordance with paragraph 46 hereof.

DIP FINANCING

48. ~~32.~~ **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from ~~[DIP LENDER'S NAME]~~Firm Capital Mortgage Fund Inc., or its assignee (the ~~"~~"**DIP Lender**~~"~~") in order to finance the Applicant~~'~~'s working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed $~~●~~25,000,000, unless permitted by further Order of this Court.

49. ~~33.~~ **THIS COURT ORDERS** ~~THAT~~that such credit facility shall be on the terms and subject to the conditions set forth in the ~~commitment letter~~term sheet between the Applicant and the DIP Lender dated as of ~~[DATE]~~January 29, 2021 (the ~~"Commitment Letter"), filed~~"**DIP Term Sheet**") attached as Exhibit "HHH" to the Hache Initial Affidavit, subject to such minor amendments as may be acceptable to the Applicant and the DIP Lender and approved by the Monitor.

50. ~~34.~~ **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents~~, guarantees~~ and other definitive documents (collectively, the ~~"Definitive~~"**DIP Documents**~~"~~"), as are contemplated by the ~~Commitment Letter~~DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms ~~thereof~~of the DIP Term Sheet, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, ~~fees,~~ liabilities and obligations to the DIP Lender under and pursuant to the ~~Commitment Letter~~DIP Term Sheet and the ~~Definitive~~DIP Documents, as and when the same become due, and are to be performed, notwithstanding any other provision of this Order.

51. ~~35.~~ **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the ~~"~~"**DIP Lender's Charge**~~"~~") on the Property, ~~which~~including without limitation, the real property set out in Schedule "A", and the DIP Lender~~'~~'s Charge shall not secure ~~an~~any obligation that exists between the Applicant and the DIP Lender before this

Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs ~~[38]~~54 and ~~[40]~~56 hereof.

52. ~~36.~~ **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the ~~Definitive~~DIP Documents;

(b) upon the occurrence of an event of default under the ~~Definitive~~DIP Documents or the DIP Lender's Charge or upon the Maturity Date (as defined in the DIP Term Sheet), the DIP Lender, upon ~~●~~14 days' written notice to the Applicant and the Monitor, may exercise, with prior approval of this Court, any and all of its rights and remedies against the Applicant or the Property under or pursuant to the ~~Commitment Letter, Definitive~~DIP Term Sheet, the DIP Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant ~~and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge~~, to make, demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and

(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

53. ~~37.~~ **THIS COURT ORDERS AND DECLARES** that, unless otherwise agreed by the DIP Lender, the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any ~~proposal filed~~other or similar proceeding that may be commenced by the Applicant ~~under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"),~~ with respect to any advances made under the ~~Definitive~~DIP Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

54. ~~38.~~ **THIS COURT ORDERS** that the priorities of the ~~Directors' Charge, the~~ Administration Charge ~~and~~, the ~~DIP Lender~~Directors'~~s~~ Charge~~,~~ and the DIP Lender's Charge (collectively, the "**Charges**" and each individually, a "**Charge**") as among them, shall be as follows[9]:

First – Administration Charge (to the maximum amount of $●1,250,000);

Second – ~~DIP Lender's~~Directors' Charge (to the maximum amount of $2,000,000); ~~and~~

~~Third~~

Third – DIP Lender's Charge (to the maximum amount of $25,000,000); and

Fourth – Directors' Charge (to the maximum amount of $●3,000,000).

55. ~~39.~~ **THIS COURT ORDERS** that the filing, registration or perfection of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge (collectively, the "~~Charges~~")~~ shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

56. ~~40.~~ **THIS COURT ORDERS** that each of the ~~Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein)~~Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, construction liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, ~~"~~"**Encumbrances**~~"~~") in favour of any Person.

57. ~~41.~~ **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any

~~[9] The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge~~Charges, unless the Applicant also obtains the prior written consent of the Monitor~~, the DIP Lender~~ and the beneficiaries of the ~~Directors' Charge and the Administration Charge~~Charges affected thereby (collectively, the "**Chargees**"), or further Order of this Court.

58. ~~42.~~ **THIS COURT ORDERS** that the ~~Directors' Charge, the Administration Charge, the Commitment Letter, the Definitive Documents and the DIP Lender's Charge~~Charges shall not be rendered invalid or unenforceable and the rights and remedies of the ~~chargees entitled to the benefit of the Charges (collectively, the "~~Chargees~~") and/or the DIP Lender thereunder~~ shall not ~~otherwise~~ be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

(a) ~~neither~~ the creation of the Charges nor the execution, delivery, perfection, registration or performance of the ~~Commitment Letter~~DIP Term Sheet or the ~~Definitive~~DIP Documents shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the ~~Commitment Letter~~DIP Term Sheet, the creation of the Charges~~,~~ or the execution, delivery or performance of the ~~Definitive~~DIP Documents; and

(c) the payments made by the Applicant pursuant to this Order, the ~~Commitment Letter~~DIP Term Sheet or the ~~Definitive~~DIP Documents~~,~~ and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers

at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

59. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant~~!~~'s interest in such real property leases.

60. **THIS COURT ORDERS** that, notwithstanding anything else contained herein and pending further Order of the Court, the Property subject to the Charges herein shall not include the Segregated Funds.

SERVICE AND NOTICE

61. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in ~~[newspapers specified by~~the Globe & Mail and the ~~Court]~~Sudbury Star a notice containing the information prescribed under the CCAA, and (ii) within five days ~~after~~of the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than $~~1000~~1,000 (excluding any individual employees, former employees with pension and/or retirement savings or benefits plan entitlements, and retirees and other beneficiaries who have entitlements under any pension or retirement savings plan), and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available, unless otherwise ordered by the Court.

62. ~~45.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at ~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure*, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*.

Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: ~~'<@>'~~www.ey.com/ca/Laurentian.

63. ~~46.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant~~!~~'s creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

64. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the case website as part of the public materials in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

65. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

SERVICE AND NOTICE

66. **THIS COURT ORDERS** that, subject to paragraph 67, all motions in this proceeding are to be brought on not less than seven (7) calendar days' notice to all persons on the Service List. Each Notice of Motion shall specify a date (the "**Return Date**") and time for the hearing.

67. **THIS COURT ORDERS** that motions for relief on an urgent basis need not comply with the notice protocol described herein.

68. **THIS COURT ORDERS** that any interested Person wishing to object to the relief sought in a motion must serve responding motion material or, if they do not intend to file material, a notice in all cases stating the objection to the motion and the grounds for such objection in writing (the "**Responding Material**") to the moving party, the Applicant and the Monitor, with a copy to all Persons on the Service List, no later than 5:00 p.m. on the date that is four (4) calendar days prior to the Return Date (the "**Objection Deadline**").

69. **THIS COURT ORDERS** that, if no Responding Materials are served by the Objection Deadline, the judge having carriage of the motion (the "**Presiding Judge**") may determine:

(a) whether a hearing is necessary;

(b) whether such hearing will be in person, by telephone, by video conference, or by written submissions only; and

(c) the parties from whom submissions are required

(collectively, the "**Hearing Details**"). In the absence of any such determination, a hearing will be held in the ordinary course.

70. **THIS COURT ORDERS** that, if no Responding Materials are served by the Objection Deadline, the Monitor shall communicate with the Presiding Judge regarding whether a determination has been made by the Presiding Judge concerning the Hearing Details. The Monitor shall thereafter advise the Service List of the Hearing Details and the Monitor shall report upon its dissemination of the Hearing Details to the Court in a timely manner, which may be contained in the Monitor's next report in the proceeding.

71. **THIS COURT ORDERS** that if any party objects to the motion proceeding on the Return Date or believes that the Objection Deadline does not provide sufficient time to respond

to the motion, such objecting party shall, promptly upon receipt of the Notice of Motion and in any event prior to the Objection Deadline, contact the moving party and the Monitor (together with the objecting party and any other party who has served Responding Materials, the "**Interested Parties**") to advise of such objection and the reasons therefor. If the Interested Parties are unable to resolve the objection to the timing and schedule for the motion following good faith consultations, the Interested Parties may seek a scheduling appointment before the Presiding Judge to be held prior to the Return Date or on such other date as may be mutually agreed by the Interested Parties or as directed by the Presiding Judge to establish a schedule for the motion. At the scheduling appointment, the Presiding Judge may provide directions including a schedule for the delivery of any further materials and the hearing of the contested motion, and may address such other matters, including interim relief, as the Court may see fit. Notwithstanding the foregoing, the Presiding Judge may require the Interested Parties to proceed with the contested motion on the Return Date or on any other date as may be directed by the Presiding Judge or as may be mutually agreed by the Interested Parties, if otherwise satisfactory to the Presiding Judge.

SEALING PROVISION

72. **THIS COURT ORDERS** that Confidential Exhibits "**EEE**" and "**FFF**" of the Haché Initial Affidavit, are hereby sealed pending further order of the Court, and shall not form part of the public record.

GENERAL

73. ~~47.~~ **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of ~~its~~their powers and duties hereunder.

74. **THIS COURT ORDERS** that upon the registration in the Land Titles Division of the Real Property of the DIP Lender's Charge in the form prescribed in the *Land Titles Act* or the *Registration Reform Act*, or both, as applicable, the Land Registrar is hereby directed to register the DIP Lender's Charge on title of the Real Property.

75. ~~48.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

76. ~~49.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or ~~in the United States,~~outside of Canada to give effect to this Order and to assist the Applicant, 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

77. ~~50.~~ **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

78. ~~51.~~ **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

79. ~~52.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern ~~Standard/Daylight~~ Time on the date of this Order, and is enforceable without any need for entry and filing.

Schedule "A"
Real Property

PIN	Legal Description
73584-0678	LT 63-67 PL 4SB MCKIM; LT 158-159 PL 25SA MCKIM; PT LT 160 PL 25SA MCKIM; PT LT 68-69 PL 4SB MCKIM; PT NELSON ST, DAVID ST PL 4SB MCKIM (CLOSED BY S70); PT S1/2 LT 5 CON 3 MCKIM AS IN S61148; S/T INTEREST IN S61148; S/T EXECUTION 00-00878, IF ENFORCEABLE; GREATER SUDBURY
73584-0804	LT 232-234 PL 6S MCKIM; PT LT 229-231 PL 6S MCKIM AS IN S53645 EXCEPT PART 1 53R6379; GREATER SUDBURY
73585-1052	PT N1/2 LT 5 CON 3 MCKIM; PT LT 6 CON 3 MCKIM PT 1, 2, 3, 4 & 5 53R16518; GREATER SUDBURY; SUBJECT TO AN EASEMENT IN GROSS OVER PT 2 53R19698 AS IN SD225472; SUBJECT TO AN EASEMENT IN GROSS OVER PT 3 53R19698 AS IN SD225678; SUBJECT TO AN EASEMENT IN GROSS OVER PT 3, 53R19698 AS IN SD239534
73585-1167	PT LT 6, CON 3 MCKIN, PTS 1, 2, AND 3 ON PLAN 53R-19698; SUBJECT TO AN EASEMENT IN GROSS OVER PT 2, 53R19698 AS IN SD225472; SUBJECT TO AN EASEMENT IN GROSS OVER PT 3, 53R19698 AS IN SD225678; SUBJECT TO AN EASEMENT IN GROSS OVER PT 3, 53R19698 AS IN SD229534; CITY OF GREATER SUDBURY
73592-0084	PCL 46194 SEC SES SRO; PT LT 2 CON 2 MCKIM PT 2 53R7594; GREATER SUDBURY
73592-0217	PCL 30769 SEC SES; PT LT 2 CON 2 MCKIM AS IN LT212290 (THIRDLY) EXCEPT PT 3 53R7594; PT LT 3 CON 2 MCKIM AS IN LT212290 (FIRSTLY) EXCEPT PT 1, 53R16920; LT 1 EXPROP PL M785 & UNIT 8 EXPROP PL D49; EXCEPT PT 13, 14 53R9175, UNITS 1-7, 9 EXPROP PL D49, PT 1-16 53R5371; PT BROKEN LT 4 CON 2 MCKIM AS IN LT220905 (FIRSTLY) EXCEPT UNITS 1, 2, 3, 13 EXPROP PL D48; S/T LT233153, LT32862, LT622331, LT748126, LT842126; GREATER SUDBURY
73592-0412	PCL 53884 SEC SES; 1STLY: PT LT 3 CON 2 MCKIM PT 1, 53R16920: 2NDLY: PT LT 3 CON 2 MCKIM PT 5, 8, 11 & 12 53R5371; GREATER SUDBURY; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2,4,5,6,8,10,11,12 & 13 53R17763 AS IN SD246793
73592-0414	PCL 53880 SEC SES; PT LT 3 CON 2 MCKIM PT 7, 53R5371; GREATER SUDBURY
73592-0427	PCL 30769 SEC SES; PT LT 3 CON 2 MCKIM LT 1 EXPROP PL M785; S/T LT622331; GREATER SUDBURY; SUBJECT TO AN EASEMENT IN GROSS OVER PT 1 53R19195 AS IN SD246792
73593-0063	PCL 21810 SEC SES; FIRSTLY: PT LT 2 CON 1 MCKIM; SECONDLY: PT LT 2 CON 2 MCKIM AS IN LT130739; GREATER SUDBURY

73593-0276	PCL 30769 SEC SES; PT LT 3 CON 1 MCKIM; PT LT 4 CON 1 MCKIM; PT LT 2 CON 1 MCKIM AS IN LT212290 (SECONDLY, FIFTHLY), LT220905 (SECONDLY, THIRDLY), LT 1 EXPROP PL M764, EXCEPT PT 1 SR754, PT 1 53R4053, PT 1-6 & 8 53R6915, PT 1 53R7807, PT 1, 2 53R8716, PT 1, 2 53R9178,; PT LT 3 CON 1 MCKIM SRO AS IN LT 212290 (FOURTHLY); PT LT 3 CON 1 MCKIM COMMENCING AT THE NORTHWEST ANGLE OF THE SAID LT; THENCE SOUTH ALONG THE WEST LIMIT THEREOF TWENTY CHAINS; THENCE EAST PARALLEL TO THE NORTH LIMIT OF THE LOT 5 CHAINS; THENCE NORTH PARALLEL TO THE WEST LIMIT TWENTY CHAINS MORE OR LESS TO A POINT ON THE NORTH LIMIT OF THE LOT; THENCE WEST ALONG SAID LIMIT FIVE CHAINS MORE OR LESS TO THE POINT OF COMMENCEMENT; PT LT 5 PL M92 MCKIM PT 2, 53R7807; S/T LT119418, LT233153, LT25019, LT436834, LT748126, LT842126; GREATER SUDBURY
73593-0406	PCL 34100 SEC SES AS IN LT264521; PT BROKEN LT 1 CON 1 MCKIM LOCATION 145, PT 1 SR1028; GREATER SUDBURY
73593-0444	PCL 30769 SEC SES; LT 3 CON 2 MCKIM S OF UNIT 1, 2, 3, 4, 5 & 6 EXPROPPL D49 & SW OF PT 2, 3, 7, 9 & 14, 53R5371 EXCEPT PT 1 SR754; N 1/2 LT 2 CON 1 MCKIM EXCEPT LT130739; PT LT 2 CON 2 MCKIM AS IN EP6694 EXCEPT LT130739, PT 3 53R7594; SRO E 1/2 LT 3 CON 1 MCKIM EXCEPT PT 1-6, 8 53R6915; PT LT 3 CON 1 MCKIM AS IN LT211094, EP4842, LT 1 EXPROP PL M764 EXCEPT PT 1 SR754; PT BROKEN LT 4 CON 2 MCKIM AS IN LT220905 (FIRSTLY) EXCEPT UNITS 1-3, 13 EXPROP PL D48; PT LT 4 CON 1 MCKIM AS IN LT2 20905 (SECONDLY) & PT 2 SR754 EXCEPT PT 1 53R4053, PT 1 53R7807, PT 1 & 2 53R8716 & PT 1 & 2 53R9178; PT LT 5 PL M92 PT 2 53R7807; S/T LT119418, LT32862, LT233153 (PARTIALLY RELEASED AS IN SD371949), LT436834, LT25019, LT748126, LT842126;; SUBJECT TO AN EASEMENT IN GROSS OVER PT LT 4 CON 2, PT 1 53R7680 AS IN SD261440; SUBJECT TO AN EASEMENT IN GROSS OVER PART LOT 3 CONCESSION 3 MCKIM,PART 1 PLAN 53R20567 AS IN SD317507; SUBJECT TO AN EASEMENT IN GROSS OVER PART LOTS 3 AND 4 CONCESSION 2 MCKIM PARTS 2 AND 3 PLAN 53R20797 AS IN SD353369; CITY OF GREATER SUDBURY
73593-0446	PCL 53880 SEC SES; PT LT 3 CON 2 MCKIM PT 7 53R5371; GREATER SUDBURY

73593-0465	PCL 30769 SEC SES; LT 3 CON 2 MCKIM S OF UNIT 1,2,3,4,5 & 6 EXPROP PL D49 & SW OF PT 2,3,7,9 & 14 53R5371; EXCEPT PT 1 SR754 & PARTS 1,2,3 53R20763; N 1/2 LT 2 CON 1 MCKIM; EXCEPT LT130739; PT LT 2 CON 2 MCKIM AS IN EP6694; EXCEPT LT130739, PT 3 53R7594; SRO E 1/2 LT 3 CON 1 MCKIM; EXCEPT PT 1-6, 853R6915; PT LT 3 CON 1 MCKIM AS IN LT211094, EP4842, LT 1 EXPROP PL M764; EXCEPT PT 1 SR754; PT BROKEN LT 4 CON 2 MCKIM AS IN LT220905 (FIRSTLY); EXCEPT UNITS 1-3, 13 EXPROP PL D48; PT LT 4 CON 1 MCKIM AS IN LT2 20905 (SECONDLY) & PT 2 SR754; EXCEPT PT 1 53R4053, PT 1 53R7807, PT 1 & 2 53R8716 & PT 1 & 2 53R9178; PT LT 5 PL M92 PT 2 53R7807; S/T LT119418, LT32862, LT233153 (PARTIALLY RELEASED AS IN SD371949), LT436834, LT25019, LT748126, LT842126;; SUBJECT TO AN EASEMENT IN GROSS OVER PT 1 53R7680 AS IN SD261440; SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 53R20567 AS IN SD317507; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 2 & 3 53R20797 AS IN SD353369; CITY OF GREATER SUDBURY
	Lease between Her Majesty the Queen in Right of Ontario as Represented by the Minister of Government and Consumer Services and Laurentian University dated January 1, 2020

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **LAURENTIAN UNIVERSITY OF SUDBURY**	Court File No.: CV-21-_____-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

AMENDED AND RESTATED INITIAL ORDER

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Lawyers for the Applicant

Tab 8

This is **Exhibit "A"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

An Act to incorporate Laurentian University of Sudbury

Statutes of Ontario, 1960

CHAPTER 151

as amended by 1961-62, Chapter 154

_____

Preamble

WHEREAS the University of Sudbury, the United Church of Canada and The Incorporated Synod of the Diocese of Algoma (Anglican) by their petition have represented that they are desirous of establishing in the Province of Ontario, at or near the City of Sudbury, a non-denominational bilingual institution to provide facilities for instruction in all branches of higher learning having the rights and powers of a university; and whereas the petitioners have prayed for special legislation to effect such purpose; and whereas it is expedient to grant the prayer of the petition;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1. In this Act,

   a) "affiliated college" means a college affiliated with the University;

   b) "Board" means the Board of Governors of the University;

   c) "college" means an institution of higher learning;

   d) "federated college" means a college federated with the University;

   e) "federated university" means a university federated with the University;

   f) "property" includes all property, both real and personal;

   g) "real property" includes messuages, lands, tenements and hereditaments, whether corporeal or incorporeal, and any undivided share thereof or any estate or interest therein;

   h) "Senate" means the Senate of the University;

   i) "teaching staff" includes professors, associate professors, assistant professors, lecturers, associates, instructors, demonstrators and all others engaged in the work of teaching or giving instruction;

   j) "University" means Laurentian University of Sudbury. 1961-62, c. 154, s. 1.

Laurentian University of Sudbury incorporated

2. Ralph Douglas Parker, Robert James Askin, Benjamin Franklin Avery, Harold Bennett, Robert Campeau, William Stanley Cole, Jean-Noël Desmarais, Ernest Cecil Facer, Horace John Fraser, Donald Leslie James, Nigel Mordaunt Kensit, Joseph Armand Lapalme, John Williams McBean, James Wesley McNutt, James Richard Meakes, George Merle Miller, Alibert St. Aubin, Adjutor Joseph Samson, George Clement Tate, and such other persons who may hereafter be appointed or elected President or a member of the Board or a member of the Senate or upon whom the University may confer a degree, are hereby created a body corporate with perpetual succession and a common seal under the name of "Laurentian University of Sudbury". 1960, c. 151, s. 2.

Objects and purposes

3. The objects and purposes of the University are,

a) the advancement of learning and the dissemination of knowledge; and

b) the intellectual, social, moral and physical development of its members and the betterment of society. 1960, c. 151, s. 3.

Powers

4. (1) The University has university powers, including the power,

Establish courses

a) to establish and maintain, in either or both of the French and English languages, such faculties, schools, institutes, departments and chairs as determined by the Board, other than those already established by the University of Sudbury, which faculties, schools, institutes, departments and chairs are continued in the University under authority of the Board and Senate;

Degrees

b) to confer university degrees, honorary degrees, awards and diplomas in any and all branches of learning, except in Theology;

University College

c) to establish a college of the University within the Faculty of Arts and Science to be known as University College, which college shall give instruction in either or both of the French and English languages in such subjects, excepting religious knowledge, as may from time to time be approved by the Faculty of Arts and Science of the University and be consented to by the Senate and Board, and the University shall accept such courses in partial fulfillment of the requirements for a degree under the same academic terms and conditions as would obtain if the instruction were given in

the University;

Federation of church-related colleges

d) to admit church-related universities or colleges into federation as colleges of the Faculty of Arts and Science, which church-related universities or colleges have the right to give instruction in philosophy and religious knowledge and in such other subjects as may from time to time be approved by the Faculty of Arts and Science of the University and be consented to by the Senate and Board, and the University shall accept such courses in partial fulfillment of the requirements for a degree under the same academic terms and conditions as would obtain if the instruction were given in University College;

Federation

e) to permit federation or affiliation of other colleges or universities with the University and to make agreements for federation or affiliation with other colleges or universities, provided that Hearst College and Prince Albert College, presently affiliated with The University of Sudbury, may enter agreements to affiliate with the University;

University property R.S.O. 1960, c. 191

f) in addition to the powers, rights and privileges mentioned in section 26 of *The Interpretation Act*, to purchase or otherwise acquire, take or receive by deed, gift, bequest or devise and to hold and enjoy any estate or property whatsoever, and to sell, grant, convey, mortgage, hypothecate, pledge, charge, lease or otherwise dispose of the same or any part thereof from time to time as occasion may require and to acquire other estate and property in addition thereto without licence in mortmain and without limitation as to the period of holding;

Expropriation R.S.O. 1960, c. 249

g) without the consent of the owner or of any person interested therein, other than a municipal corporation, to enter upon, take, use and expropriate all such real property as it deems necessary for the purposes of the University, making due compensation for any such real property to the owners and occupiers thereof and all persons having an interest therein, and the provision of The Municipal Act as to taking land compulsorily and making compensation therefor and as to the manner of determining and paying the compensation apply mutatis mutandis to the University and to the exercise by it of the powers conferred by this Act, and, where any act is by any of such provisions required to be done by the clerk of a municipality or at the office of such clerk, the like act shall be done by or at the office of the secretary of the Board;

Borrowing

h) if authorized by by-law of the Board,

i) to borrow money on its credit in such amount, on such terms and from such persons, firms or corporations, including chartered banks, as may be determined by the Board,

ii) to make, draw and endorse promissory notes or bills of exchange,

iii) to hypothecate, pledge, charge or mortgage any or all of its property to secure any money so borrowed or the fulfillment of the obligations incurred by it under any promissory note or bill of exchange signed, made, drawn or endorsed by it,

iv) to issue bonds, debentures and obligations on such terms and conditions as the Board may decide and pledge or sell such bonds, debentures and obligations for such sums and at such prices as the Board may decide and hypothecate, pledge, charge or mortgage all or any part of the property of the University to secure any such bonds, debentures and obligations.

Enrolment of students

(2) Every undergraduate student in the Faculty of Arts and Science shall enroll either in University College or in one of the church-related colleges of the Faculty. 1961-62, c. 154, s. 2, *part*.

University non-denominational

5. The management and control of the University shall be non-denominational, and no religious test shall be required of any professor, lecturer, teacher, officer, employee, servant or student of the University, but such management and control shall be based upon Christian principles. 1961-62, c. 154, s. 2, *part*.

University property

6. All property hereafter granted, conveyed, devised or bequeathed to, or to any person in trust for, or for the benefit of, the University, subject to any trust or trusts affecting the same, is vested in the University. 1960, c. 151, s. 6.

Land Vested in University not liable to expropriation

7. Real property vested in the University is not liable to be entered upon, used or taken by any corporation, except a municipal corporation, or by any person possessing the right of taking real property compulsorily for any purpose and no power to expropriate real property hereafter conferred extends to such real property unless in the Act conferring the power it is made in express terms to apply thereto. 1960, c. 151, s. 7.

Proceedings

8. All proceedings by or against the University may be had and take in the name of "Laurentian University of Sudbury". 1960, c. 151, s. 8.

Investment of funds

9. The funds of the University not immediately required for its purposes and the proceeds of all property that come into the University, subject to any trust or trusts affecting the same, may be invested and re-invested in such investments as to the Board seems meet, and all property and revenue of the University shall be applied for the attainment of the objects for which the University is constituted and to the payment of expenses to be incurred for objects legitimately connected with or depending on the purposes aforesaid. 1960, c. 151, s. 9.

Members and officers not individually liable for debts

10. Nothing herein contained has the effect of, or shall be construed to have the effect of, rendering all or any of the members or officers of the University, or any person whomsoever, individually liable or accountable for or by reason of any debt, contract or security incurred or entered into for or by reason of the University or for or on account or in respect of the University or for or on account or in respect of any matter or thing whatsoever relating to the University. 1960, c. 151, s. 10; 1961-62, c. 154, s. 3.

Tax exemption

11. Property vested in the University or in any federated college or property vested in both the University and one or more federated colleges, and any property leased to and occupied by the University or federated college, or leased to and occupied by the University and one or more federated colleges, are not liable for taxation for provincial, municipal or school purposes and are exempt from every description of such taxation so long as the same are actually used and occupied for the purposes of the University or of a federated college. 1960, c. 151, s. 11.

Application of statute of limitations

12. All property vested in the University shall, as far as the application thereto of any statute of limitations is concerned, be deemed to have been and to be real property vested in the Crown for the public use of Ontario. 1960, c. 151, s. 12.

Constitution of Board

13. The persons named in section 2 and five persons to be named by the Lieutenant Governor in Council, together with the President when appointed, shall constitute the Board of Governors of the University. 1961-62, c. 154, s. 4, *part*.

Terms of office

14. The members of the Board shall hold office as follows:

a) of the members mentioned in section 2, six shall hold office for a period of one year, six shall hold office for a period of two years, and seven shall hold office for a period of three years, and, as the term of any such member expires, the vacancy shall be filled by election by the Board, and such election shall be for a period of three years, and so on from time to time;

b) the members of the Board appointed by the Lieutenant Governor in Council shall hold office for three years and until their successors are appointed by the Lieutenant Governor in Council;

c) as the term of any member of the Board expires, such member is eligible for re-election or re-appointment. 1961-62, c. 154, s. 4, *part*.

Eligibility

15. Except as otherwise provided in this Act, no principal or head of any of the academic units of the University or of any federated or affiliated college, or any member of the teaching and administrative staff of the University or of any federated or affiliated college or any member of the staff, Board, Senate or governing body of any other degree-granting institution is eligible for appointment or election as a member of the Board. 1961-62, c. 154, s. 4, *part*.

Filling vacancies

16. Where a vacancy on the Board occurs before the term of office for which a member has been appointed or elected has expired, the vacancy shall be filled by the Board, and the member so appointed or elected shall hold office for the remainder of the term of office of the member whose membership is vacant. 1961-62, c. 154, s. 4, *part*.

Chairman and vice-chairman

17. (1) The Board shall elect one of its members to be chairman and one of its members to be vice-chairman, and, in case of the absence or illness of the chairman or of there being a vacancy in the office of the chairman, the vice-chairman shall act as and have all the powers of the chairman.

Idem

(2) In case of the absence or illness of the chairman and the vice-chairman, the Board may appoint one of its members to act as chairman *pro tempore*, and the member so appointed shall act as and have all the powers of the chairman. 1961-62, c. 154, s. 4, part.

Management of University vested in Board

18. (1) Except as to such matters as are by this Act specifically assigned to the President, the

Senate, federated universities and federated colleges, all powers over, in respect of or in relation to the government, financial management and control of the University and of its officers, servants and agents, its property, revenues, expenditures, business and affairs are vested in the Board, and the Board has all powers necessary or convenient to perform its duties and achieve the objects and purposes of the University and, without limiting the generality of the foregoing, has power,

a) to appoint and dismiss the President and Vice-Presidents;

b) upon the recommendation of the President, to appoint and dismiss the heads and associate heads of the faculties, departments and colleges of the University, other than of federated universities or colleges or of affiliated universities or colleges, and the professors and other members of the teaching staff of the University, other than of federated universities or colleges or of affiliated universities or colleges, and to appoint and dismiss all other officers, servants, agents and employees of the University, other than of federated universities or colleges and other than of affiliated universities or colleges, and the tenure of office and employment of all such appointments made by the Board shall, unless otherwise provided, be during the pleasure of the Board;

c) to determine and fix the salaries of the President, the Vice-Presidents and all other members of the teaching staff and all servants, agents and employees of the University;

d) to appoint an executive committee of five members and to define its powers.

Idem

(2) No action of the Board shall require confirmation by members of the University.

Idem

(3) All the powers over, in respect of or in relation to the University and University College, which are not by the terms of this Act directed to be exercised by any other person or body of persons, are hereby, subject to the provisions of this Act, vested in the Board.

Power of Board to make by-laws, etc.

(4) The Board has power to make bylaws, resolutions or regulations,

a) pertaining to the meetings of the Board and its transactions, and fixing the quorum of the Board;

b) providing for the appointment of committees by the Board and for the conferring upon any such committees of authority to act for the Board with respect to any matters or class or classes of matters, but,

i) a majority of the members of every such committee, including in the computation thereof the *ex officio* members, shall be members of the Board, and

ii) no decision of a committee, which includes in its membership persons who are not members of the Board, shall be valid or effective until approved and ratified by the Board;

c) providing for the retirement and superannuation of the persons mentioned in clauses [a] and [b] of subsection 1;

d) providing for payments by way of gratuities, retiring allowances, superannuation allowances, pensions, annuities or life insurance, or any combination thereof, payable to, in respect of or for the benefit of the persons mentioned in clauses *a* and *b* of subsection 1, or any class or classes thereof, out of a fund or funds comprising contributions made by such persons, or any class or classes thereof, or by the Board, or both, or otherwise, whether affected by agreements or arrangements entered into with one or more insurance companies licensed to transact business in Ontario or with Her Majesty in right of Ontario, or Her Majesty in right of Canada, or otherwise; and

e) providing for and governing a health service and health examination and physical instruction and training of the students of the University and University College.

Idem

(5) Save as in this Act otherwise expressly provided, the action of the Board in any matter with which it may deal shall be by by-law, resolution or regulation, as the Board may determine, but it is not essential to the validity of any such by-law, resolution or regulation that it be under the corporate seal of the University if it is authenticated in the manner prescribed by the Board. 1961-62, c. 154, s. 4, *part*.

Composition of Senate

19. There shall be a Senate of the University composed of,

a) the President, *ex officio*, who shall be its chairman;
b) the Academic Vice-President, *ex officio*, when there is such an official;
c) the principal or head of each federated university or college;
d) the dean of each faculty and school of the University;
e) the Librarian;
f) the Registrar of the University, who shall be the secretary of the Senate;
g) the Director of the Extension Department of the University;
h) one full-time professor elected annually by each federated university and college;
i) two full-time professors elected annually by each faculty, school and college of the University. 1961-62, c. 154, s. 4, *part*.

Ineligibility of members of another university

20. No person is eligible for appointment as a member of the Senate who is a member of a governing body or senate or faculty of any degree-granting university, college or institution of higher learning, other than the University and its federated and affiliated colleges. 1961-62, c. 154, s. 4, *part*.

Powers of Senate

21. The Senate is responsible for the educational policy of the University, and, with the approval of the Board in so far as the expenditure of funds and establishment of facilities are concerned, may

create faculties, schools, institutes, departments, chairs or courses of instruction within the University, may create faculty councils to act as committees which may recommend to the Senate regulations respecting the admission of the students, courses of study and requirements for graduation, may pass by-laws, resolutions and regulations in respect of matters in this section referred to, and may from time to time amend or replace any of its by-laws, resolutions and regulations, and, without limiting the generality of the foregoing, the Senate has power,

a) to conduct examinations and appoint examiners;

b) to deal with matters that arise in connection with the award of fellowships, scholarships, medals, prizes and other awards;

c) to confer degrees of Bachelor, Master and Doctor in the several arts, sciences and faculties and all other degrees that may appropriately be conferred by a university, except degrees in Theology;

d) to confer honorary degrees with the concurrence of the Board. 1961-62, c. 154, s. 4, *part*.

Idem

22. In addition to such other powers and duties as are expressly mentioned in this Act, the Senate shall,

a) provide for the regulation and conduct of its proceedings, including the determination of a quorum necessary for the transaction of business;

b) provide for the convening and conduct of such Convocations as may be requisite for the purposes set out in this Act;

c) recommend to the Board the federation or affiliation of any university or college, the dissolution or suspension of any such federation or affiliation or the modification or alteration of the terms thereof;

d) consider and determine, on the recommendations of the respective faculty and school councils, the courses of study in all faculties and schools;

e) provide, if deemed necessary by the Senate, for an executive committee, which shall act in the name and on behalf of the Senate, whose constitution and powers shall be as the Senate may from time to time determine;

f) consider all such matters as are reported to it by any faculty council and communicate its opinion or action thereon to the faculty council;

g) make rules and regulations for the management and conduct of the library, and prescribe the duties of the Librarian;

h) make such changes in the composition of the Senate as may be deemed expedient; provided that no change shall be made that affects the rights of representation thereon of a federated university or college, unless the change is assented to by the federated university or college affected by the change and is approved by the Board. 1961-62, c. 154, s. 4, *part*.

Court of Discipline

23. There shall be a committee, to be called the Court of Discipline, which shall be composed of the President, who shall be the chairman, the Registrar of the University, the principal or head of University College and of each federated university or college, the Dean of Men and the Dean of Women, if and when appointed, and the dean of each faculty or school of the University, and the presence of at least four members constitutes a quorum at a meeting of the Court of Discipline. 1961-62, c. 154, s. 4, *part*.

Disciplinary jurisdiction of governing bodies

24. (1) The governing body of each federated university or college has disciplinary jurisdiction over and the entire responsibility for the conduct of its students in respect of all matters arising or occurring in or upon its university or college buildings and grounds, including residences.

Disciplinary jurisdiction of Court of Discipline

(2) In all other cases, as respects all students of the University and of each federated university or college, disciplinary action is vested in the Court of Discipline, but the Court of Discipline may delegate its authority in any particular case or by general regulations to the governing body of the faculty, school, or college to which the student belongs. 1961-62, c. 154, s. 4, *part*.

Punishment

25. (1) The power of the Court of Discipline includes power to suspend, to impose fines and to recommend to the Senate the withholding of degrees, diplomas, certificates or academic standing.

Expulsion

(2) In cases involving conduct that the Court of Discipline or the governing body of a federated university or college considers may warrant the punishment of expulsion, the Court of Discipline has power to award, either in addition to or in substitution for any other punishment that may be awarded, the punishment of expulsion, subject to confirmation by the Board, whose decision is final and not open to review. 1961-62, c. 154, s. 4, *part*.

Power to change provisions re discipline

26. With respect to the conduct and discipline as students of the University of all students enrolled in any federated university or college or in University College, the provisions of sections 24 and 25 may be abrogated or changed by the Board. 1961-62, c. 154, s. 4, *part*.

Suspension of degree-granting rights of federated colleges

27. If any university or college is federated or affiliated with the University and has the right to

grant degrees, such right, except for degrees in Theology, shall remain dormant during the time that such university or college remains federated or affiliated with the University. 1961-62, c. 154, s. 4, *part*.

President

28. (1) There shall be a President of the University who shall be appointed by the Board and who, unless otherwise provided, shall hold office during the pleasure of the Board.

Idem

(2) The President is the chief executive officer of the University and chairman of the Senate and has supervision over and direction of the academic work and general administration of the University and the teaching staff thereof, and the students thereof, and the officers and servants thereof, and has such other powers and duties as may from time to time be conferred upon him by the Board.

Vice-Presidents

(3) The Board may appoint one or more Vice-Presidents, who have such powers and duties as may be conferred upon or assigned to them by the Board. 1961-62, c.154, s. 4, *part*.

Accounts

29. The accounts of the University shall be audited at least once a year by an auditor or auditors appointed by the Board. 1961-62, c. 154, s. 4, *part*.

Reports

30. The Board shall submit to the Lieutenant Governor in Council, upon request, the annual report of the University and such other reports as may be so requested from time to time. 1961-62, c. 154, s. 4, *part*.

Commencement

31. This Act comes into force on the day it receives Royal Assent.

Short title

32. This Act may be cited as *The Laurentian University of Sudbury Act, 1960*.

This is **Exhibit "B"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

This is **Exhibit "C"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Radcliffe

Barbara Hackett

Barbara Radcliffe

Barbara Radcliffe

This is **Exhibit "D"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

THIS LEASE made this 1st day of September, 2005.

IN PURSUANCE OF THE SHORT FORMS OF LEASES ACT, R.S.O. 1990, c.S.11.

B E T W E E N:

LAURENTIAN UNIVERSITY OF SUDBURY,
a Corporation incorporated by Special Act of the
Province of Ontario,
(hereinafter called the "Landlord")

OF THE FIRST PART

- and -

NORTHERN ONTARIO SCHOOL OF MEDICINE/
ECOLE DE MEDECINE DU NORD-ONTARIO,
a Corporation incorporated under the Corporations
Act of Ontario,
(hereinafter called the "Tenant")

OF THE SECOND PART

WHEREAS the Landlord is the owner of the building (hereinafter called the "Medical School Building") situated on the Campus of Laurentian University in the City of Greater Sudbury, in the location shown on the sketch attached hereto as Schedule "A";

AND WHEREAS the Landlord has agreed to lease the Medical School Building to the Tenant as herein provided;

NOW THEREFORE the parties hereto hereby agree as follows:

1. **Demise**

The Landlord, in consideration of the funding received from the Ministry of Training, Colleges and Universities for the construction of the Medical School Building, and in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be respectively paid, observed and performed, the Landlord has demised and leased and by these presents does demise and lease unto the Tenant for the term and upon the conditions hereinafter set out, the Medical School Building and the lands subjacent thereto (hereinafter referred to as the "Demised Premises") situated on the Landlord's Campus in the City of Greater Sudbury (as legally described in Schedule "B" attached hereto); together with the right of ingress to and egress from the Demised Premises at all times over, along and upon all roads and walkways on the Landlord's Campus as aforesaid.

2. **Term**

To have and to hold the Demised Premises for and during the term of 30 years to be computed from the 1st day of September, 2005 and thenceforth next ensuing and fully to be completed and ended on the 31st day of August, 2035.

3. **Option to Renew**

If the Tenant duly and regularly pays the rent reserved hereby and performs all of the Tenant's covenants herein contained, the Landlord at the expiration of the term hereby granted shall upon the written request of the Tenant, grant to the Tenant a renewal of this Lease for a further term of 20 years less one day at the same rent and such Renewal Lease shall contain, so far as they apply, all the covenants and provisos contained in this Lease, except for this option to renew. Such request by the Tenant shall be made at least 6 months before the expiration of the term hereof.

4. **Rent**

Yielding and paying therefor unto the Landlord yearly and every year throughout the term hereby demised, the yearly rent of $2 (hereafter referred to as the "Base Rent") which shall be payable on the 1st day of September of each and every year during the term, commencing on the 1st day of September, 2005.

5. **Tenant's Covenants**

The Tenant covenants with the Landlord:

(a) to pay the Base Rent.

(b) to pay as rent all operating costs of the Medical School Building, and Tenant's share of the operating costs of the facilities, services and amenities of the Landlord's Campus used and enjoyed in connection therewith, as determined by the Landlord acting in a reasonable manner and consistent with its internal accounting systems and procedures for the determination of the operating costs of the other buildings and facilities on its Campus and in accordance with the Physical Plant Operating Expenses Guidelines established by the Council of Finance Officers – Universities of Ontario, (all hereinafter referred to as the "Operating Costs") and, without limiting the generality of the foregoing, Operating Costs shall include:

(i) the cost of electricity, natural gas and water supplied to the Demised Premises;
(ii) the cost of heating, ventilating and air conditioning the Medical School Building and the cost of maintaining the heating, ventilating and air conditioning systems therein;
(iii) the cost of all repairs and replacements to, and the cost of all maintenance and operation of, the Medical School Building, including all systems, facilities and equipment serving the Medical School Building;
(iv) the cost of all personnel employed to carry out the maintenance and operation of the Medical School Building;
(v) the cost of security and supervision;
(vi) the cost of cleaning, garbage and waste collection and disposal, snow removal, maintenance of landscape and parking facilities;
(vii) the cost of insurance;
(viii) the cost of routine repair of buildings and structures, including

normal recurring repairs and preventative maintenance.

(c) to pay as rent the cost of all structural repairs and replacements made to the Demised Premises during the term of the Lease and any renewal hereof, and the cost of all structural alterations, additions and other improvements, made to the Demised Premises during the term of the Lease or any renewal hereof at the request of the Tenant. Tenant shall pay such costs in full during the year in which such costs have been incurred within 30 days after receipt by the Tenant of an invoice from the Landlord for the same.

(d) not to make or remove any alterations, additions or improvements to the exterior of the Demised Premises without the prior written approval of the Landlord, which approval may be arbitrarily withheld; and not to make or remove any alterations, additions or improvements to the interior of the Demised Premises without the prior written approval of the Landlord, which approval may not be unreasonably withheld. The parties acknowledge that it is reasonable that the Landlord require plans and specifications to be submitted with the request for approval.

(e) not to paint, display, inscribe or affix any sign, picture, advertisement, notice, lettering or direction on any part of the outside of the Medical School Building or on the Demised Premises without the Landlord's consent.

(f) to permit the Landlord or its agents at all reasonable times during the said term to enter the Demised Premises to examine the condition thereof and for the purpose of making repairs, alterations or improvements to the Demised Premises and the Tenant shall not be entitled to compensation for any inconvenience, nuisance or discomfort caused thereby.

(g) to abide by and comply with all lawful statutes, by-laws, rules and regulations of every parliamentary, municipal or other authority which in any manner relate to or affect the Demised Premises by reason of the tenancy of the Tenant; and to permit the Landlord to put the Demised Premises in such state of repair as to comply with the said statutes, by-laws, rules and regulations and to indemnify and save harmless the Landlord from any penalty, costs, charges or damages to which the said Landlord may be put or suffer by reason of having to alter the Demised Premises to conform with any such statute, by- laws, rules or regulations by reason of the tenancy of the Tenant.

(h) not to assign or sublet the whole or any portion of the Demised Premises in whole or in part without the consent of the Landlord, which consent may be arbitrarily withheld.

(i) not to do or omit to do or permit to be done or omitted anything upon or in respect of the Demised Premises the doing or omission of which (as the case may be) shall be or result in a nuisance.

(j) to indemnify the Landlord from any and all liabilities, damages, costs, claims, suits or actions arising out of:

(i) any breach, violation, or non-performance of any covenant or proviso hereof on the part of the Tenant;

(ii) any damage to property occasioned by the use and occupation of the Demised Premises; or

(iii) any injury to person or persons, including death resulting at any time therefrom, occurring in or about the Demised Premises, and on the roads or sidewalks adjacent thereto.

Such indemnification in respect of any such breach, violation or non-performance, damage to property, injury or death occurring during the term of the Lease shall survive any termination of this Lease, anything in this Lease to the contrary notwithstanding; PROVIDED, however, that such indemnification shall in no event extend to the direct, primary and proximate results of the negligent, reckless or willful conduct of the Landlord, its agents, employees or representatives.

(k) to use the Demised Premises for the purpose of a Medical School and for the provision of medical and health related educational programs therein.

6. Landlord's Covenants

The Landlord covenants with the Tenant as follows:

(a) Quiet Enjoyment:

The Tenant shall and may peacefully and quietly have, hold occupy, possess and enjoy the Demised Premises for the term hereinbefore provided and during any renewals or extensions thereof provided the Tenant keeps, observes and performs all of the covenants and provisions as required in this Lease.

(b) Access:

The Landlord shall permit the Tenant, its employees, staff, students, guests and invitees and all other persons lawfully requiring communication with Tenant to have the use at all times in common with others entitled thereto of the roadways and walkways on the Landlord's Campus for access to and egress from the Demised Premises.

(c) Supply of Heat, Airconditioning, Light and Water:

The Landlord covenants to provide sufficient and reasonable heat, air conditioning, light and water to the Demised Premises except during the making of repairs to the heating, air conditioning, lighting and water systems.

(d) Security:

The Landlord shall provide adequate and reasonable security to the Medical School Building and the Demised Premises to the standard it maintains generally on its Campus; provided that the Landlord shall provide such reasonable additional security as the Tenant may require at the Tenant's sole expense.

(e) Maintenance and Repairs:

The Landlord shall be responsible for the general maintenance and repair of the Demised Premises; and the Landlord covenants to keep the Demised Premises, including all mechanical equipment and fixtures, in good condition and in good working order.

(f) Janitorial Service:

The Landlord shall provide reasonable janitorial services for the Demised Premises at the standard it maintains generally on its campus; provided that the Landlord shall provide such reasonable additional janitorial services as the Tenant may require at the Tenant's sole expense.

(g) Parking:

The Landlord shall allocate to the Tenant such parking spaces as the Tenant may reasonably require for itself, its staff, students, guests and invitees at such locations as the Landlord shall select and at prices as shall be in effect from time to time on the Landlord's Campus.

(h) Insurance:

(i) Fire and Other Perils:

The Landlord shall insure the Demised Premises against loss or damage by fire or other perils in amounts and upon terms it considers reasonable and in keeping with the insurance arrangements on its other buildings on its Campus and the Tenant shall be named as an insured in such policies of insurance.

The parties acknowledge and agree that the Tenant is the owner of the furniture, furnishings and equipment in the Demised Premises and the Tenant shall insure the same in amounts and upon terms it considers reasonable at its own expense.

(ii) Liability:

The Landlord shall arrange to include the Tenant in its liability insurance coverage and to insure the Tenant for liability of all kinds in amounts satisfactory to the Tenant.

7. Provisos

(a) **Proviso for Re-entry**

The Landlord may re-enter the premises for non-payment of rent and/or non-performance of covenants.

(b) **Removal of Fixtures**

The Tenant may remove its fixtures at the end of the term of the Lease or any renewal thereof making good any damage incurred in such removal.

(c) **Destruction or Damage to the Premises**

(i) If the Demised Premises are destroyed by fire, or other cause such as to render the Demised Premises wholly unfit for occupancy, all charges to the Tenant for operating costs or otherwise shall cease from the time of occurrence of the said damage until the completion of repairs by the Landlord;

(ii) If the damage is such that the Demised Premises can be partially

(ii) If the damage is such that the Demised Premises can be partially used by the Tenant, the Tenant's share of operating costs shall abate in the proportion that the part of the Demised Premises rendered unfit for occupancy is of the whole of the Demised Premises from the time of the occurrence of the damage until the completion of the repairs by the Landlord.

(d) **Damage to Property**

The Landlord shall not be liable or responsible in any way for any loss of or damage or injury to any property belonging to the Tenant or its employees or to any other person while the property is on the Demised Premises unless the loss, damage or injury is caused by the negligence of the Landlord or its employees, servants or agents and the Landlord is not liable in any event for damage to the property caused by steam, water, rain or snow which may leak into, issue or flow from any part of the Medical School Building or from the water, steam or drainage pipes or plumbing works of the Medical School Building or from any other place or quarter nor from any damage caused by, or attributable to the condition or arrangement of any electrical or other wiring.

(e) **Default of Tenant**

If the Tenant's operating costs are not paid when due whether lawfully demanded or not, or in case of breach or non-performance or non-observance of any of the covenants or agreements or rules or regulations herein contained or referred to on the part of the Tenant to be observed or performed or in case the Demised Premises are vacated or remain unoccupied, or in case the term is taken in execution or attachment for any cause, then the Landlord is entitled to enter upon the Demised Premises or any part thereof and to repossess and enjoy the Demised Premises as of its former state.

(f) **Right of Termination**

On the Landlord becoming entitled to re-enter the Demised Premises under any of the provisions of this Lease, the Landlord, in addition to all other rights, has the right to terminate this Lease forthwith by leaving on the Demised Premises notice in writing of its intention and thereupon any payment for which the Tenant is liable under this Lease shall be computed, apportioned and paid in full to the date of such termination and the Tenant shall immediately deliver up possession of the Demised Premises to the Landlord and the Landlord may re-enter and take possession of the Demised Premises.

8. No Warranties

The Tenant agrees that the within Lease constitutes the entire understanding between the parties hereto and that there are no representations or warranties, oral or otherwise, except as are contained herein. The Tenant further agrees that it has

inspected the Demised Premises prior to the commencement of this Lease and that by virtue of these presents, accepts the said premises in the condition that the same were in as of the commencement of this Lease.

9. Over Holding

In case the Tenant shall, without objection by the Landlord, continue as Tenant of the Demised Premises after the expiry of the term hereby created or any renewal hereof, without written agreement as to the tenancy, the Tenant shall in that event become and be a monthly Tenant only (terminable by one calendar month's notice) subject as far as applicable to a monthly tenancy to the covenants, provisos and conditions of and at the same payment of rent mentioned in these presents.

10. Notice

IT IS HEREBY AGREED by and between the parties hereto that any notice in writing which either party may desire to give to the other with regard to any matter or thing in this Lease contained may be validly and effectually given by mailing the same by prepaid registered post addressed, if intended for the Landlord, to:

Laurentian University of Sudbury
935 Ramsey Lake Road
Sudbury, Ontario
P3E 2C6

and if intended for the Tenant, to:

Northern Ontario School of Medicine/
Ecole de Medecine du Nord-Ontario
935 Ramsey Lake Road
Sudbury, Ontario
P3E 2C6

and every such notice shall be deemed and taken to have been given on the day following the date on which it was so mailed.

11. Arbitration

If any differences shall arise between the parties hereto concerning the interpretation of any of the clauses hereof, such differences shall be referred to arbitration pursuant to the provisions of the Arbitrations Act of Ontario and the law of the Province of Ontario.

12. Words importing the singular number only shall include the plural and vice versa, and words importing the masculine gender shall include the feminine gender and words importing persons shall include firms and corporations and vice versa.

13. Unless the context otherwise requires, the word "Landlord" and the word "Tenant" whenever used herein shall be construed to include and shall mean the successors and assigns of the Landlord and of the Tenant.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their respective corporate seals, attested by the hands of their respective officers duly authorized in that behalf this day of , 2005.

SIGNED, SEALED AND DELIVERED)
in the presence of)
)
) **LAURENTIAN UNIVERSITY OF**
) **SUDBURY**
) per:
)
)
)

) **NORTHERN ONTARIO SCHOOL**
) **OF MEDICINE/ECOLE DE**
) **MEDECINE DU NORD-ONTARIO**
) per:
)
)
)

south bay road
parking
parking
university road
voyageur road
pavillon
alphonse raymond
building
Northern Ontario Medical School
Laurentian University
site plan
design development
draft 01
oct. 09 / 2003
sk-01

SCHEDULE "A"

SCHEDULE "B"

Description

Parcel 30769 Sudbury East Section comprising
part of Lots 2 and 3 in
Concessions 1 and 2 in
the Township of McKim, in
the City of Greater Sudbury, in
the District of Sudbury.

SCHEDULE "B"

THIS LEASE made this 1st day of September, 2005,

IN PURSUANCE OF THE SHORT FORMS OF LEASES ACT, R.S.O. 1990, c.S.11,

B E T W E E N:

LAURENTIAN UNIVERSITY OF SUDBURY,
a Corporation incorporated by Special Act of the Province of Ontario,
(hereinafter called the "Landlord")

OF THE FIRST PART

- and -

NORTHERN ONTARIO SCHOOL OF MEDICINE/ ECOLE DE MEDECINE DU NORD-ONTARIO,
a Corporation incorporated under the Corporations Act of Ontario,
(hereinafter called the "Tenant")

OF THE SECOND PART

WHEREAS the Landlord is the owner of the building (hereinafter called the "Medical School Building") situated on the Campus of Laurentian University in the City of Greater Sudbury, in the location shown on the sketch attached hereto as Schedule "A";

AND WHEREAS the Landlord has agreed to lease the Medical School Building to the Tenant as herein provided;

NOW THEREFORE the parties hereto hereby agree as follows:

1. Demise

The Landlord, in consideration of the funding received from the Ministry of Training, Colleges and Universities for the construction of the Medical School Building, and in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be respectively paid, observed and performed, the Landlord has demised and leased and by these presents does demise and lease unto the Tenant for the term and upon the conditions hereinafter set out, the Medical School Building and the lands subjacent thereto (hereinafter referred to as the "Demised Premises") situated on the Landlord's Campus in the City of Greater Sudbury (as legally described in Schedule "B" attached hereto); together with the right of ingress to and egress from the Demised Premises at all times over, along and upon all roads and walkways on the Landlord's Campus as aforesaid.

2. **Term**

To have and to hold the Demised Premises for and during the term of 30 years to be computed from the 1st day of September, 2005 and thenceforth next ensuing and fully to be completed and ended on the 31st day of August, 2035.

3. **Option to Renew**

If the Tenant duly and regularly pays the rent reserved hereby and performs all of the Tenant's covenants herein contained, the Landlord at the expiration of the term hereby granted shall upon the written request of the Tenant, grant to the Tenant a renewal of this Lease for a further term of 20 years less one day at the same rent and such Renewal Lease shall contain, so far as they apply, all the covenants and provisos contained in this Lease, except for this option to renew. Such request by the Tenant shall be made at least 6 months before the expiration of the term hereof.

4. **Rent**

Yielding and paying therefor unto the Landlord yearly and every year throughout the term hereby demised, the yearly rent of $2 (hereafter referred to as the "Base Rent") which shall be payable on the 1st day of September of each and every year during the term, commencing on the 1st day of September, 2005.

5. **Tenant's Covenants**

The Tenant covenants with the Landlord:

(a) to pay the Base Rent.

(b) to pay as rent all operating costs of the Medical School Building, and Tenant's share of the operating costs of the facilities, services and amenities of the Landlord's Campus used and enjoyed in connection therewith, as determined by the Landlord acting in a reasonable manner and consistent with its internal accounting systems and procedures for the determination of the operating costs of the other buildings and facilities on its Campus and in accordance with the Physical Plant Operating Expenses Guidelines established by the Council of Finance Officers – Universities of Ontario, (all hereinafter referred to as the "Operating Costs") and, without limiting the generality of the foregoing, Operating Costs shall include:

(i) the cost of electricity, natural gas and water supplied to the Demised Premises;
(ii) the cost of heating, ventilating and air conditioning the Medical School Building and the cost of maintaining the heating, ventilating and air conditioning systems therein;
(iii) the cost of all repairs and replacements to, and the cost of all maintenance and operation of, the Medical School Building, including all systems, facilities and equipment serving the Medical School Building;
(iv) the cost of all personnel employed to carry out the maintenance and operation of the Medical School Building;
(v) the cost of security and supervision;
(vi) the cost of cleaning, garbage and waste collection and disposal, snow removal, maintenance of landscape and parking facilities;
(vii) the cost of insurance;
(viii) the cost of routine repair of buildings and structures, including

normal recurring repairs and preventative maintenance.

(c) to pay as rent the cost of all structural repairs and replacements made to the Demised Premises during the term of the Lease and any renewal hereof, and the cost of all structural alterations, additions and other improvements, made to the Demised Premises during the term of the Lease or any renewal hereof at the request of the Tenant. Tenant shall pay such costs in full during the year in which such costs have been incurred within 30 days after receipt by the Tenant of an invoice from the Landlord for the same.

(d) not to make or remove any alterations, additions or improvements to the exterior of the Demised Premises without the prior written approval of the Landlord, which approval may be arbitrarily withheld; and not to make or remove any alterations, additions or improvements to the interior of the Demised Premises without the prior written approval of the Landlord, which approval may not be unreasonably withheld. The parties acknowledge that it is reasonable that the Landlord require plans and specifications to be submitted with the request for approval.

(e) not to paint, display, inscribe or affix any sign, picture, advertisement, notice, lettering or direction on any part of the outside of the Medical School Building or on the Demised Premises without the Landlord's consent.

(f) to permit the Landlord or its agents at all reasonable times during the said term to enter the Demised Premises to examine the condition thereof and for the purpose of making repairs, alterations or improvements to the Demised Premises and the Tenant shall not be entitled to compensation for any inconvenience, nuisance or discomfort caused thereby.

(g) to abide by and comply with all lawful statutes, by-laws, rules and regulations of every parliamentary, municipal or other authority which in any manner relate to or affect the Demised Premises by reason of the tenancy of the Tenant; and to permit the Landlord to put the Demised Premises in such state of repair as to comply with the said statutes, by-laws, rules and regulations and to indemnify and save harmless the Landlord from any penalty, costs, charges or damages to which the said Landlord may be put or suffer by reason of having to alter the Demised Premises to conform with any such statute, by- laws, rules or regulations by reason of the tenancy of the Tenant.

(h) not to assign or sublet the whole or any portion of the Demised Premises in whole or in part without the consent of the Landlord, which consent may be arbitrarily withheld.

(i) not to do or omit to do or permit to be done or omitted anything upon or in respect of the Demised Premises the doing or omission of which (as the case may be) shall be or result in a nuisance.

(j) to indemnify the Landlord from any and all liabilities, damages, costs, claims, suits or actions arising out of:

(i) any breach, violation, or non-performance of any covenant or proviso hereof on the part of the Tenant;

(ii) any damage to property occasioned by the use and occupation of the Demised Premises; or

(iii) any injury to person or persons, including death resulting at any time therefrom, occurring in or about the Demised Premises, and on the roads or sidewalks adjacent thereto.

Such indemnification in respect of any such breach, violation or non-performance, damage to property, injury or death occurring during the term of the Lease shall survive any termination of this Lease, anything in this Lease to the contrary notwithstanding; PROVIDED, however, that such indemnification shall in no event extend to the direct, primary and proximate results of the negligent, reckless or willful conduct of the Landlord, its agents, employees or representatives.

(k) to use the Demised Premises for the purpose of a Medical School and for the provision of medical and health related educational programs therein.

6. Landlord's Covenants

The Landlord covenants with the Tenant as follows:

(a) Quiet Enjoyment:

The Tenant shall and may peacefully and quietly have, hold occupy, possess and enjoy the Demised Premises for the term hereinbefore provided and during any renewals or extensions thereof provided the Tenant keeps, observes and performs all of the covenants and provisions as required in this Lease.

(b) Access:

The Landlord shall permit the Tenant, its employees, staff, students, guests and invitees and all other persons lawfully requiring communication with Tenant to have the use at all times in common with others entitled thereto of the roadways and walkways on the Landlord's Campus for access to and egress from the Demised Premises.

(c) Supply of Heat, Airconditioning, Light and Water:

The Landlord covenants to provide sufficient and reasonable heat, air conditioning, light and water to the Demised Premises except during the making of repairs to the heating, air conditioning, lighting and water systems.

(d) Security:

The Landlord shall provide adequate and reasonable security to the Medical School Building and the Demised Premises to the standard it maintains generally on its Campus; provided that the Landlord shall provide such reasonable additional security as the Tenant may require at the Tenant's sole expense.

(e) Maintenance and Repairs:

The Landlord shall be responsible for the general maintenance and repair of the Demised Premises; and the Landlord covenants to keep the Demised Premises, including all mechanical equipment and fixtures, in good condition and in good working order.

(f) Janitorial Service:

The Landlord shall provide reasonable janitorial services for the Demised Premises at the standard it maintains generally on its campus; provided that the Landlord shall provide such reasonable additional janitorial services as the Tenant may require at the Tenant's sole expense.

(g) Parking:

The Landlord shall allocate to the Tenant such parking spaces as the Tenant may reasonably require for itself, its staff, students, guests and invitees at such locations as the Landlord shall select and at prices as shall be in effect from time to time on the Landlord's Campus.

(h) Insurance:

(i) Fire and Other Perils:

The Landlord shall insure the Demised Premises against loss or damage by fire or other perils in amounts and upon terms it considers reasonable and in keeping with the insurance arrangements on its other buildings on its Campus and the Tenant shall be named as an insured in such policies of insurance.

The parties acknowledge and agree that the Tenant is the owner of the furniture, furnishings and equipment in the Demised Premises and the Tenant shall insure the same in amounts and upon terms it considers reasonable at its own expense.

(ii) Liability:

The Landlord shall arrange to include the Tenant in its liability insurance coverage and to insure the Tenant for liability of all kinds in amounts satisfactory to the Tenant.

7. Provisos

(a) **Proviso for Re-entry**

The Landlord may re-enter the premises for non-payment of rent and/or non-performance of covenants.

(b) **Removal of Fixtures**

The Tenant may remove its fixtures at the end of the term of the Lease or any renewal thereof making good any damage incurred in such removal.

(c) **Destruction or Damage to the Premises**

(i) If the Demised Premises are destroyed by fire, or other cause such as to render the Demised Premises wholly unfit for occupancy, all charges to the Tenant for operating costs or otherwise shall cease from the time of occurrence of the said damage until the completion of repairs by the Landlord;

(ii) If the damage is such that the Demised Premises can be partially

(ii) If the damage is such that the Demised Premises can be partially used by the Tenant, the Tenant's share of operating costs shall abate in the proportion that the part of the Demised Premises rendered unfit for occupancy is of the whole of the Demised Premises from the time of the occurrence of the damage until the completion of the repairs by the Landlord.

(d) **Damage to Property**

The Landlord shall not be liable or responsible in any way for any loss of or damage or injury to any property belonging to the Tenant or its employees or to any other person while the property is on the Demised Premises unless the loss, damage or injury is caused by the negligence of the Landlord or its employees, servants or agents and the Landlord is not liable in any event for damage to the property caused by steam, water, rain or snow which may leak into, issue or flow from any part of the Medical School Building or from the water, steam or drainage pipes or plumbing works of the Medical School Building or from any other place or quarter nor from any damage caused by, or attributable to the condition or arrangement of any electrical or other wiring.

(e) **Default of Tenant**

If the Tenant's operating costs are not paid when due whether lawfully demanded or not, or in case of breach or non-performance or non-observance of any of the covenants or agreements or rules or regulations herein contained or referred to on the part of the Tenant to be observed or performed or in case the Demised Premises are vacated or remain unoccupied, or in case the term is taken in execution or attachment for any cause, then the Landlord is entitled to enter upon the Demised Premises or any part thereof and to repossess and enjoy the Demised Premises as of its former state.

(f) **Right of Termination**

On the Landlord becoming entitled to re-enter the Demised Premises under any of the provisions of this Lease, the Landlord, in addition to all other rights, has the right to terminate this Lease forthwith by leaving on the Demised Premises notice in writing of its intention and thereupon any payment for which the Tenant is liable under this Lease shall be computed, apportioned and paid in full to the date of such termination and the Tenant shall immediately deliver up possession of the Demised Premises to the Landlord and the Landlord may re-enter and take possession of the Demised Premises.

8. **No Warranties**

The Tenant agrees that the within Lease constitutes the entire understanding between the parties hereto and that there are no representations or warranties, oral or otherwise, except as are contained herein. The Tenant further agrees that it has

inspected the Demised Premises prior to the commencement of this Lease and that by virtue of these presents, accepts the said premises in the condition that the same were in as of the commencement of this Lease.

9. Over Holding

In case the Tenant shall, without objection by the Landlord, continue as Tenant of the Demised Premises after the expiry of the term hereby created or any renewal hereof, without written agreement as to the tenancy, the Tenant shall in that event become and be a monthly Tenant only (terminable by one calendar month's notice) subject as far as applicable to a monthly tenancy to the covenants, provisos and conditions of and at the same payment of rent mentioned in these presents.

10. Notice

IT IS HEREBY AGREED by and between the parties hereto that any notice in writing which either party may desire to give to the other with regard to any matter or thing in this Lease contained may be validly and effectually given by mailing the same by prepaid registered post addressed, if intended for the Landlord, to:

Laurentian University of Sudbury
935 Ramsey Lake Road
Sudbury, Ontario
P3E 2C6

and if intended for the Tenant, to:

Northern Ontario School of Medicine/
Ecole de Medecine du Nord-Ontario
935 Ramsey Lake Road
Sudbury, Ontario
P3E 2C6

and every such notice shall be deemed and taken to have been given on the day following the date on which it was so mailed.

11. Arbitration

If any differences shall arise between the parties hereto concerning the interpretation of any of the clauses hereof, such differences shall be referred to arbitration pursuant to the provisions of the Arbitrations Act of Ontario and the law of the Province of Ontario.

12. Words importing the singular number only shall include the plural and vice versa, and words importing the masculine gender shall include the feminine gender and words importing persons shall include firms and corporations and vice versa.

13. Unless the context otherwise requires, the word "Landlord" and the word "Tenant" whenever used herein shall be construed to include and shall mean the successors and assigns of the Landlord and of the Tenant.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their respective corporate seals, attested by the hands of their respective officers duly authorized in that behalf this day of , 2005.

SIGNED, SEALED AND DELIVERED)
in the presence of)
)
) **LAURENTIAN UNIVERSITY OF**
) **SUDBURY**
) per:
)
)
)

) **NORTHERN ONTARIO SCHOOL**
) **OF MEDICINE/ECOLE DE**
) **MEDECINE DU NORD-ONTARIO**
) per:
)
)
)

This is **Exhibit "E"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

Northern Ontario
School of Medicine
École de médecine
du Nord de l'Ontario
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Leadership
2010 Public Sector Leadership Awards IPAC•Deloitte
2010 Prix de leadership dans le secteur public IAPC•Deloitte

Global Best
Award Winner
2010

September 4, 2012

Normand Lavallée, CA, FCMA
Chief Financial Officer
Laurentian University
935 Ramsey Lake Rd
Sudbury ON P3E 2C6

Dear Norm:

Re: Lease Amendment – Health Sciences Education Resource Centre

Please find enclosed one fully executed copy of the Lease Amendment, complete with Schedules, adding the Health Sciences Education Resource Centre to the Original Lease between NOSM and Laurentian University.

Thank you very much for your assistance in bringing this matter to a successful conclusion.

Sincerely,

Ken

Ken Adams

KA/dlm
Encl.
cc Roger Strasser, Dean and CEO
Don Mackie, Manager of Facilities Services

West Campus
Lakehead University
955 Oliver Rd
Thunder Bay ON P7B 5E1
Tel: (807) 766-7300
Fax: (807) 766-7370

East Campus
Laurentian University
935 Ramsey Lake Rd
Sudbury ON P3E 2C6
Tel: (705) 675-4883
Fax: (705) 675-4858

LEASE AMENDMENT

Dated the 1st day of July, 2011

This is an Amendment to the Lease Agreement dated the 1st day of September, 2005 (hereinafter called the "Original Lease") between **LAURENTIAN UNIVERSITY OF SUDBURY** (hereinafter called the "Landlord") and the **NORTHERN ONTARIO SCHOOL OF MEDICINE/ÉCOLE DE MÉDECINE DU NORD DE L'ONTARIO** (hereinafter called the "Tenant").

WHEREAS the parties wish to amend certain terms of the Original Lease to include the premises in the facility known as the Health Sciences Education Resources Centre currently occupied by the Tenant as part of the Demised Premises;

AND WHEREAS certain capitalized terms not otherwise defined herein are defined in the Original Lease;

NOW THEREFORE the parties hereto hereby agree as follows:

1. CHANGE

Section 1 of the Original Lease, being the definition of the "Demised Premises", is hereby amended in the following manner:

a) To add to the Original Lease an additional facility denoted as the Health Sciences Education Resource Centre situated on the campus of Laurentian University, Sudbury, Ontario, as shown on the site plan attached as Schedule "A"; and,

b) Occupied by the Landlord (40%) and the Tenant (60%) based upon the colour-coded chart of rooms attached as Schedules "B-1" and "B-2"; and,

c) The Tenant's Proportionate Share shall increase if the Tenant shall acquire additional premises in the Health Sciences Education Resource Centre at any time hereafter and such increase shall be established mutually between the parties; the Tenant's Proportionate Share shall decrease if the Tenant shall surrender, with the Landlord's consent, any part of the Demised Premises at any time hereafter and such decrease shall be established mutually between the parties; and, notwithstanding the foregoing, the Tenant's Proportionate Share of the Operating Costs for each year of the Term shall be the costs set out in Change 2.

For clarity, reference to the Demised Premises in the Original Lease, this Agreement and any future amendment shall include the premises leased by the Tenant in both the Health Sciences Education Resource Centre and the medical School Building.

2. OTHER CHANGES

The Tenant's covenants in Section 5 (items (a) through (k) of the Original Lease) are hereby amended to include the facility described as the Health Sciences Education Resource Centre. Monthly payments are to be made in the estimated amount of 1/12

(one-twelfth) of the annual operating costs, which will be audited and reconciled annually and will not exceed or be less than the Tenant's Proportionate Share of the Health Sciences Education Resource Centre's actual operating costs for any fiscal year (May 1 to April 30). Said costs are due and payable within 30 days after receipt by the Tenant of an invoice from the Landlord for same.

3. OTHER TERMS

Each of the parties hereto acknowledge and agreement that all other terms and provisions more particularly set out in the Original Lease Agreement shall remain as contained and enforced in the signed and executed document dated the 1st day of September, 2005.

IN WITNESS WHEREOF the Landlord and Tenant have hereunto affixed their hands and seals.

SIGNED, SEALED AND DELIVERED
In the Presence of

LAURENTIAN UNIVERSITY OF SUDBURY

Carol McAulay, Vice-President, Administration

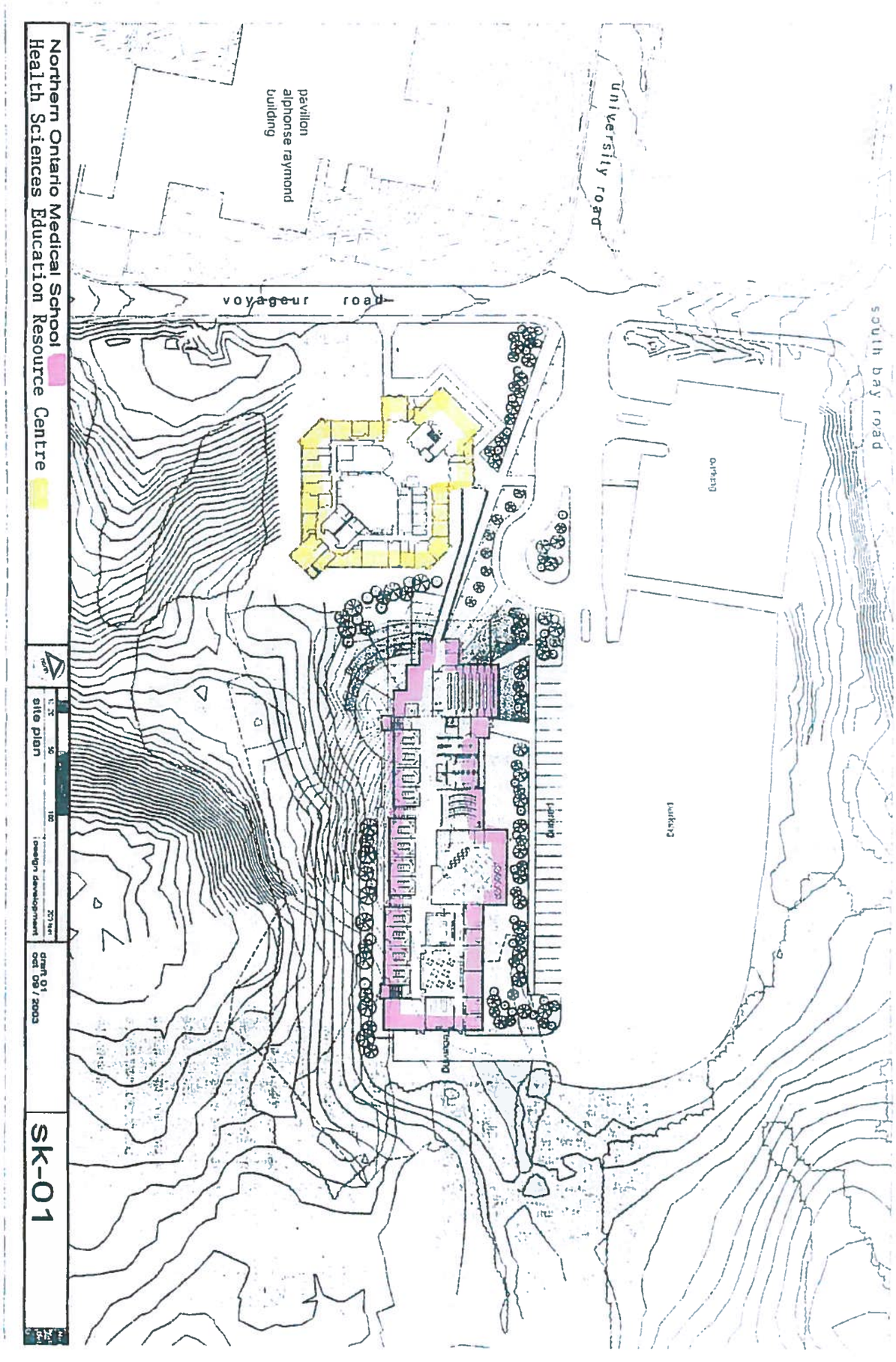
Normand Lavallée,
Executive Director, Financial Services

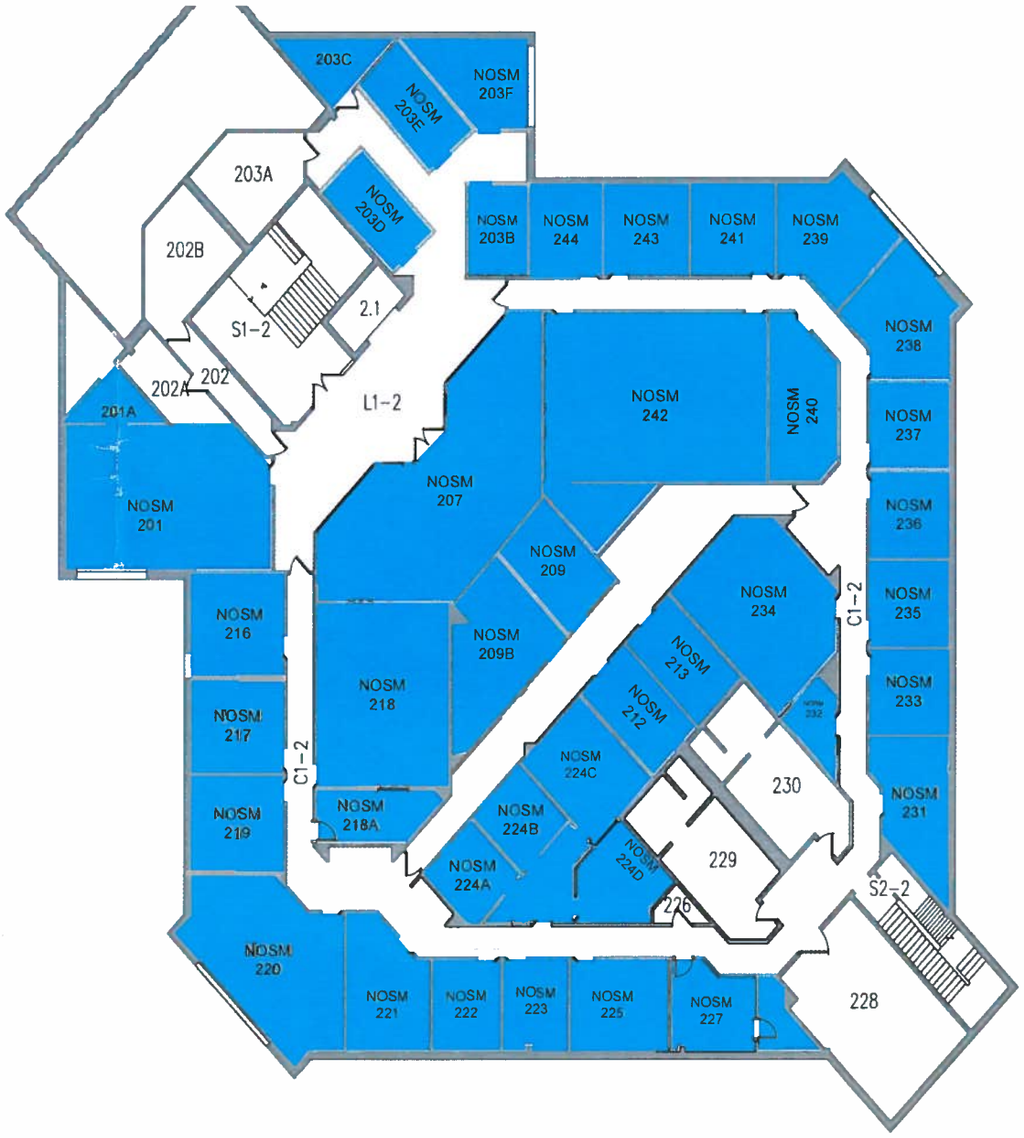
NORTHERN ONTARIO SCHOOL OF MEDICINE/ÉCOLE DE MÉDECINE DU NORD DE L'ONTARIO

Brian Stevenson, Vice-Chair of the Board

Roger Strasser, Dean and CEO

SCHEDULE "A"


Northern Ontario Medical School
Health Sciences Education Resource Centre
site plan
design development
draft 01
oct 09 / 2003
sk-01
pavilion
alphonse raymond
building
university road
voyageur road
south bay road



NOSM NORTHERN ONTARIO SCHOOL OF MEDICINE

LU LAURENTIAN UNIVERSITY PROGRAMS

COMMON – UNASSIGNABLE – BUILDING MECHANICAL/ELECTRICAL

PRINTED: Tuesday, November 22, 2011 14:05

NORTHERN ONTARIO SCHOOL OF MEDICINE
EAST CAMPUS – LAURENTIAN UNIVERSITY

HEALTH SCIENCES EDUCATION RESOURCE CENTRE
FLOOR 2

SCHEDULE B-2

NOVEMBER 2011

This is **Exhibit "F"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

RELATIONSHIP AGREEMENT

Made as of December 19, 2018

between and among

LAKEHEAD UNIVERSITY

and

LAURENTIAN UNIVERSITY

and

NORTHERN ONTARIO SCHOOL OF MEDICINE

RELATIONSHIP AGREEENT

This Agreement amends, restates and replaces the Relationship Agreement between the Parties made as of November 30, 2015 and is made as of December 19, 2018 between and among:

LAKEHEAD UNIVERSITY ("**Lakehead**")
and

LAURENTIAN UNIVERSITY ("**Laurentian**")
and

NORTHERN ONTARIO SCHOOL OF MEDICINE ("**NOSM**")

RECITALS

(1) NOSM, a medical school for the whole of Northern Ontario, is a shared initiative of Lakehead and Laurentian.

(2) The relationship between and among the Parties involves a number of complex components, related to the uniqueness and diversity of the Universities and the distance between them. This complexity is guided by the establishment of shared values and principles that the Parties employ as they respect each other's unique differences and circumstances.

(3) It is meaningful to describe the background to the formation of NOSM and the intricacies of the historical relationships where agreement has been reached on a broad basis in order to provide context for the working relationships between and among the Parties.

(4) With medical school sites at Lakehead in Thunder Bay and at Laurentian in Sudbury, NOSM has multiple teaching and research sites across Northern Ontario, in large rural and remote communities. As such, NOSM contributes to improving the health of people in Northern Ontario.

(5) NOSM is the first medical school in the country established through collaboration between two universities. In many ways, the establishment and development of NOSM was a new endeavor for which there was little or no precedent in Canada.

(6) The Universities remain committed to ensuring that NOSM supports the interests of the whole of Northern Ontario and thrives as a successful medical school. NOSM acknowledges that the entirety of its wider campus of Northern Ontario is the Ancestral Traditional Lands of the First Nations Peoples and Métis Peoples who resided alongside. NOSM also respectfully acknowledges that the medical school building at Laurentian is located in the Robinson-Huron Treaty territory and at Lakehead in the Robinson-Superior Treaty territory.

Lakehead respectfully acknowledges its campuses are located on the traditional lands of Indigenous Peoples. Lakehead Thunder Bay is located on the traditional lands of the Fort William First Nation, signatory to the Robinson-Superior Treaty of 1850. The

Anishinaabeg include the Ojibwe, Odawa, and Pottawatomi nations, collectively known as the Three Fires Confederacy. Lakehead acknowledges the history that many nations hold in the areas around our campuses, and is committed to a relationship with First Nations, Métis, and Inuit Peoples based on the principles of mutual trust, respect, reciprocity, and collaboration in the spirit of reconciliation.

Laurentian is located on the traditional Anishinaabe territory of the Atikameksheng Anishnawbek and Wahnapitae First Nation. Laurentian is situated within the boundaries of the Robinson-Huron Treaty of 1850. Laurentian acknowledge those who came before us and honour those who are the caretakers of this land and the waters.

NOW THEREFORE IN CONSIDERATION of the mutual promises and agreements of the Parties herein expressed and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

1.0 BACKGROUND

1.1 For the purpose of this Agreement:

(1) "**Agreement"** means this relationship agreement, as amended or restated from time to time.

(2) "**Faculty member**" means individuals appointed by NOSM under the NOSM Faculty Appointment and Reappointment Policy, as well as faculty who are employees of NOSM and individuals who are members of LUFA (Laurentian) or LUFA (Lakehead).

(3) **"Learners**" means all students and residents enrolled with NOSM, including medical students, residents (postgraduate learners), graduate students, dietetic interns, physician assistant students, and other health professional students undertaking placements coordinated by NOSM.

(4) **"Parties"** collectively means NOSM, Lakehead and Laurentian.

(5) **"Program"** means any combination of courses and/or other study requirements that, upon successful completion, lead to the award of a formal qualification such as a university degree (MD or MMS) or health professional certification (CCFP, FRCPSC or RD).

(6) **"Universities"** collectively means Lakehead and Laurentian.

1.2 NOSM is a separate corporate entity established by Lakehead and Laurentian which, as a single region-wide organization, serves as the Faculty of Medicine both for Lakehead and for Laurentian.

2.0 NOSM MODEL

2.1 NOSM was established under the *Corporations Act* (Ontario) with Lakehead and Laurentian as the two members of the not-for-profit corporation. Under the operating by-laws of NOSM,

the Presidents of Lakehead and Laurentian, or if so delegated by the President, the University Provost, serve as Chair and Vice-Chair of the NOSM board of directors ("**Board**"). The holders of these positions alternate every three years.

2.2 The corporate Letters Patent set out the objects of NOSM as follows:

"Working under the auspices of Lakehead University and Laurentian University of Sudbury to establish, operate and maintain a medical school which is responsive to the needs of the people of Northern Ontario and other regions of Canada for the purposes of:

(a) providing undergraduate and post-graduate medical education programs with a primary focus on those programs that are innovative and responsive to the individual needs of students and to the healthcare needs of the people of Northern Ontario;

(b) advancing the highest quality of medical learning, teaching, research and professionalism;

(c) contributing to the advancement of medical education and healthcare services in Northern Ontario and in the Ontario, Canadian and global contexts with particular focus on the unique healthcare needs of the people who live in the communities of Northern Ontario and other northern regions of Canada; and

(d) facilitating student appreciation of the opportunities for quality educational and professional medical careers in rural and northern regions of Ontario with a focus on Northern Ontario and its communities' healthcare needs."

2.3 In the NOSM Strategic Plan 2015 – 2020, the vision, mission and goals are:

Vision
Innovative Education and Research for a Healthier North

Mission
The Northern Ontario School of Medicine (NOSM) is committed to the education of high quality physicians and health professionals, and to international recognition as a leader in distributed, learning-centred, community-engaged education and research.

NOSM will accomplish this by:

Being socially accountable to the priority health needs and the diversity of the populations of Northern Ontario.

Actively involving Indigenous, Francophone, remote, rural and underserviced communities.

Leading and conducting research activities that positively impact the health of those living in Northern communities.

Fostering a positive learning environment for learners, faculty and staff.

Achieving an integrated, collaborative approach to education, learning, and programming.

Increasing the number of physicians and health professionals with the clinical and leadership knowledge and skills to practice in Northern Ontario.

Goals

Enrich the educational programs to foster exemplary quality health care in rural and remote communities.

Strengthen NOSM's capacity to perform outstanding research that aligns with the health needs of Northern Ontario.

Create an inclusive whole-school culture and learning environment that support the growth and development of NOSM's faculty, staff, and learners.

Empower faculty members through ongoing engagement and active involvement in all aspects of NOSM.

Engage communities, health service partners, and other collaborators strategically to strengthen relationships and expand resources.

2.4 The establishment of NOSM was guided by the Ministry of Training, Colleges and Universities ("**MTCU**"). As part of the model, it was determined that MTCU would communicate directly with NOSM and copy these communications to the Presidents of each of Lakehead and Laurentian. Funding flows from MTCU directly to NOSM rather than through the Universities. The NOSM Board is ultimately responsible and accountable for all corporate and financial aspects of NOSM and not subject to the direction of any other boards, including the boards of governors of the two Universities.

2.5 NOSM cannot grant degrees; only universities grant degrees. NOSM gains its academic status through the authority of the Senates of the two Universities. NOSM serves as the Faculty of Medicine of Lakehead and the Faculty of Medicine of Laurentian. Consequently, NOSM has a dual governance structure like that of the Universities with corporate governance provided by the NOSM Board and academic governance exercised through the Senates of Lakehead and Laurentian.

2.6 Academic governance arrangements for NOSM have been established through the NOSM Academic Council, which makes recommendations to the Senates of Lakehead and Laurentian through the Joint Senate Committee ("**JSC"**) for NOSM. The Senates may only accept, reject, or send back for further work, recommendations from the JSC.

2.7 For many academic activities and programs, NOSM functions in virtually the same way as other faculties/schools in each university except that its faculty members are neither employees of the Universities nor members of the Universities' faculty bargaining units. The NOSM Doctor of Medicine (MD) Program (known as "**undergraduate medical education (UME)**") culminates in a joint degree of the two Universities. Other NOSM programs like the Residency Programs (known as "**post-graduate education (PGE)**") lead to qualifications awarded by non-university organizations (e.g. certification by the Royal College of Physicians and Surgeons of Canada or the College of Family Physicians of Canada).

2.8 Similar to the MD Program, the NOSM Graduate Studies Program leads to the awarding of a joint Masters and/or a joint PhD degree of both Universities. NOSM contributes to the Graduate Studies programs of both Universities through the supervision of Masters and PhD students in a variety of departments and schools of the Universities.

2.9 The appointment or reappointment of the Dean of NOSM comprises a process involving a Search Committee of the NOSM Board constituted in accordance with Section 32 of the By-laws of NOSM, as amended, and otherwise, as follows:

"32.1 The Corporation shall have a Dean, who shall be recommended by the Search Committee for appointment jointly by the Board and by Lakehead University and Laurentian University on such terms and for such duration as the Board may from time to time determine.

32.2 The appointment of the Dean is subject to the approval of the appropriate bodies of each of Lakehead University and Laurentian University within their respective policies.

32.3 The Dean shall function primarily as the chief executive officer of the Corporation and shall act as president for the purposes of the *Act* so long as that statute requires there to be a president of an entity governed by it."

2.10 There are a number of advantages of the NOSM corporate and academic model from the perspectives of the Universities, as well as for NOSM. These advantages include:

- the Universities maintain academic oversight for NOSM through their Senates,
- there are open and transparent relationships between and among the Parties with a clear and distinct demarcation on flow of funds,
- the Universities are protected from legal and financial liabilities, other than those specifically assumed by agreement,
- a successful medical school enhances the prominence and reputation of both Universities, relative to other universities, and assists with recruitment of learners and faculty beyond the immediate reaches of NOSM,
- the NOSM model provides the opportunity for taking innovative and new approaches to academic programs across the two Universities and in administrative processes, and
- NOSM derives academic enrichment, standing and credibility, as well as administrative support through its association with not one but two universities, each with over half a century of history.

2.11 The Dean of NOSM has a duty to advocate for additional resources for NOSM. The Chair and Vice-Chair of the NOSM Board shall be informed of the steps taken by the Dean in his or her advocacy for additional funding from the Province of Ontario or elsewhere.

3.0 PRINCIPLES

3.1 The working relationships between and among the Parties are guided by the following principles ("**Principles**"):

- the Universities and NOSM will work towards a shared goal of providing a common educational experience for Learners with a common professional philosophy and program regardless of the University of registration, as well as common and consistent support for research,
- the relationships are intended to maximize benefits to the Universities as well as to NOSM,
- all structures, policies and processes will seek to maximize efficiency and effectiveness, and minimize unnecessary duplication,
- opportunities will be explored that yield innovative and creative solutions that address technology, administrative and academic goals, and
- the Parties, while acknowledging the challenges and complexities presented by this multi-governance model, will work co-operatively to ensure its effectiveness.

4.0 LEARNERS

4.1 NOSM has a wide range of education programs including the MD program Residency Programs and Continuing Education Professional Development ("**CEPD**"), all of which have specific Accreditation requirements. In addition, NOSM is involved in other education programs: the Northern Ontario Dietetic Internship Program ("**NODIP**") is a one year clinical/community education program accredited by the Dietitians of Canada which prepares dietetic interns to be qualified as registered dietitians; the Physician Assistant education program (provided by a Consortium of the University of Toronto Faculty of Medicine, the Michener Institute of Applied Health Sciences and NOSM); the Northern Studies Stream for McMaster University students in Physiotherapy and Occupational Therapy; clinical placements for Speech Language Pathology, Audiology, Physiotherapy and Occupational Therapy students from other academic institutions; PharmD program of the University of Waterloo; and the Northern Ontario Radiation Physics program in collaboration with the regional cancer programs in Thunder Bay and Sudbury, accredited by the Commission on Accreditation of Medical Physics Education Programs; the NOSM Graduate Studies Program (Master of Medical Studies), a joint program of both Universities. In addition NOSM contributes to the Graduate Studies programs of both Universities through the supervision of Masters and PhD students in a variety of departments and schools of the Universities. NOSM also participates in interprofessional education in collaboration with other health sciences programs of the Universities and other post-secondary education institutions within and beyond Northern Ontario.

4.2 NOSM medical students graduate with a Doctor of Medicine (MD) Degree conferred by both Universities. A clear requirement of the Committee on Accreditation of Canadian Medical Schools ("**CACMS**")/Liaison Committee on Medical Education ("**LCME**") is accreditation ("**Accreditation**") which has the expectation of consistency such that all medical students in each NOSM MD class study the same curriculum and receive the same support and services. All Parties will ensure that NOSM medical students have access to similar services to the extent possible at both Universities.

4.3 Although similar in intent, the regulations affecting NOSM medical students of Lakehead and Laurentian are not identical. Medical schools usually have their own specific regulations, which complement the general regulations of the University. For NOSM, there is a need for

consistent and clear "University regulations" so as to meet Accreditation requirements. Consequently, specific NOSM regulations have been developed which are consistent with the regulations of Lakehead and Laurentian. It should be noted that societal requirements of medical schools place an added responsibility to ensure that medical students meet standards of professional performance and behaviour, in addition to the academic and behavioural standards required of all university students.

4.4 In the case of NOSM medical or graduate student appeals, both Senates have approved the NOSM Policy Regarding Academic Appeals and the Academic Council Appeal Committee Terms of Reference. The Appeal Committee is drawn from a Committee Panel that will be convened to hear Learner appeals based on an academic decision rendered by any NOSM program or committee under the purview of Academic Council whose decisions are final. Postgraduate Learners (Residents) can appeal only as far as the NOSM Academic Council whose decisions are final.

4.5 It is understood that where NOSM medical or graduate students engage (or are alleged to have engaged) in misconduct, a person aggrieved has the right to pursue a complaint under the relevant NOSM regulation and/or policy in addition to their right to pursue a complaint under the relevant policies, procedures and/or regulations of the University in whose jurisdiction it takes place. Where the complaint is brought under a University policy, procedure and/or regulation of the jurisdiction in which the misconduct takes place, the University's officers will consult with the appropriate NOSM authorities prior to instituting any disciplinary measures/actions. Notwithstanding the substance of any consultation, in addition to any disciplinary measures/actions taken pursuant to NOSM regulations, the University having jurisdiction may impose its own disciplinary corrective measures in accordance with the relevant university policy/procedure/regulation under which the misconduct was addressed. NOSM medical students or graduates are registered as Lakehead students if they begin their studies at Lakehead and as Laurentian students if they begin their studies at Laurentian. As occurs at other medical schools, NOSM medical students seeking an undergraduate medical degree begin their program on a University campus (either Laurentian or Lakehead) and continue their medical studies in years three and four at a variety of distributed clinical learning locations with occasional time spent on the University campuses.

4.6 In order to avoid duplication and to adequately address medical or graduate student liability risks and the obligation for medical students that NOSM has under collaboration agreements entered into with hospitals and other health service teaching sites, the Parties agree that:

(a) NOSM medical and graduate students will be considered to be registered at NOSM and at either of Lakehead or Laurentian as provided for in Section 4.5 of this Agreement.

(b) The policy of insurance maintained by NOSM shall apply to any academic and medical malpractice liability involving NOSM learners including medical and graduate students, residents and dietetic interns. Residents are also required to be members of the Canadian Medical Protective Association.

(c) Each Party shall be held responsible for its own negligence and each Party shall indemnify, defend and hold harmless each of the other Parties from and against all claims, losses, damages and costs with respect to such negligence.

(d) NOSM has added Lakehead and Laurentian as "additional insureds" to the NOSM insurance policy and each of Lakehead and Laurentian have added NOSM as an "additional insured" to its insurance policy.

4.7 As required by MTCU, NOSM reports its Learners to MTCU, drawing on data supplied by the two Universities' Registrars' Offices. Although MTCU funding comes directly to NOSM, the Universities collect the tuition and ancillary fees from the NOSM Learners in the same way as for students of other schools and faculties. NOSM Learners registered at Lakehead have their fees collected by Lakehead and Laurentian-registered NOSM Learners have their fees collected by Laurentian.

4.8 Consistent with the Principles outlined previously, the Registrar's Office at each University maintains the primary Learner records in the same way as for students of other Faculties/schools in the Universities. NOSM keeps some limited Learner records, in its Office of Learner Affairs.

4.9 Arrangements for the production of transcripts have been developed through cooperation between the Registrars' Offices of the two Universities. Transcripts produced for NOSM Learners designate both Universities consistent with students undertaking single undergraduate programs.

4.10 NOSM Learners have full access to the library resources of both Universities and students of both Universities have access to library resources of NOSM. Access to library resources is important for NOSM Learners, regardless of where they are located and their university registration status. Reciprocal processes for this access to library resources will be maintained and on-going collaboration ensures technical support for said access. The libraries ensure that there is no unnecessary duplication with regard to licences for access to electronic resources. The University and NOSM libraries ensure appropriate representation and inclusion in relevant library consortia activities.

4.11 All NOSM Learners are provided with equal access to support and counselling covering academic, personal/social, health, and financial matters. Many of these student affairs services are provided through established mechanisms of both Universities with appropriate funding provided by NOSM to the Universities. The mechanisms of the two Universities for providing financial counselling and support are sufficiently different from each other that the NOSM Office of Learner Affairs requires mechanisms to facilitate consistency for all NOSM Learners. Protocols facilitating consistency and funding limits are developed and approved by the Universities and NOSM.

4.12 In addition to Learner support and counselling, NOSM is required to ensure that all NOSM Learners have access to student financial aid. The NOSM Office of Learner Affairs collaborates with the relevant University financial aid offices to ensure that NOSM Learners have access to all scholarships and bursaries that are available to them.

4.13 There is a particular imperative for NOSM to ensure that student financial aid is available such that no medical student is unduly disadvantaged financially by studying medicine at NOSM. As a result of recruiting medical students with a northern and rural background, the average family income of NOSM medical students is less than that of students of other medical schools (based on census data). The NOSM Board has recognized this issue and established the NOSM Bursary Fund to facilitate the collection of a pool of funds to provide scholarships and bursaries for NOSM medical students. Donations are made to either University or to NOSM and the donor may designate the manner in which the funds are to provide medical student support. Bursary funds donated to either University shall be invested in accordance with the relevant University policies on investment trust and endowment funds.

4.14 In relation to Convocations, usually NOSM medical students registered at Lakehead graduate at a Lakehead Convocation in Thunder Bay and Laurentian-registered medical students graduate at a Laurentian Convocation in Sudbury. Exceptions can be made where the medical student presents a compelling argument to the NOSM Associate Dean Undergraduate Medical Education for attending the convocation at the University to which they have not been registered provided sufficient notice period to allow the logistics of this to occur. The MD Degree parchments signifies award of an MD degree of Lakehead and Laurentian with both Universities recognized equally on the parchment.

4.15 As noted above, NOSM is responsible for post-graduate medical education (Residency Programs) accredited by the College of Family Physicians of Canada ("**CFPC**") or the Royal College of Physicians and Surgeons of Canada ("**RCPSC**"). CFPC and RCPSC determine curriculum standards, examine candidates and award certification in specific specialties. This certification is required for physicians to qualify for an independent licence to practice. NOSM residents are registered with NOSM and recorded by the Universities for reporting to MTCU and the Ministry of Health and Long-Term Care. Residents undertake most of their education in clinical settings with some classroom based learning on the University campuses. NOSM residents have full access to NOSM library, Learner support services and other services available to University students.

5.0 FACULTY

5.1 The NOSM Faculty Appointment and Reappointment Policy, and Policy and Procedures Governing Joint and Stipendiary Faculty Promotions covers NOSM faculty members who are not employees of either Lakehead or Laurentian and therefore not covered by the collective agreements of either University. These NOSM faculty members may be employed by NOSM, employed by another institution (such as a hospital or health service) or be self-employed (like many physicians). To cover Lakehead or Laurentian faculty members who undertake faculty roles for NOSM, agreed terms for secondment have been developed by the parties and are attached as Schedule A.

5.2 NOSM has primary responsibility for providing and funding professional development, training, and other human resources support for staff and faculty who are employees of NOSM. Consistent with the Principles, NOSM protocols and procedures are similar to those of the two Universities. Policies approved by the NOSM Board take precedence over the policies of either Lakehead or Laurentian.

5.3 The NOSM Faculty Appointment and Reappointment Policy, and Policy and Procedures Governing Joint and Stipendiary Faculty Promotions distinguishes the concepts of employment status from faculty status and from academic rank. It allows for NOSM faculty members to have faculty status and academic rank in the Faculty of Medicine at both Universities.

5.4 This recognition of faculty status applies to NOSM faculty members, at both Laurentian and Lakehead, as well as other locations including all stipendiary faculty members. It seeks to foster collaboration and enable the integration of the faculty members of NOSM into the academic community of Laurentian and Lakehead, including fostering co-operative and collaborative research and harmonized research application, while recognizing the need to respect the collective agreement commitments of each University and NOSM. The intention is that employed NOSM faculty members have the same access as full-time Lakehead and Laurentian faculty members and stipendiary NOSM faculty members would have the same access as part-time Lakehead and Laurentian faculty members. (see Schedule D and F)

5.5 Faculty status recognition by the Universities does not grant NOSM faculty members standing within departments of the Universities. NOSM faculty members may apply to be involved in the academic activities of a University department or school, as if they are within the same institution. The Laurentian faculty collective agreement describes this as a "cross appointment" between departments or schools, and the Lakehead Senate policy describes this as an "internal adjunct appointment" between departments or schools. The procedure for seeking such an appointment is described in the Protocol for Reciprocal Recognition of Faculty Members, which is set out in Schedule C.

5.6 Recognition of faculty status by the Universities does not make faculty members at NOSM members of the bargaining unit of faculty members at either Lakehead or Laurentian, unless they are offered work defined in the collective agreement of the Universities. Such work will be compensated according to the collective agreement, and the persons performing it will be members as defined by that collective agreement.

5.7 In the event of any legal labour disruption between the Lakehead faculty association and the Board of Governors at Lakehead or between the Laurentian faculty association and the Board of Governors at Laurentian, faculty members at NOSM will not be used as “replacement workers” in any activities performed by faculty members of the University at which the legal labour dispute is taking place in accordance with the relevant collective agreement governing those activities. In the event of a labour disruption between the NOSM faculty association and the NOSM Board, faculty members of the Universities will not be used as "replacement workers" in any activities performed by NOSM faculty members in accordance with the NOSM collective agreement.

6.0 RESPECTFUL AND SAFE LEARNING, RESEARCH AND WORK ENVIRONMENT

6.1 NOSM, Lakehead and Laurentian have a moral, ethical and legal obligation to ensure a safe and respectful learning, research and work environment for all Learners, faculty and staff. The Parties agree to work together to align policies and procedures as will be outlined in a Schedule H (to be developed).

7.0 SHARED SERVICES

7.1 Shared services is a way of organizing administrative (back-office) functions, where viable, through standardization or centralization, to optimize the delivery of cost-effective, flexible and reliable services to all customers.

7.2 While NOSM is an independent legal entity, accountable for making decisions in the best interests of the corporation, at its inception, there was an expectation that NOSM, Lakehead and Laurentian would work together, in good faith, to achieve synergistic benefits through shared-services arrangements, administrative capacity and efficiencies.

(a) Consistent with the Principles and negotiated collective agreements, the Universities and NOSM will continue to identify opportunities for increased operational capacity and efficiencies, through ongoing, successful collaborations in connection with administration services including but not limited to:

(i) Environmental/facility services, (includes sharing of operating costs of facilities, leases, utilities, maintenance, etc.);

(ii) security services;

(iii) human resources;

(iv) procurement;

(v) insurance and risk;

(vi) ancillary services;

(vii) technology services;

(viii) financial services;

(ix) registration, collection and accounting of tuition and ancillary fees;

(x) students support services;

(xi) advancement support and alumni;

(xii) communications support;

(xiii) francophone support services;

(xiv) Indigenous support services;

(xv) emergency preparedness, and

(xvi) research and innovation services (See Schedule D).

(b) These service delivery relationships shall be managed through clear Service Level Agreements (SLAs) including financial compensation for specified services, where applicable. These SLAs will be overseen by the Joint Administration Leadership Group, consisting of both University VPs of Administration and the COO of NOSM.

8.0 AGREEMENT OVERSIGHT AND IMPLEMENTATION

8.1 Oversight and implementation of this Agreement occurs through the activities of the Joint Vice-Presidents and Deans Group and the Joint Administration Leadership Group.

8.2 As set out in Schedule F, the Joint Administration Leadership Group discusses the operational relationships between NOSM and the Universities focused on inclusion and fostering collaboration, consistent with the Principles set out in Section 3.0.

8.3 The NOSM Dean or designate shall be a member of the Laurentian Provost's Academic Management Team and the Laurentian Administrative and Academic Leadership Groups, and Lakehead Provost's Council and Senior Management Team.

9.0 CONCLUSION

9.1 This Agreement outlines a series of Principles and relationship issues which follow from NOSM serving as the Faculty of Medicine of Lakehead and the Faculty of Medicine of Laurentian. Although constituted as a not-for-profit corporation for corporate governance, the ultimate authority in all academic matters for NOSM lies with the Senates of the two Universities.

9.2 For undergraduate and post-graduate medical education, there is an Accreditation imperative that NOSM Learners are treated absolutely consistently wherever they are located. Although registered with one University, NOSM medical students graduate with an MD Degree from both Universities and to the extent possible, they should experience consistent treatment by way of regulations, record keeping and transcripts, access to library resources, support and counselling, and financial aid. In addition, NOSM faculty members have faculty status and academic recognition with both Universities.

9.3 The arrangements reflected by this Agreement benefit both Universities through enhancing the status and importance of the Universities, relative to other universities, and assisting with recruitment of Learners and faculty beyond the immediate reaches of NOSM. In addition, there are likely to be enhanced education and research activities at both Universities beyond the immediate programs and activities of NOSM. In turn, NOSM derives academic enrichment, standing and credibility, as well as administrative support through its association with not one but two universities, each with over half a century of history.

10.0 AGREEMENT TERM AND IMPLEMENTATION

10.1 The Presidents or Provosts of each University and the Dean-CEO of NOSM jointly review and approve the policies, procedures and schedules developed under this Agreement to ensure adherence to the Principles and agreements reflected by this Agreement.

10.2 This Agreement was reviewed in 2009, 2012, 2015 and 2018 and will be reviewed every three years thereafter.

11.0 GENERAL

11.1 This Agreement is not intended to and does not:

(a) constitute any Party as the agent of any other Party for any purpose, or otherwise create any relationship of agency;

(b) constitute or create any joint venture; or

(c) constitute or create any partnership;

and no Party shall allege or assert for any purpose that this Agreement constitutes or creates a relationship of agency, joint venture or partnership between or among the Parties.

11.2 This Agreement shall be governed by the laws in force in the Province of Ontario, including the federal laws of Canada applicable therein.

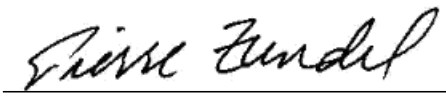
11.3 The Parties agree from time to time to do all such acts and provide such further assurances and instruments as may reasonably be required in order to carry out the provisions of this Agreement according to their spirit and intent.

11.4 If a disagreement occurs between or among the Parties with respect to this Agreement, then the dispute resolution mechanisms described in Schedule B shall be used to resolve the dispute.

11.5 Nothing in this Agreement will contravene anything in the collective agreements in force at NOSM, Lakehead or Laurentian.

This Agreement is executed by the Parties.

LAURENTIAN UNIVERSITY

By: 

Name: Dr. Pierre Zundel
Title: Interim President

LAKEHEAD UNIVERSITY

By:

Name: Dr. Moira McPherson
Title: President

NORTHERN ONTARIO SCHOOL OF MEDICINE

By: _____

Name: Dr. Roger Strasser
Title: CEO-Dean, President

SCHEDULE A

**AGREEMENT FOR SECONDMENTS
OF LAKEHEAD AND LAURENTIAN FACULTY MEMBERS
TO THE NORTHERN ONTARIO SCHOOL OF MEDICINE**

1.1 INTRODUCTION

(1) This Schedule outlines the procedures for secondment of Lakehead and Laurentian faculty members to undertake academic roles for NOSM. For the purpose of this Schedule, a reference to "academic" with respect to responsibilities at NOSM includes teaching, division head and administrative co-ordinator responsibilities and responsibilities in developing and delivering new programs but does not include any responsibilities or work relating to research.

(2) If the commitment to NOSM is only one day per week (Lakehead) or one half day per week (Laurentian) and falls within the respective collective agreement as "outside professional activity", these procedures may not be applicable. However, a secondment agreement may apply if Dean-to-Dean discussion concludes that academic service to NOSM would conflict in timing and schedule with the faculty member's academic duties at Lakehead or Laurentian.

(3) There is a clear expectation from NOSM and the Universities, that faculty members of either Lakehead or Laurentian will inform their Department Chair / School Director and Dean of their intention to undertake any paid academic work for NOSM and NOSM will provide notification of such arrangements to the appropriate Vice-President Academic.

(4) This Schedule is intended to provide clarity to administrators at NOSM and at Lakehead and Laurentian, as well as to Faculty Associations and individual faculty members. It respects the delegated authority of the respective Universities for administrative and human resource matters involving University faculty. NOSM secondments under this Schedule will respect the terms and conditions of the collective agreements between Lakehead and Laurentian and their respective Faculty Associations.

2.0 PROCESS FOR SECONDING LAKEHEAD OR LAURENTIAN UNIVERSITY FACULTY TO NOSM

2.1 Initiating the Process

(1) By February 15 of each year, NOSM will inform the Lakehead and Laurentian Vice-Presidents Academic respectively about the secondments (which may include courses taught on overload) of Lakehead and Laurentian faculty members contemplated for the forthcoming academic year beginning July 1.

(2) This process is initiated when NOSM identifies a preferred candidate who is a faculty member of Lakehead or Laurentian. The Vice-President Academic of the member's University will be informed by NOSM in writing of the proposed secondment including the name of the preferred candidate, the schedule and duration of NOSM academic duties requested.

(3) The terms of the secondment shall be determined by Dean-to-Dean discussion, and mutual approval (preliminary discussions may occur between other individuals).

(4) There will be full disclosure of the terms of the proposed secondment appointment to the appropriate Provost or Vice-President whose approval is required.

2.2 **Content of Written Offer**

After an agreement is reached between the NOSM Dean and the candidate's Dean, NOSM will prepare a written offer to the candidate with a copy to the Staff Relations / Office of the Vice-President Academic containing the following terms:

(1) The number of days per week that NOSM requires the candidate to dedicate to NOSM and, accordingly, to be released from University duties and the duration of the secondment by date.

(2) The expectation that for each day dedicated to NOSM, the candidate will provide a full day's work consisting of academic program activities and faculty development.

(3) The candidate will continue to be paid by the University at the same level of compensation and benefits and will be eligible for any general increases.

(4) NOSM will reimburse the University the salary and benefits costs of the candidate's release. The prorated reimbursement will be between 20 and 100 per cent depending on the number of days per week release time.

(5) NOSM will reimburse the reasonable costs incurred by the University in recruiting a replacement faculty member (where applicable).

(6) Although the individual remains a University employee, disputes related to NOSM work will be resolved through the NOSM dispute resolution mechanism and not through the individual's Faculty Association.

(7) NOSM acknowledges that the candidate retains responsibilities as a faculty member of the University (e.g. serving on committees). Time spent performing these tasks is considered University time.

(8) An administrative or developmental stipend may be paid by NOSM directly to the seconded faculty member.

(a) Administrative stipends will reflect Division Head and Administrative Coordinator responsibilities at NOSM.

(b) Any developmental stipend will reflect workload in developing and delivering new programs.

(9) The President of the University will receive a written notification of each completed secondment appointment.

SCHEDULE B

DISPUTE RESOLUTION MECHANISM

1.0 NON-ACADEMIC DISPUTES

1.1 For any non-academic dispute arising between or among the Parties arising out of or concerning this Agreement, the Parties will use their best efforts to avoid non-academic disputes by clearly articulating expectations, establishing clear lines of communication, and respecting each Party's interests. The Parties will use their best efforts to resolve any disputes that might arise in a collaborative manner through informal discussion and resolution. To facilitate and encourage this informal dispute resolution process, the Parties will use their best efforts to jointly develop a written issues statement describing the facts and events leading to the dispute and listing potential options for its resolution.

1.2 If the dispute cannot be resolved at the level at which it first arose within five Business Days, the Parties will refer it to the Vice Presidents Administration of the Universities and the Dean of NOSM. These individuals will meet within 14 days of this referral in person or by phone or video-conference, and will use their best efforts to resolve the dispute. If these individuals cannot resolve the dispute, it shall be referred to a committee consisting of the respective chairs of the board of each Party and a neutral third party agreed upon by the Parties. The resolution of the issue or dispute shall be made by a decision of a simple majority. This issue and dispute resolution process will not affect or prejudice any Party from exercising any other rights it may have at law or in equity.

2.0 ACADEMIC DISPUTES

2.1 Any academic dispute arising between or among the Parties arising out of or concerning this Agreement that pertains to academic matters shall be referred to the Provosts or their delegates of the Universities and the Dean of NOSM to review and determine in accordance with the mechanisms determined by such individuals.

SCHEDULE C

PROTOCOL FOR RECIPROCAL RECOGNITION OF FACULTY MEMBERS

Background

This Schedule complements the Faculty section of the Agreement.

In this Schedule, “faculty member(s)” means NOSM faculty members is as defined in 1.1.2 of the agreement.

NOSM employs its own faculty who are members of the OPSEU Local 677 Unit 1 (Union). The NOSM faculty collective agreement covers all bargaining unit members and the NOSM Faculty Appointment and Promotions Policy covers all other NOSM faculty members who may be employed by NOSM, employed by another institution (such as a hospital or health service), or are self-employed (like many physicians).

This Schedule sets out reciprocal arrangements whereby faculty members of Lakehead and of NOSM, and of Laurentian and of NOSM may be involved in the academic activities of the other, as if they are within the same institution. The Laurentian University Faculty Collective Agreement describes this as a "cross appointment" between departments or schools, and the Lakehead University Senate policy describes this as an "internal adjunct appointment" between departments or schools.

Protocol

The following procedure is to be followed for reciprocal recognition of faculty members between NOSM Divisions and Departments/Schools/Programs in either University. It should be noted that if NOSM has identified a University faculty member to undertake a substantive academic role, then the Agreement for Secondments of Lakehead and Laurentian Faculty Members to the Northern Ontario School of Medicine applies. (See Schedule A):

(1) The process is initiated when individual faculty members determine through informal communications that they wish to be recognized in a Division of NOSM if they are Laurentian or Lakehead faculty member, or in a Department/School/Program of Lakehead or Laurentian if they are NOSM faculty members.

(2) The faculty member should make a formal approach to their own Division Head or Department/School/Program Chair or Director.

(3) The Division Head/Chair/Director will then request that their Dean approach the Dean responsible for the reciprocating Division/Department/School/Program to seek formal approval from NOSM or the University, in accordance with the requirements and procedures set out in the applicable collective agreements and/or Senate Policies.

(4) The Dean responsible for the reciprocating Division/Department/School/Program will take the necessary steps to seek the recommendation and approval in accordance with the requirements and procedures set out in the applicable collective agreements and/or Senate Policies.

(5) If the appointment is confirmed by both Deans, the Vice-President Academic of the University will be notified of the arrangement by the Dean responsible for the reciprocating Division/Department/School/Program.

(6) If the faculty member being considered for reciprocal recognition is a Division Head/Chair/Director or Dean/Associate Dean then approvals will be sought from the individual's immediate supervisor.

(7) The individual will be notified of their reciprocal appointment by the Dean of the receiving School/Faculty.

SCHEDULE D

RESEARCH ADMINISTRATION AND REGULATION AGREEMENT BETWEEN LAKEHEAD, LAURENTIAN, AND NOSM

1. PRINCIPLES

(1) NOSM serves as the Faculty of Medicine of Lakehead University and Laurentian University. All NOSM faculty members, employed and stipendiary, are considered faculty members of the Universities when considering all research and innovation matters set out in this agreement.

(2) NOSM agrees to adhere to the terms and conditions of the 'Tri-Agency Agreement on the Administration of Agency Grants and Awards by Research Institutions' signed by Lakehead University and Laurentian University, as well as any provincial and federal regulations and policies that govern research and innovation. Similarly, the Dean of NOSM will ensure that all NOSM faculty members, staff and personnel (i.e., students, postdoctoral fellows, research staff and technicians under the supervision of NOSM faculty members) are informed through NOSM policies that they must comply with the same university and Tri-Agency policies and regulations.

(3) All research grants and contracts associated with the faculty members of NOSM made to one of the three federal agencies (Tri-Agencies), the Canadian Institutes of Health Research (CIHR), Natural Sciences and Engineering Research Council (NSERC) and the Social Sciences and Humanities Research Council (SSHRC), will be administered and regulated by Lakehead and Laurentian University.

(4) All research grants and contracts associated with the faculty members of NOSM, with the exception of those indicated in section (4) (a)-(d) will be administered and regulated either by Lakehead or Laurentian University.

(a) Research grants or contracts from the following agencies will be administered directly by NOSM: i. NOSM-specific Research Chairs (excluding Canada Research Chairs) ii. Infrastructure grants/contracts such as endowments, FedNor or NOHFC (excluding grants from the Canada Foundation for Innovation).

(b) Research grants from the Northern Ontario Academic Medical Association (NOAMA) may be administered by one of the universities, NOSM, the hospital with which the lead faculty member holds privileges or the Local Educational Group of which the faculty member is a member. The administering body will be identified during the application process.

(c) Industry-sponsored clinical trials research represents a unique situation and as such the administration of these contracts will be determined on an individual basis.

(d) Research grants and contracts for Members of Unit 1, OPSEU Local 677, if the application was made through the research office of another institution as set out in Article 2.16 (4) of the NOSM Faculty Collective Agreement

(5) Once the application for research funding has been initiated by an institution, that institution will be deemed the host for the life of the project and will administer grant/contract funds and manage all requirements including but not limited to proposal submission, ethics certifications (Research Ethics Board, Animal Care Committee, Radiation Safety, Biosafety, etc.), post-award administration including contract negotiations, accounting and financial management, payroll and human resources management, technology transfer management, etc.

(6) Research administration and regulation between Lakehead, Laurentian, and NOSM "should seek to maximize efficiency and effectiveness, and minimize unnecessary duplication" while respecting the Tri-Agency and other federal and provincial regulatory bodies. (e.g., Ontario Health and Safety Act and WHMIS).

(7) NOSM and the Universities will consider coordinating proposals for research initiatives that may be of common interest to both NOSM and the Universities to avoid undue competition for the same external funding opportunities. For such initiatives there will be reciprocal communication through the research offices of NOSM and the Universities before institutional grant/contract applications are submitted to external funding agencies. One copy of NOSM's institutional research grant/contract applications will be sent to the Research Offices of Lakehead University and Laurentian University for their records. The funding decisions on institutional grant/contract applications will be communicated in a timely manner.

(8) All research projects involving NOSM faculty members as investigators that require ethics certifications will obtain such approvals from Lakehead and/or Laurentian, depending on where the research activity is planned to take place. NOSM along with Lakehead and Laurentian Universities will be included in any discussions regarding ethics harmonization with partner organizations and will follow procedures agreed to as a result of ethics harmonization agreements signed between the universities and their hospital Research Ethics Boards. It is recognized that NOSM research projects (particularly those implemented by clinical faculty members and residents) often span the whole of Northern Ontario. NOSM and the Universities agree to work together and with community hospitals to improve efficiencies in the research ethics review process while maintaining the highest standards of research participant protection.

2. STRUCTURE OF RESEARCH ADMINISTRATION AND REGULATION FOR NOSM AND THE RELATED FINANCIAL COMPENSATION

NOSM will compensate each University $75,000 per year for the general indirect costs associated with services provided by each University's Office of Research Services.

The Research Support Fund (RSF) generated through NOSM Tri-Agency funding and where applicable the indirect costs generated from other grants/contracts held by NOSM faculty are administered by Lakehead or Laurentian University. Given that there are indirect costs of research incurred by NOSM to support these research projects, the universities will allocate a portion of the indirect costs to NOSM according to the following formula:

RSF allocation: 80% of RSF earned by NOSM researchers

Other indirect costs generated through grants/contracts to NOSM: 80% of RSF earned by NOSM researchers

Recognizing that these formulas were established in the early stages of NOSM and that research conducted by NOSM researchers has continued to increase the Universities and NOSM agree to establish a working group to review facts and figures provided by all three institutions and revise as necessary the formulas allocating RSF and other indirect costs generated through grants and or contracts. The working group report is to be completed by June 30 2019 and the Schedule D to be revised or amended accordingly.

In order to be eligible for an allocation from the RSF, NOSM and the Universities will enter into a separate five-year agreement for administration of the RSF as required by the Tri-Agency Institutional Programs Secretariat.

NOSM agrees to use the RSF on eligible RSF expenses (i.e., to offset the indirect costs of research as defined by the RSF program).

3. SIGNING PROCEDURE FOR RESEARCH PROPOSALS AND GRANT APPLICATIONS

(1) All research proposals and grant applications from NOSM faculty members applying for external research funding through Lakehead or Laurentian, as indicated in Section (1.1) must obtain approval from their Division Head and the Associate Dean, Research of NOSM. Each university's Research Approval Form (or Romeo application process) must be completed (including the approval of the Division Head and the Associate Dean, Research), prior to submission to the appropriate University research office, following the procedures and rules of each university for internal deadlines. Finally, the research/contract proposals and subsequent contracts of NOSM faculty that are related to research and innovation managed by their host university must be approved and signed by those with signing authority as per each host University's signing policy for research. This signing procedure includes but is not limited to:

Tri-Agency research grants, including Canada Research Chair grants;

Not-for-profit non-government research funding organization;

Government grants and contracts (such as CFI, ORF, and different federal and provincial government departments);

Industry (including research contracts, service contracts and non-restricted grants)

Should research involve human participants, experimental animals, radiation safety or biohazards, approval shall be obtained from their University or both Universities, in accordance with any existing harmonization agreements and depending where the research will take place as set out in paragraph 1.1 (4)

(2) Prior to undertaking research conducted in collaboration with faculty members at NOSM and one or both of Lakehead or Laurentian University, an agreement between the researchers should be developed to detail activities, requirements (for example intellectual property) and financial arrangements.

4.0 ADMINISTRATION AND USE OF RESEARCH FUNDS

All external research funds awarded to faculty members of NOSM will be administered through the Research Office/Finance Office of the respective University administering the research, as defined and with the exceptions noted in Item 1.1 (4). Faculty members of NOSM will be bound by all internal and external policies for administering research funds of the respective University. When required, expenditures incurred by NOSM faculty members will be approved by their N O S M Division Head prior to processing and approval by the Universities administering the research funds. NOSM will provide each University annually with an update on the approved signing authorities. NOSM and the Universities will work on establishing efficient and effective procedures for signing approvals and expenses related to research grants and contracts of NOSM researchers.

5.0 ACCESS TO INTERNAL RESEARCH RESOURCES

Due to differences in internal research resources between Lakehead University and Laurentian University, access to these internal funding resources by faculty members of NOSM will be determined by separate arrangements between NOSM and the respective University. All three institutions have research funding mechanisms specific for their own faculty members. Examples include (but are not limited to: operating grants, start-up funds, strategic initiatives, training awards, travel grants, publication support, etc.

In the case of institutional grants and grant-writing resources (includes but is not limited to grants from the Canada Foundation for Innovation, Canada Research Chairs, Research Support Fund, proposal writing and mentorship programs, etc.) which are allocated to either Lakehead or Laurentian University that are attributable in part to a formula which recognizes research funding awarded to faculty at NOSM, NOSM faculty members shall be eligible to apply for these funds on the same basis as faculty members in other faculties and schools of Lakehead or Laurentian University. NOSM faculty members shall be subject to the internal peer review processes and decision-making processes in place at each University for awarding these funds.

6.0 EQUITY, DIVERSITY AND INCLUSION (EDI)

NOSM agrees to adopt the Universities Canada (https://www.univcan.ca/) Principles on Equity, Diversity and Inclusion (EDI) agreed to by all Canadian Universities in 2017. In support of federal research initiatives requiring EDI institutional strategies (i.e., Athena Swan), NOSM agrees to develop and implement an EDI plan that includes strategies to ensure EDI strategies are implemented in research and innovation activities including training programs for highly qualified personnel.

7.0 MUTUAL ACCESS TO RESEARCH FACILITIES

Research facilities (including but not limited to library, equipment, and shared laboratories) of NOSM and the respective University should be made available for all faculty members of NOSM and non-NOSM faculty members of Lakehead University or Laurentian University. Priority for usage of research facilities will be determined by mutual agreement and in relation to the needs. If user fees apply, the faculty members of NOSM would have the benefit of the same rates as faculty

members of Lakehead University or Laurentian University, and similarly, faculty members of Lakehead University and Laurentian University would have the benefit of the same rates as the NOSM faculty.

8.0 HIRING RESEARCH SUPPORT STAFF

Research support staff, such as Research Assistants, may be hired by NOSM regardless of where the research grant or contract is being administered. In instances in which the research grants or contracts are being administered by Lakehead or Laurentian University, the University will accept invoices from NOSM for such expenses, with supporting documentation.

9.0 POSTDOCTORAL FELLOWS, VISITING SCHOLARS AND RESIDENTS

Post-doctoral fellows, visiting scholars and residents engaged in research supervised by NOSM faculty members will be administered through and regulated by NOSM or the respective University where the fellow, scholar or resident is hosted. Residents who could be considered to be hosted by both Universities will choose one of the Universities as host. All related University policies shall be followed. In instances in which the research grants or contracts are being administered by Lakehead or Laurentian University, the University will accept invoices from NOSM for such expenses, with supporting documentation.

10.0 IMPLEMENTATION AND REGULATION OF RESEARCH POLICIES

In order to reduce duplication and complexity for the requirements regarding research activities as well as to comply with the Tri-Agency Financial Administration Guide signed by both Lakehead University and Laurentian University, all research projects (funded or unfunded) conducted by NOSM faculty members shall be approved by the Research Ethics Board (human participant research), Biosafety and Radiation Committee, Animal Care Committee and other regulatory committees of the NOSM faculty members' University as appropriate. Appeal to any committee decisions would be processed according to the current policies in place at the host universities.

11.0 INTELLECTUAL PROPERTY MANAGEMENT

Lakehead, Laurentian and NOSM have inventor-owned provisions contained within their respective collective agreements. While these agreements provide for commercialization activity at the discretion of the owner of the intellectual property, each has its own individual requirements regarding sharing of net proceeds of intellectual property developed utilizing the institution's resources. Prior to the undertaking of collaborative research projects between NOSM and/or Lakehead and/or Laurentian, agreements on ownership of intellectual property, responsibility for commercialization activities and sharing of costs and revenues associated with the commercialization activities will be negotiated on a case by case basis between the parties.

12.0 REPORTING AND ALLOCATION OF RESEARCH FUNDING

For purposes of reporting research revenues to the Council of Ontario Financial Officers (COFO), Council of Ontario Faculties of Medicine (COFM), and the Association of Faculties of Medicine of Canada (AFMC) NOSM will report their institutional research funding separately. For purposes of reporting to Research InfoSource or other external agencies such as Statistics Canada, NOSM's institutional research funding will be divided equally between Lakehead and Laurentian Universities.
For the research revenues and projects that one of the universities administers and hosts, (see Item 1.1 (4)) that university will be the reporting institution.

13.0 RESPONSIBLE CONDUCT OF RESEARCH

The NOSM research integrity policy (NOSM Policy for the Review and Investigation of Alleged Research Misconduct), which is compliant with the Tri-Agency Framework: Responsible Conduct of Research (hereinafter referred to as the "Framework") is consistent with the research integrity policies of Lakehead and Laurentian Universities. NOSM recognizes and agrees to adhere to the Tri-Agency Framework and any subsequent amendments will govern. The NOSM Policy for the Review and Investigation of Alleged Misconduct shall apply to all research conducted under the auspices or the jurisdiction of NOSM. It is the responsibility of the respective Vice-Presidents of Research at each university and the Dean of NOSM to ensure compliance with and consistency in policies and procedures. NOSM shall promote awareness and education among faculty members and students of what constitutes responsible conduct of research to ensure compliance with the Tri-Agency Framework: Responsible Conduct of Research. The Vice-Presidents of Research at each university have the right to declare NOSM ineligible to apply for funding or hold research accounts through the Universities if NOSM is deemed not to be compliant with the Tri-Agency Framework: Responsible Conduct of Research.

An allegation of a breach of the Tri-Agency Framework: Responsible Conduct of Research against a NOSM faculty member, staff member and/or student will be reviewed in accordance with the NOSM Policy for the Review and Investigation of Alleged Research Misconduct and the NOSM Unit 1, OPSEU 677 collective agreement, where applicable (in the case of Unit 1 faculty members). For research projects administered by one of the Universities (funded and unfunded projects), Laurentian's Vice-President (Research) or Lakehead's Vice-President (Research and Innovation) will immediately inform the Associate Dean of Research at NOSM (and vice-versa if the allegation is received by the Associate Dean of Research at NOSM). The NOSM Associate Dean, Research will normally be responsible for responding to all allegations with an inquiry to determine whether an investigation is required in accordance with Tri-agency Framework: Responsible Conduct of Research, the NOSM Policy for the Review and Investigation of Alleged Research Misconduct and the NOSM Unit 1 OPSEU 677 collective agreement. NOSM will strive to meet reasonable timelines for completing an inquiry, completing an investigation, reporting the findings, making a decision on what action should be taken, and communication with the University.

The Universities reserve the right, independently or at the Tri-Agency's request in exceptional circumstances, to take immediate action when allegations involve significant financial, health and safety, or other risks. Such action may include freezing grant accounts and halting the research project pending the outcome of the inquiry and investigation.

14.0 PROCESS FOR AMENDMENTS

Laurentian's Vice-President (Research) and Lakehead's Vice-President (Research and Innovation) and the NOSM Associate Dean of Research will jointly review and approve the policies, procedures and schedules developed under this Research Administration and Regulation Agreement to ensure adherence to the Principles and agreements reflected by the Relationship Agreement. If amendments to policies, procedures and schedules developed under this Research Administration and Regulation Agreement have implications for collective agreements, comments on revisions will be sought from the Faculty Associations of NOSM and the Universities.

SCHEDULE E

JOINT VICE-PRESIDENTS AND DEANS GROUP

TERMS OF REFERENCE

The Joint Vice-Presidents and Deans Group is established to discuss, and collaboratively plan actions to continuously improve health professional education, research consistent with the social accountability mandate of NOSM. The Academic Health Sciences Network North (AHSNetworkNorth) is building on the strengths of the two academic health sciences centres (Thunder Bay Regional Health Sciences Centre and Health Sciences North) to fully integrate academic work (teaching, research and academic leadership) in clinical settings across Northern Ontario. The Joint Vice-Presidents and Deans Group works collaboratively to support the Universities' participation in the AHSNetworkNorth as appropriate.

Responsibilities of the Group:

1. Build upon the academic mission of each institution in sharing academic and research developments and initiatives that pertain to Northern Ontario health professional education and health care.
2. Proactively seek and foster opportunities for tri-organization academic and research collaboration that advance social accountability.
3. Align strategic planning in areas related to health professional education and research.
4. Provide a forum for updating and initiating joint academic health professional programming and research scholarship.
5. Seek out areas of synergy and complementarity and endeavour to avoid duplication of programs and initiatives.
6. Initiate and assign specific Task Force Groups / members as required to address a specific issue.
7. Explore opportunities and mechanisms to foster efficiencies between institutions.

Membership shall consist of the following VP and decanal positions (or designate) at each institution:

Lakehead University:

Provost and Vice-President (Academic)
Vice-President, Research and Innovation
Vice-President, Administration and Finance
Dean, Faculty Health and Behavioral Sciences
Dean, Faculty of Science and Environmental Studies
Dean, Graduate Studies

Laurentian University:

Vice-President, Academic and Provost
Vice-President Research
Vice-President, Administration

Dean, Faculty of Health
Dean, Faculty of Science, Engineering and Architecture
Dean, Graduate Studies

Northern Ontario School of Medicine:

Dean and CEO
Chief Operating Officer (COO)
Vice Dean Academic
Associate Dean, Faculty Affairs
Associate Dean, Undergraduate Medical Education
Associate Dean, Postgraduate Education
Associate Dean, Research & Senior Associate Dean

Chair:

The Chair position shall rotate between the Provosts or designate of each University and the Dean of NOSM or designate dependent on the locale of the host site for each scheduled meeting.

Meetings: Meetings shall be held at least semi-annually with the proviso that special meetings may be called as required.

SCHEDULE F

JOINT ADMINISTRATION LEADERSHIP GROUP
TERMS OF REFERENCE

PURPOSE

To refresh the operational relationships between and among NOSM, Lakehead and Laurentian focused on inclusion and enhanced agreements to foster collaboration.

FUNCTIONS

The Joint Administration Leadership Group shall:

a. Develop a vision statement and detailed scope of services including responsibilities to guide accountability,

b. Review the current Agreement between NOSM and the Universities,

c. Develop new Service Level Agreements between NOSM and the Universities,

d. Identify and explore other areas of collaboration in administrative functions,

e. Ensure access for NOSM faculty, to benefits such as library resources, athletic facilities, parking and a Laurentian or Lakehead faculty photo ID card as enjoyed by Lakehead and Laurentian faculty members and outlined in Section 5.6 of this Agreement,

f. Initiate and assign specific Task Groups/members to support development of Service Level Agreements,

g. Explore opportunities and mechanisms in fostering efficiencies between institutions,

h. Establish peer-to-peer network for formal best practice sharing, and

i. Initiate service integration for low-impact functions.

MEMBERSHIP

The Joint Administration Leadership Group shall consist of the following members:

a. Vice-President, Administration and Finance – Lakehead

b. Vice-President, Administration – Laurentian

c. Chief Operating Officer NOSM

d. Additional resource persons/direct reports may be invited to participate, as required.

Ad-hoc sub-committees may be established on a case-by-case/project-by-project basis.

ADMINISTRATIVE SUPPORT

NOSM will provide administrative support to the Joint Administration Leadership Group.

MEETINGS

The Joint Administration Leadership Group shall meet as required, but at a minimum two times a year. Meetings may be held in person, by video and/or audio conference. In addition, the committee members may provide feedback as needed by e-mail or through other agreed to processes.

ACCOUNTABILITY/REPORTING

Reports prepared will be shared with the Vice-Presidents – Administration of the Universities Chief Operating Officer – NOSM as required. Updates of the progress of the discussions will be presented to the NOSM Finance, Audit and Risk Management Committee.

SCHEDULE G

PROTOCOLS FOR ADVANCEMENT & ALUMNI ENGAGEMENT

Background: This Schedule complements the Shared Services section of the Agreement as it relates to Advancement, Philanthropy and Alumni Engagement.

Purpose: The purpose of this Schedule is to clearly present the shared understandings of the Parties relating to how Advancement, Philanthropy and Alumni engagement activities are conducted in support of the respective institutions, and to identify the protocols by which these activities are administered.

Partnership Objectives: It is understood that the Parties are committed to pursuing a donor-centric approach to their fund-raising efforts. For this Schedule, 'Donor-centric' fundraising is defined as: *the art of fundraising which inspires donors to be loyal and committed partners with the organizations they choose to support*. A guiding principle of this approach is that donors will choose where, how and when gifts will be made; and it is understood that the priorities and interests of the donor will inform the gift negotiation process, where applicable, and will, whenever possible, be matched with the priorities of the institutions. This Schedule confirms that the Parties are committed to, and supportive of their collaboration and are dedicated to the success of each institution, individually and collectively.

The Parties agree to work together in a collaborative, collegial and transparent manner to support and strengthen donor interest, loyalty and engagement.

This Schedule addresses four specific areas of understanding between and among the Parties Donor Approach Management, Donor Stewardship and Recognition, Database Management and Alumni Engagement.

Donor Approach Management:

1. Identification, research, cultivation and solicitation of prospective donors in support of NOSM is the responsibility of the NOSM Advancement unit**.**
2. Opportunities may exist for collaboration on prospects to benefit all Parties. Should a prospect be identified that may wish to support a collaboration between any 2 or 3 of the Parties, a joint proposal and strategy will be developed.
3. *At least* once annually, the senior advancement officers of the Parties will meet to review the status of current prospects and solicitation in support of NOSM. Where the potential for a timing conflict in solicitation is identified, a strategy will be developed to coordinate the competing activities to maximize the potential for overall financial success of the institutions involved.
4. NOSM's annual funding priorities will be documented annually and shared with the Universities. There may be times when, to address a prospect's interests and/or priorities, one of the Parties may establish a relationship with the prospective donor.
5. This relationship is key, and the NOSM Advancement Unit staff member must ensure that the donor's wishes are well considered in any gift negotiation process. At times, this may mean that a University Advancement staff member will be expected to help a donor make a gift to NOSM and/or that a NOSM Advancement Unit staff member will be expected to help a donor complete a gift to support one of the other faculties or projects connected with one (or both) of the Universities.

Donor Stewardship and Recognition:

1. Each Party is responsible for the stewardship and recognition of their respective donors.
2. There may be opportunities to steward and recognize donors jointly by agreement among the Parties and a strategy to engage all Parties may be developed to acknowledge the support attributed to specific Parties. The established donor stewardship plan is attached as an appendix to this Schedule.
3. Communication with NOSM donors is *primarily* the responsibility of NOSM.
4. Invitations to events for donors will be for each individual organization. Should a University wish to include NOSM in their stewardship and recognition events, a discussion shall be undertaken in advance, to jointly develop an appropriate stewardship strategy.
5. As an extension of its recognition practices, NOSM will maintain a donor wall on both the Sudbury and Thunder Bay sites. It also reserves the right to develop and promote a listing of 'naming opportunities' that can be offered to prospective donors, as part of its gift negotiation practices. Where naming of NOSM-occupied facilities (i.e. buildings owned by one of the universities) are being considered, NOSM agrees to conduct such negotiations with prospective donors, consistent with the approved 'naming policies' of the related University. Otherwise, all decisions involving the naming of programs, assets and spaces within the NOSM-occupied facilities, will be the responsibility of NOSM.
6. It is understood and agreed that the Parties may include (for advancement program crediting purposes only) related financial results in marketing and publishing the overall success of a Party's advancement efforts.

Database Management:

Each Party will operate and maintain their own donor information databases. Donors supporting financial aid at NOSM will be identified in the respective University databases as NOSM donors, but should not be communicated with by said University, without prior NOSM approval.

Alumni Engagement:

It is understood that while NOSM Learners are proud to be graduates of their respective Universities, their learning community has been NOSM-centred and upon graduation, they see their relationships continue *primarily* with NOSM. NOSM has reason to remain in regular contact with its alumni, particularly in relation to the need for graduates to be an important source for clinical faculty and mentors to future students. The alumni's continued involvement with NOSM and the communities in which they received their education is a source for future career development, consistent with the overall objective of responsiveness to the School's social accountability mandate.

1. NOSM agrees to make the University Alumni offices aware of its communications with NOSM graduates, including but not limited to mailouts, call campaigns, alumni event invitations, etc., with their respective alumni.

2. Updates of contact information provided by the alumni of NOSM will be shared with the respective University Alumni offices on a regular basis. Should alumni of NOSM not wish to be contacted by NOSM, he/she will notify the NOSM Advancement Office.

3. University Alumni offices will ensure that the details of all formal communications, including but not limited to mailouts, call campaigns, donor event invitations, etc., to alumni of NOSM will be made available to the NOSM Advancement Office.

4. Each Party's Alumni Relations Office will have the opportunity to contact and communicate with the NOSM alumni to update them on current activities within their respective institutions.

5. NOSM will manage its own affinity partnership and any revenues derived will be in support of NOSM alumni activities.

Advancement Unit

STEWARDSHIP PROGRAM

Purpose

The purpose of the Stewardship Program is to ensure that all donors to the Northern Ontario School of Medicine (NOSM) are appropriately thanked, celebrated, and stewarded following consistent guidelines. This program includes the procedures already in place by Lakehead and Laurentian University in stewarding all donations to their institutions.

Fundraising includes a limited number of programs and processes designed to acquire a first gift from a donor and ask for subsequent gifts. Stewardship includes a sophisticated and varied number of activities designed to make the donor WANT to keep giving. Since additional and/or larger gifts are directly tied to donor longevity (i.e. loyalty), stewardship is, by definition, a critical determining factor of fundraising success. In an age of intense competition for philanthropic dollars, excellent stewardship is the customer loyalty advantage of the fundraising industry.

The goal of establishing such a program is, as mentioned above, to ensure that donors are incorporated into a lifelong pattern of giving with appropriate attention and recognition (stewardship) which will enable the Advancement Unit to mark a path for these donors thereby inspiring increased gifts, cultivate donors and prospects to consider giving to institutional priorities, and set the course toward ultimate gifts. The program, in conjunction with appropriate university development strategies, supports cultivation, recognition and stewardship through events, publications, special projects etc.

Objective

The Stewardship Program will support the four key strategic areas of stewardship.

1. **Acquisition** – *Secure the Gift*

   Tools – Strategic cultivation, special events management, pledge forms

2. **Acknowledgement** – *Prompt and Effective*

   Tools – Timely and appropriate thank you in accordance with the recognition chart

3. **Appreciation** – *Regular and Sincere*

   Tools – Special events for donors, naming opportunities, media coverage where appropriate, Northern Passages magazine articles, website profiles

4. **Affinity** – *Informed and Engaged*

Tools – Donor Report, Annual Report, endowment fund reports, campaign specific updates, holiday card mailings, Northern Passages distribution

Possible Items which may invite support

- Tours of the NOSM
- Special events that draw first-time attendees – golf classics, galas, etc.
- Newly established memorial funds
- Naming opportunities
- Donor challenges
- Anniversary notices of large gifts reminding the donor of the significant impact that gift made to the institution
- Donor testimonials in published lists/reports
- Use photos of donors wisely and strategically (i.e. send copies to the donors, establish a photo display of major donors in appropriate locations throughout campus etc.)

Donor Retention

An effective donor recognition program cannot be established without incorporating an effective plan for donor retention. Some of the items listed in the donor recognition plan may assist donor retention, however, the staff of the Advancement Unit will consider and include other stewardship techniques – such as matching new donors' interests with projects that will more readily merit another gift etc.

Recognition	**$1 to $4,999** **Donor**	**$5,000 to $9,999** **Mentor**	**$10,000 to $49,999** **Patron**	**$50,000 to $99,999** **Leader**
Personal thank you letter signed by the Advancement Manager at NOSM including charitable donation receipt	X	X	X	X
If gift received by host universities, a thank you letter signed by the Director of Advancement with their charitable donation receipt	X	X	X	X
Inclusion in Host University Magazine Annual Donor listing	X	X	X	X
Inclusion on donor Wall at both East & West campuses		X	X	X
Inclusion on NOSM Virtual Donor Wall		X	X	X
Holiday Card			X	X
Inclusion in the Annual Report mailing list		X	X	X
Handwritten note or email within 24 hrs of a meeting or phone call		X	X	X
Personal thank you letter signed by the Dean		X	X	X
Inclusion in Northern Passages quarterly distribution		X	X	X
Invitation to Donor Receptions		X	X	X

Oryst Sawchuk print (while available)		X	Up to $24,999	
Goyce Kakagamec print (while available)			Over $25,000	X
Mutually agreeable media strategy				X
Invitation to NOSM events			X	X
Naming Opportunities			X	X
Donation announcement in Northern Passages Publication			X	X
Personal phone call from the Dean of NOSM			X	
Meeting with Dean of NOSM				X

Recognition	$100,000 to $249,999 Benefactor	$250,000 to $499,000 Laureate	500,000 to $999,999 Founder	$1M + Visionary
Thank you letter signed by Advancement Manager at NOSM	X	X	X	X
If gift received by host universities a thank you letter signed by the Director of Advancement with their charitable donation receipt	X	X	X	X
Inclusion in host University Magazine Annual Donor Listing	X	X	X	X
Inclusion on Donor Wall at both East & West campus	X	X	X	X
Inclusion on NOSM Virtual donor wall	X	X	X	X
Holiday Card	X	X	X	X
Inclusion in the Annual Report mailing list	X	X	X	X
Handwritten note or email within 24 hrs of	X	X	X	X

a meeting or phone call				
Personal thank you letter signed by the Dean	X	X	X	X
Inclusion in Northern Passages quarterly distribution	X	X	X	X
Invitation to Donor Receptions	X	X	X	X
Goyce Kakagamec print (while available)	X	X	X	X
Mutually agreeable media strategy	X	X	X	X
Invitation to NOSM events	X	X	X	X
Naming Opportunities	X	X	X	X
Donation announcement in Northern Passages Publication	X	X	X	X
Meeting with Dean of NOSM	X	X	X	X

This is **Exhibit "G"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

1993 Grant Distribution Agreement

NOTES OF A MEETING OF THE FEDERATED UNIVERSITIES FUNDING SUB-COMMITTEE held on November 10, 1993 at 3 p.m. in Room 302

PRESENT: L. Larouche
J. Monet
K. MacQueen
D. Thompson
R. Chrysler
G. Labelle

1. Gerry Labelle distributed a revised document detailing the proposed basis of grant distribution and calculation of service fees. Schedules detailing the application of the proposal were also provided. All institutions were in agreement with the revised proposal and it was agreed that this should be submitted for approval to the first meeting of the Federation Management Committee, and then signed by each institution.

2. It was agreed that the proposal assumed the same level of services as were currently being provided. Any charge-backs for additional services would be based upon the existing charge-back system applicable to other Laurentian departments.

   Although some work has been done in attempting to develop a specific listing of services that were to be covered by these service charges, it was not complete. This was still identified as a necessary activity.

3. Although the issue of additional BIU rating of honour students was not currently an important concern due to the fact that the total Laurentian BIU count exceeds the approved corridor limit, it should be identified for future review.

November 25, 1993

LAURENTIAN UNIVERSITY

AND FEDERATED INTITUTIONS

NOVEMBER 10 1993

PROPOSED GRANT DISTRIBUTION

AND SERVICE FEES.

PROPOSAL REGARDING THE DISTRIBUTION OF OPERATING GRANTS TO THE FEDERATED UNIVERSITIES AND THE SERVICES FEES CHARGED TO THE FEDERATED UNIVERSITIES

In order to provide a mechanism which would improve the stability of funding through enrolment based grants, Laurentian University and the Federated Universities agree to the following:

1) The **BASE GRANT** would be distributed according to a *fixed share* of the **LAURENTIAN GROSS BASE GRANT.** This fixed share would be determined according to the **BASE GRANT** received by each institution in the fiscal year 1992/1993. The **TRANSITION GRANT** for 1993/1994 would be distributed according to the formula used by the Ministry. The **NORTHERN AND SPECIAL NORTHERN GRANTS** would be distributed according to a *fixed share* of the **LAURENTIAN GROSS NORTHERN AND SPECIAL NORTHERN GRANTS.** This fixed share would be determined according to the **NORTHERN AND SPECIAL NORTHERN GRANTS** received by each institution in the fiscal year 1992/1993. When the **TRANSITION GRANT** is rolled into the **BASE GRANT,** the fixed share of each institution would be revised accordingly. This would result in each institution's annual percentage grant increases being equal to the Laurentian's annual percentage gross grant increases.

2) Individual institutions would not have grants reduced due to the *floor* provisions unless the floor provisions were operative for Laurentian in total.

3) Any general increase/decrease to Laurentian's corridor would be shared by the four institutions on a pro-rata basis by the application of the *fixed share* principle.

4) Any strategic corridor change would by necessity be directed to the institution initiating the program for which the corridor increase was approved. Applications for strategic corridor changes would be open to all federated institutions through Laurentian University.

5) Tuition fee income resulting from enrolment in courses would continue to be received by the respective institutions offering the courses.

6) Each of the four institutions would undertake to provide the current level of its programmes and overall offerings. This however does not preclude a rationalization of the course offerings in a particular year nor a transfer of resources to new programmes/courses or among existing programmes unless such an action affects the course offferings of the other institutions.

7) The service fees charged to the federated institutions by Laurentian University would be calculated as follows:

a) For 1993/1994:

$$\frac{\text{1993/94 Base + Corridor + Northern + Sp.Northern + Tuition Fees}}{\text{1992/93 Base + Access + Corridor + Northern + Sp.Northern + Tuition Fees}}$$

times the 1992/93 service fees;

b) For subsequent years:

the total of the base grant + the Northern grant + the Special Northern grant + the tuition fees for that given year **divided** by the total of base grant +the Northern grant + the Special Northern grant + the tuition fees for the preceding year **times** the service fees for that preceding year.

8) Any substantial modification by the Ministry in the grant structure would necessitate a review of this agreement.

SCHEDULE A

LAURENTIAN UNIVERSITY
DISTRIBUTION OF PROVINCIAL GRANTS

:GRTDIST.WK1

YEAR	GRANT	L.U. BEFORE FEDS	U. OF S.	HUNT	THORN	L.U. NET
2/93	BASE	26,434,977	870,281	698,047	292,603	24,574,046
	ACCESS	437,110	22,119		12,481	402,510
	TRANSITION	8,189,553	226,839		274,559	7,688,155
		35,061,640	1,119,239	698,047	579,643	32,664,711
			3.292	s/b 2.641	1.107	92.90
			3.29%	2.63%	1.12%	
3/94	BASE	23,629,265	777,403	621,450	264,648	21,965,765
4ESTIMC.WK1						
ET GRT %	SOC CONTRACT					
	TRANSITION	8,546,336	251,722		286,893	8,007,721
		32,175,601	1,029,125	621,450	551,541	29,973,486

SCHEDULE B

		L.U. BEFORE FEDS	U. OF S.	HUNT	THORN
94/95 PERCENTAGE CALC.					
USING 93/94 FINAL					
93/94	BASE	23,629,265	777,403	621,450	264,648
	TRANSITION	8,546,336	251,722	0	286,893
		32,175,601	1,029,125	621,450	551,541
REVISED PERCENTAGES FOR 94/95 w/transition rolled in			3.20%	1.93%	1.71%

24,358,448 8560499 32,918,947 — 1,030,353 — 2.63 — 1.12 & 3.25%

As of 2012: 3.22 1.95 1.67.

Calculate revenues for L.U.: April 94 final plant calcs

SCHEDULE C

EE

LAURENTIAN UNIVERSITY
SERVICE FEES TO FEDERATED INSTITUTIONS

		UNIV. OF SUDBURY	HUNTINTON	THORNLOE
992/93 ACTUAL				
RANTS-	BASE			
	ACCESS			
	TRANSITION	* 516,136,239		
		1,134,239	698,047	579,643
ORTHERN		120,150	97,570	45,429
PECIAL NORTHERN		42,261	34,319	15,979
		1,296,650	829,936	641,051
UITION		699,153	306,658	495,273
OTAL REV 92/93		1,995,803 (1,994,303)	1,136,594	1,136,324
ERTVICE FEES CHARGED		* 160,141 157,675	103,961	81,525

error due to revision of transition adjustment incorrectly between universities by L.U.

993/94 ESTIMATE				
RANTS-	BASE	777,403	621,450	264,648
	ACCESS	272,274		
	TRANSITION	~~251,722~~		286,893
		~~1,029,125~~ 1,049,677	621,450	551,541
ORTHERN		111,368	90,444	42,106
PECIAL NORTHERN		39,143	31,791	14,800
		~~1,179,636~~ 1,200,188	743,685	608,447
ST TUITION		758,448	313,144	498,549
OTAL REV 93/94		~~1,938,084~~ 1,958,636	1,056,829	1,106,996
OTAL REV 92/93		~~1,995,803~~ 1,994,303	1,136,594	1,136,324
NC. (DECREASE) REVENUE		(57,719) (39,667)	(79,765)	(29,328)
INC. (DECREASE)		-2.89% -1.985	-7.02%	-2.58%
STIMATED 93/94 SERVICE FEE	(160,141-1.985%)	153,115 156,962	96,665	79,421

SCHEDULE D

LAURENTIAN UNIVERSITY
NORTHERN AND SPECIAL NORTHERN

NORTHDIS.WK1

93/94 ESTIMATE	LU GROSS	U. OF S.	HUNT.	THORN	LU NET
NORTHERN	3,229,000	111,368	90,444	42,106	2,985,082
PERCENT		3.45%	2.80%	1.30%	
SPECIAL NORTHERN	1,135,000	39,146	31,791	14,800	1,049,263
PERCENT		3.45%	2.80%	1.30%	

LAURENTIAN UNIVERSITY
NORTHERN AND SPECIAL NORTHERN

92/93 ACTUAL	LU GROSS	U. OF S.	HUNT.	THORN	LU NET
NORTHERN	3,483,000	120,150	97,570	45,429	3,219,851
PERCENT		3.45%	2.80%	1.30%	
SPECIAL NORTHERN	1,225,000	42,261	34,319	15,979	1,132,441
		3.45%	2.80%	1.30%	

This is **Exhibit "H"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

LAURENTIAN UNIVERSITY FINANCIAL DISTRIBUTION TO FEDERATED UNIVERSITIES

THESE TERMS OF FINANCIAL DISTRIBUTION, effective as of the 1st day of May, 2019 (the "**Effective Date**")

B E T W E E N :

LAURENTIAN UNIVERSITY OF SUDBURY

("Laurentian University")

- and -

HUNTINGTON UNIVERSITY

(the "Recipient")

This Notice is delivered further to the Proposed Grant Distribution and Services Fees document dated November 10, 1993 (the "**1993 Funding Model**") and sets out the terms for the distribution of operating grants to the Recipient and service fees charged to the Recipient from and after the Effective Date. This document amends, restates and replaces in its entirety any prior documentation, oral or written representations and past practices relating to the distribution of grant funding, tuition fees and service fees between Laurentian University and the Recipient, including but not limited to those described under the 1993 Funding Model. No future amendments to the terms set out in this Notice are effective unless confirmed and agreed to in writing, in advance, by Laurentian University.

The Recipient is a separate legal entity established by separate Acts and governed by an independent Board. The Recipient owns its own buildings on land that is owned by Laurentian University and leased to the Recipient by Laurentian University.

The Recipient is recognized under the *Laurentian University Act* by allowing Laurentian University to admit "church-related universities or colleges into federation as colleges of the Faculty of Arts and Science, which church-related universities or colleges have the right to give instruction in philosophy and religious knowledge and in such other subjects as may from time to time be approved by the Faculty of Arts and Science of the University and be consented to by the Senate and Board, and the University shall accept such courses in partial fulfillment of the requirements for a degree under the same academic terms and conditions as would obtain if the instruction were given in University College".

Huntington University, Thorneloe University and the University of Sudbury are each referred to in this Notice as a "Federated University" and are collectively referred as the "**Federated Universities"**.

REVENUE SHARING

The Federated Universities do not receive funding directly from the government. Laurentian University has historically transferred a portion of the funding it receives from the government to each Federated University according to a set formula, unless otherwise instructed by the government. Since 1993 that formula has been pursuant to the 1993 Funding Model.

As the Recipient is aware, the Province introduced a new university funding model for 2017-2018 (the "**New Funding Model**"). The New Funding Model includes an enrolment-based envelope. Consistent with the enrolment-based envelope, the Province provides each institution with a base level of operating funding determined in accordance with a specific level of eligible enrolment and program of registration.

Laurentian University advanced funds for 2017-18 and 2018-19 in accordance with the 1993 Funding Model, while it considered the effect of any changes.

The purpose of this Notice is to ensure that all funding transferred by Laurentian University to any of the Federated Universities from and after the Effective Date is consistent with the New Funding Model, and that the financial effects of the New Funding Model are recognized and assumed proportionately by each of Laurentian University and the Federated Universities, on the terms set out herein. The underlying principle is that none of Laurentian University or any of the Federated Universities will subsidize the operations or services of another, and each will be responsible for covering its own costs. The funding mechanism in place at any given time will be consistent with the funding mechanism between the Province and Laurentian University.

As outlined in Schedule **A**, as at and from the Effective Date, Laurentian University will transfer **grant funding** to each Federated University based on the current and future provincial funding formulas for post-secondary institutions, consistent with the terms of the New Funding Model to which Laurentian University is now subject.

Tuition fees are collected by Laurentian University and will be transferred to the Recipient based on enrolment in courses, less the tuition set-aside obligation, as outlined in Schedule **B**.

Laurentian University will be implementing the New Funding Model as at and from the Effective Date. All aspects of funding and the distribution of revenue by Laurentian University to the Federated Universities will be strictly in accordance with this Notice.

ADMINISTRATIVE SERVICE FEES

Laurentian University provides direct non-academic administrative services to each Recipient as outlined in Schedule **C**. From and after the Effective Date, an administrative services fee will be charged to the Recipient by Laurentian University calculated in accordance with Schedule **C** based on 15% of shared revenues, being Grant Revenue and Tuition Revenue as such terms are defined on Schedule **A** (the "**Administrative Services Fee**").

The Administrative Services Fee will only partially cover the costs incurred by Laurentian University for a number of non-academic services it provides as set out on Schedule **C**. This formula will be reviewed and, if required, updated by Laurentian University not less than once every three (3) years.

Each Federated University employs its own staff and is, and will continue to be, responsible for its own financial affairs. Laurentian University is the principal employer for administering pension plan and benefits and provides access to these employee benefits to each of the Federated Universities, with each Federated University bearing the sole financial responsibility for all contributions and funding for such employee benefits for its own staff.

AMENDING THE TERMS OF FINANCIAL DISTRIBUTION TO FEDERATED UNIVERSITIES

As set out on Schedule **A**, at all times the funding model established between the Province and Laurentian University from time to time will be reflected in the financial distribution model between Laurentian University and each of the Federated Universities. Any modification by the Province in the grant structure or through regular negotiation with the Province through the Strategic Mandate Agreements (SMA) or otherwise with Laurentian University will be correspondingly reflected in the grant allocation calculations by Laurentian University with each of the Federated Universities. If a change occurs, an amendment to the terms contained in this Notice will be provided by Laurentian University to each of the Federated Universities, and become effective. Laurentian University will keep the Recipient informed when the Province implements modifications in the grant structure and formulas.

LAURENTIAN UNIVERSITY OF SUDBURY

Per:___ _____
Name: Dr. Pierre Zundel
Title: Interim President and Vice-Chancellor

SCHEDULE "A"
GRANT REVENUE ALLOCATION

Operating grant revenue allocations from Laurentian University to the Federated Universities will be consistent at all times with the Provincial funding formulae for post-secondary institutions.

In accordance with the terms of the New Funding Model, Laurentian University receives a specified amount of operating funding provided through a new Core Operating Grant ("**COG**"). Enrolment will continue to be counted using a single measure of activity-enrolments as measured by Full-time Equivalent enrolments in specific programs. These enrolments will be weighted by program and level of study using the new program weights as provided by the Ministry of Training, Colleges and Universities (the "**Ministry**"). Information on the reallocation of grants is available in the Ministry's University Funding Technical Design Manual.

The total COG provided to Laurentian University annually will be equal to the total Weighted Grant Unit ("**WGU**") at its corridor midpoint multiplied by the average grant per WGU funding determined by the New Funding Model. Under the corridor funding model, Laurentian University will receive the amount of funding with enrolments levels at its corridor midpoint, as long as it remains within its enrolment corridor range of plus or minus 3%.

Should Laurentian University fall above or below the corridor lower threshold, the grant adjustment by the Province will be correspondingly reflected on the grant allocation made by Laurentian University to the Recipient.

Each Federated University will receive Grant Revenue for the COG based upon their relative students' enrolment in programs as reported to the Ministry for 2017-18.

Until SMA3 (or any replacement or modification thereof) is negotiated between Laurentian University and the Province, or there is any change in the funding formula by the Ministry, the **Northern Grant** will remain consistent with the historical allocation.

Until SMA3 (or any replacement or modification thereof) is negotiated between Laurentian University and the Province, or there is a change in the funding formula by the Ministry, the **Performance Grant** will be distributed to each Federated University based upon their relative WGU as a share of gross Laurentian University WGU for 2017-18. This grant is currently under review by the Province, and effective May 1, 2020, Laurentian University will update the grant allocation to be consistent with the Province's determination.

Laurentian University will also continue to transfer to the University of Sudbury its share of the **French Language Grant** and the **Bilingualism Grant** as mandated by the Province and will notify the University of Sudbury if any changes are established by the Province, which will then flow through in a corresponding manner to the amounts distributed by Laurentian University to the University of Sudbury.

The Ministry provides Facilities Renewal Program (FRP) capital funding to institutions through the **Facilities Renewal Grant** based on space standards ("generated space" – the amount of theoretical space a university should have) and the current formulae is under review by the Province. If the funding formulae are modified by the Ministry, Laurentian University will update the grant allocation for each Federated University to be consistent with the Province's funding principles. Unless and until that occurs, the current Grant Revenue allocation will remain unchanged.

GRANT REVENUE ALLOCATION EFFECTIVE MAY 1, 2019

2017-2018 Enrolment Data

Grant	Laurentian University	U of S	Huntington	Thorneloe	Total Federated	Grand Total
WGU	16,247.5	97.5	263.7	111.1	472.3	16,719.8

Grant Revenue Allocation to Federated Universities based upon 2017-18 data and effective May 1, 2019 to April 30th, 2020:

Grant	U of S	Huntington	Thorneloe	Total Federated
Core	283,043	765,521	322,523	1,371,087
Performance	41,075	111,093	46,805	198,972
Northern	212,816	172,832	80,462	466,185
Bilingualism	615,185	0	0	615,185
Total Grant Distributed	1,152,119	1,049,446	449,790	2,651,354

FRP funding will continue on the same basis as is currently allocated, pending any change in the funding formula by the Ministry. Prior year's allocations and distributions were as follows:

CAPITAL GRANTS	TOTAL PROVINCIAL ENVELOPE	TOTAL LU + FEDS	Laurentian 92.98 %	U of S 3.54 %	Huntington 2.04 %	Thorneloe 1.43 %
2018	40,000,000	656,308	610,235	23,299	13,389	9,385
2017	56,093,200	920,300	855,694	32,671	18,744	13,161
2016	26,630,000	436,900	406,229	15,510	8,913	6,248
2015	17,300,000	291,800	271,315	10,359	5,953	4,173
2014	17,300,000	291,800	271,315	10,359	5,953	4,173

SCHEDULE "B"
TUITION REVENUE DISTRIBUTION

Tuition fee revenue ("**Tuition Revenue**") resulting from course registrations are received by each Recipient offering the courses, from Laurentian University.

All Tuition Revenue collected from students for course registrations at Federated Universities are transferred by Laurentian University to the Recipient, net of Tuition Set-Aside (TSA). Beginning in 1996/1997 the TSA fund was established in addition to the government's Ontario Student Assistance Program (OSAP). The fund required universities to expend the TSA amount annually to provide financial support to students through bursaries, scholarships, work-study programs and work between academic terms. This is monitored annually by the Ministry.

Laurentian University administers scholarships and bursaries paid from the TSA funds to students registered at all Federated Universities. Laurentian will continue to calculate the TSA percentage annually.

Work study is a component of TSA. Laurentian University will allocate a proportionate share to each Federated University for work study. For clarity, the total amount for work study in 2019-20 will be $50,000. The Recipient will receive a proportionate Work Study share based upon its *pro rata* share of the amount of tuition revenue allocated to it by Laurentian University. The Recipient shall provide supporting information on their use of Work Study funds to Laurentian University in order to allow for reporting to the Ministry.

SCHEDULE "C"
ADMINISTRATIVE SERVICES PROVIDED BY LAURENTIAN UNIVERSITY

Laurentian University provides services to its students and academic departments through a number of central services. Laurentian University strives to optimize the delivery of cost-effective, flexible and reliable services to all customers.

There exists an understanding between the Recipient and Laurentian University that they will work together, in good faith, to achieve synergistic benefits through administrative capacity and efficiencies.

Consistent with that understanding, Laurentian University provides the following services to the Recipient and the student population: student fees collection and accounting, central computing services, administration of all pension and employee benefit services, security, registrarial functions, library, recruitment and liaison services, student support services (such as but not limited to academic advising, international supports, mental health and wellness, accessibility and counselling services, campus recreation, equity and diversity).

While ensuring efficiency among Laurentian University and the Federated Universities and in promoting elimination of duplication, Laurentian University shall recover the cost of providing services through the payment by each Federated University of an annual Administrative Service Fee. As at and from the Effective Date, the actual administrative cost associated with the provision of these student services by Laurentian University represents approximately 30% of Laurentian University's total annual expenses. For clarity, these costs do not include the provision of any facility costs or administrative costs other than those provided to the Recipient.

The Administrative Services Fee will be deducted annually from the Grant Revenue and Tuition Revenue distributions made by Laurentian University to each Federated University in accordance with Schedule **A**. Effective May 1, 2019, the Administrative Services Fee payable to Laurentian University by each Federated University shall be set at 15% of shared gross revenue with the Recipient (comprised of Grant Revenue and Tuition Revenue), all as set out on Schedule **A**.

Laurentian University and the Recipient will continue to identify opportunities for increased operational capacity and efficiencies through ongoing, successful collaborations in connection with administration services including but not limited to:

1. (Environmental/facility services, (includes sharing of operating costs of facilities, leases, utilities, maintenance, etc.);
2. security services;
3. human resources;
4. procurement;
5. insurance and risk;
6. ancillary services;

7. technology services;
8. financial services;
9. registration, collection and accounting of tuition and ancillary fees;
10. students support services;
11. advancement support and alumni;
12. communications support;
13. francophone support services;
14. Indigenous support services;
15. emergency preparedness

This is **Exhibit "I"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

LAURENTIAN UNIVERSITY FINANCIAL DISTRIBUTION TO FEDERATED UNIVERSITIES

THESE TERMS OF FINANCIAL DISTRIBUTION, effective as of the 1st day of May, 2019 (the "**Effective Date**")

B E T W E E N :

LAURENTIAN UNIVERSITY OF SUDBURY

("Laurentian University")

- and -

THORNELOE UNIVERSITY

(the "Recipient")

This Notice is delivered further to the Proposed Grant Distribution and Services Fees document dated November 10, 1993 (the "**1993 Funding Model**") and sets out the terms for the distribution of operating grants to the Recipient and service fees charged to the Recipient from and after the Effective Date. This document amends, restates and replaces in its entirety any prior documentation, oral or written representations and past practices relating to the distribution of grant funding, tuition fees and service fees between Laurentian University and the Recipient, including but not limited to those described under the 1993 Funding Model. No future amendments to the terms set out in this Notice are effective unless confirmed and agreed to in writing, in advance, by Laurentian University.

The Recipient is a separate legal entity established by separate Acts and governed by an independent Board. The Recipient owns its own buildings on land that is owned by Laurentian University and leased to the Recipient by Laurentian University.

The Recipient is recognized under the *Laurentian University Act* by allowing Laurentian University to admit "church-related universities or colleges into federation as colleges of the Faculty of Arts and Science, which church-related universities or colleges have the right to give instruction in philosophy and religious knowledge and in such other subjects as may from time to time be approved by the Faculty of Arts and Science of the University and be consented to by the Senate and Board, and the University shall accept such courses in partial fulfillment of the requirements for a degree under the same academic terms and conditions as would obtain if the instruction were given in University College".

Huntington University, Thorneloe University and the University of Sudbury are each referred to in this Notice as a "Federated University" and are collectively referred as the "**Federated Universities"**.

REVENUE SHARING

The Federated Universities do not receive funding directly from the government. Laurentian University has historically transferred a portion of the funding it receives from the government to each Federated University according to a set formula, unless otherwise instructed by the government. Since 1993 that formula has been pursuant to the 1993 Funding Model.

As the Recipient is aware, the Province introduced a new university funding model for 2017-2018 (the "**New Funding Model**"). The New Funding Model includes an enrolment-based envelope. Consistent with the enrolment-based envelope, the Province provides each institution with a base level of operating funding determined in accordance with a specific level of eligible enrolment and program of registration.

Laurentian University advanced funds for 2017-18 and 2018-19 in accordance with the 1993 Funding Model, while it considered the effect of any changes.

The purpose of this Notice is to ensure that all funding transferred by Laurentian University to any of the Federated Universities from and after the Effective Date is consistent with the New Funding Model, and that the financial effects of the New Funding Model are recognized and assumed proportionately by each of Laurentian University and the Federated Universities, on the terms set out herein. The underlying principle is that none of Laurentian University or any of the Federated Universities will subsidize the operations or services of another, and each will be responsible for covering its own costs. The funding mechanism in place at any given time will be consistent with the funding mechanism between the Province and Laurentian University.

As outlined in Schedule **A**, as at and from the Effective Date, Laurentian University will transfer **grant funding** to each Federated University based on the current and future provincial funding formulas for post-secondary institutions, consistent with the terms of the New Funding Model to which Laurentian University is now subject.

Tuition fees are collected by Laurentian University and will be transferred to the Recipient based on enrolment in courses, less the tuition set-aside obligation, as outlined in Schedule **B**.

Laurentian University will be implementing the New Funding Model as at and from the Effective Date. All aspects of funding and the distribution of revenue by Laurentian University to the Federated Universities will be strictly in accordance with this Notice.

ADMINISTRATIVE SERVICE FEES

Laurentian University provides direct non-academic administrative services to each Recipient as outlined in Schedule **C**. From and after the Effective Date, an administrative services fee will be charged to the Recipient by Laurentian University calculated in accordance with Schedule **C** based on 15% of shared revenues, being Grant Revenue and Tuition Revenue as such terms are defined on Schedule **A** (the "**Administrative Services Fee**").

The Administrative Services Fee will only partially cover the costs incurred by Laurentian University for a number of non-academic services it provides as set out on Schedule **C**. This formula will be reviewed and, if required, updated by Laurentian University not less than once every three (3) years.

Each Federated University employs its own staff and is, and will continue to be, responsible for its own financial affairs. Laurentian University is the principal employer for administering pension plan and benefits and provides access to these employee benefits to each of the Federated Universities, with each Federated University bearing the sole financial responsibility for all contributions and funding for such employee benefits for its own staff.

AMENDING THE TERMS OF FINANCIAL DISTRIBUTION TO FEDERATED UNIVERSITIES

As set out on Schedule **A**, at all times the funding model established between the Province and Laurentian University from time to time will be reflected in the financial distribution model between Laurentian University and each of the Federated Universities. Any modification by the Province in the grant structure or through regular negotiation with the Province through the Strategic Mandate Agreements (SMA) or otherwise with Laurentian University will be correspondingly reflected in the grant allocation calculations by Laurentian University with each of the Federated Universities. If a change occurs, an amendment to the terms contained in this Notice will be provided by Laurentian University to each of the Federated Universities, and become effective. Laurentian University will keep the Recipient informed when the Province implements modifications in the grant structure and formulas.

LAURENTIAN UNIVERSITY OF SUDBURY

Per:___ _____
Name: Dr. Pierre Zundel
Title: Interim President and Vice-Chancellor

SCHEDULE "A"
GRANT REVENUE ALLOCATION

Operating grant revenue allocations from Laurentian University to the Federated Universities will be consistent at all times with the Provincial funding formulae for post-secondary institutions.

In accordance with the terms of the New Funding Model, Laurentian University receives a specified amount of operating funding provided through a new Core Operating Grant ("**COG**"). Enrolment will continue to be counted using a single measure of activity-enrolments as measured by Full-time Equivalent enrolments in specific programs. These enrolments will be weighted by program and level of study using the new program weights as provided by the Ministry of Training, Colleges and Universities (the "**Ministry**"). Information on the reallocation of grants is available in the Ministry's University Funding Technical Design Manual.

The total COG provided to Laurentian University annually will be equal to the total Weighted Grant Unit ("**WGU**") at its corridor midpoint multiplied by the average grant per WGU funding determined by the New Funding Model. Under the corridor funding model, Laurentian University will receive the amount of funding with enrolments levels at its corridor midpoint, as long as it remains within its enrolment corridor range of plus or minus 3%.

Should Laurentian University fall above or below the corridor lower threshold, the grant adjustment by the Province will be correspondingly reflected on the grant allocation made by Laurentian University to the Recipient.

Each Federated University will receive Grant Revenue for the COG based upon their relative students' enrolment in programs as reported to the Ministry for 2017-18.

Until SMA3 (or any replacement or modification thereof) is negotiated between Laurentian University and the Province, or there is any change in the funding formula by the Ministry, the **Northern Grant** will remain consistent with the historical allocation.

Until SMA3 (or any replacement or modification thereof) is negotiated between Laurentian University and the Province, or there is a change in the funding formula by the Ministry, the **Performance Grant** will be distributed to each Federated University based upon their relative WGU as a share of gross Laurentian University WGU for 2017-18. This grant is currently under review by the Province, and effective May 1, 2020, Laurentian University will update the grant allocation to be consistent with the Province's determination.

Laurentian University will also continue to transfer to the University of Sudbury its share of the **French Language Grant** and the **Bilingualism Grant** as mandated by the Province and will notify the University of Sudbury if any changes are established by the Province, which will then flow through in a corresponding manner to the amounts distributed by Laurentian University to the University of Sudbury.

The Ministry provides Facilities Renewal Program (FRP) capital funding to institutions through the **Facilities Renewal Grant** based on space standards ("generated space" – the amount of theoretical space a university should have) and the current formulae is under review by the Province. If the funding formulae are modified by the Ministry, Laurentian University will update the grant allocation for each Federated University to be consistent with the Province's funding principles. Unless and until that occurs, the current Grant Revenue allocation will remain unchanged.

GRANT REVENUE ALLOCATION EFFECTIVE MAY 1, 2019

2017-2018 Enrolment Data

Grant	Laurentian University	U of S	Huntington	Thorneloe	Total Federated	Grand Total
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Bilingualism	615,185	0	0	615,185
Total Grant Distributed	1,152,119	1,049,446	449,790	2,651,354

FRP funding will continue on the same basis as is currently allocated, pending any change in the funding formula by the Ministry. Prior year's allocations and distributions were as follows:

CAPITAL GRANTS	TOTAL PROVINCIAL ENVELOPE	TOTAL LU + FEDS	Laurentian 92.98 %	U of S 3.54 %	Huntington 2.04 %	Thorneloe 1.43 %
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2015	17,300,000	291,800	271,315	10,359	5,953	4,173
2014	17,300,000	291,800	271,315	10,359	5,953	4,173

SCHEDULE "B"
TUITION REVENUE DISTRIBUTION

Tuition fee revenue ("**Tuition Revenue**") resulting from course registrations are received by each Recipient offering the courses, from Laurentian University.

All Tuition Revenue collected from students for course registrations at Federated Universities are transferred by Laurentian University to the Recipient, net of Tuition Set-Aside (TSA). Beginning in 1996/1997 the TSA fund was established in addition to the government's Ontario Student Assistance Program (OSAP). The fund required universities to expend the TSA amount annually to provide financial support to students through bursaries, scholarships, work-study programs and work between academic terms. This is monitored annually by the Ministry.

Laurentian University administers scholarships and bursaries paid from the TSA funds to students registered at all Federated Universities. Laurentian will continue to calculate the TSA percentage annually.

Work study is a component of TSA. Laurentian University will allocate a proportionate share to each Federated University for work study. For clarity, the total amount for work study in 2019-20 will be $50,000. The Recipient will receive a proportionate Work Study share based upon its *pro rata* share of the amount of tuition revenue allocated to it by Laurentian University. The Recipient shall provide supporting information on their use of Work Study funds to Laurentian University in order to allow for reporting to the Ministry.

SCHEDULE "C"
ADMINISTRATIVE SERVICES PROVIDED BY LAURENTIAN UNIVERSITY

Laurentian University provides services to its students and academic departments through a number of central services. Laurentian University strives to optimize the delivery of cost-effective, flexible and reliable services to all customers.

There exists an understanding between the Recipient and Laurentian University that they will work together, in good faith, to achieve synergistic benefits through administrative capacity and efficiencies.

Consistent with that understanding, Laurentian University provides the following services to the Recipient and the student population: student fees collection and accounting, central computing services, administration of all pension and employee benefit services, security, registrarial functions, library, recruitment and liaison services, student support services (such as but not limited to academic advising, international supports, mental health and wellness, accessibility and counselling services, campus recreation, equity and diversity).

While ensuring efficiency among Laurentian University and the Federated Universities and in promoting elimination of duplication, Laurentian University shall recover the cost of providing services through the payment by each Federated University of an annual Administrative Service Fee. As at and from the Effective Date, the actual administrative cost associated with the provision of these student services by Laurentian University represents approximately 30% of Laurentian University's total annual expenses. For clarity, these costs do not include the provision of any facility costs or administrative costs other than those provided to the Recipient.

The Administrative Services Fee will be deducted annually from the Grant Revenue and Tuition Revenue distributions made by Laurentian University to each Federated University in accordance with Schedule **A**. Effective May 1, 2019, the Administrative Services Fee payable to Laurentian University by each Federated University shall be set at 15% of shared gross revenue with the Recipient (comprised of Grant Revenue and Tuition Revenue), all as set out on Schedule **A**.

Laurentian University and the Recipient will continue to identify opportunities for increased operational capacity and efficiencies through ongoing, successful collaborations in connection with administration services including but not limited to:

1. (Environmental/facility services, (includes sharing of operating costs of facilities, leases, utilities, maintenance, etc.);
2. security services;
3. human resources;
4. procurement;
5. insurance and risk;
6. ancillary services;

7. technology services;
8. financial services;
9. registration, collection and accounting of tuition and ancillary fees;
10. students support services;
11. advancement support and alumni;
12. communications support;
13. francophone support services;
14. Indigenous support services;
15. emergency preparedness

This is **Exhibit "J"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

_____

A Commissioner for taking Affidavits, etc.

LAURENTIAN UNIVERSITY FINANCIAL DISTRIBUTION TO FEDERATED UNIVERSITIES

THESE TERMS OF FINANCIAL DISTRIBUTION, effective as of the 1st day of May, 2019 (the "**Effective Date**")

B E T W E E N :

LAURENTIAN UNIVERSITY OF SUDBURY

("Laurentian University")

- and -

UNIVERSITY OF SUDBURY

(the "Recipient")

This Notice is delivered further to the Proposed Grant Distribution and Services Fees document dated November 10, 1993 (the "**1993 Funding Model**") and sets out the terms for the distribution of operating grants to the Recipient and service fees charged to the Recipient from and after the Effective Date. This document amends, restates and replaces in its entirety any prior documentation, oral or written representations and past practices relating to the distribution of grant funding, tuition fees and service fees between Laurentian University and the Recipient, including but not limited to those described under the 1993 Funding Model. No future amendments to the terms set out in this Notice are effective unless confirmed and agreed to in writing, in advance, by Laurentian University.

The Recipient is a separate legal entity established by separate Acts and governed by an independent Board. The Recipient owns its own buildings on land that is owned by Laurentian University and leased to the Recipient by Laurentian University.

The Recipient is recognized under the *Laurentian University Act* by allowing Laurentian University to admit "church-related universities or colleges into federation as colleges of the Faculty of Arts and Science, which church-related universities or colleges have the right to give instruction in philosophy and religious knowledge and in such other subjects as may from time to time be approved by the Faculty of Arts and Science of the University and be consented to by the Senate and Board, and the University shall accept such courses in partial fulfillment of the requirements for a degree under the same academic terms and conditions as would obtain if the instruction were given in University College".

Huntington University, Thorneloe University and the University of Sudbury are each referred to in this Notice as a "Federated University" and are collectively referred as the "**Federated Universities"**.

REVENUE SHARING

The Federated Universities do not receive funding directly from the government. Laurentian University has historically transferred a portion of the funding it receives from the government to each Federated University according to a set formula, unless otherwise instructed by the government. Since 1993 that formula has been pursuant to the 1993 Funding Model.

As the Recipient is aware, the Province introduced a new university funding model for 2017-2018 (the "**New Funding Model**"). The New Funding Model includes an enrolment-based envelope. Consistent with the enrolment-based envelope, the Province provides each institution with a base level of operating funding determined in accordance with a specific level of eligible enrolment and program of registration.

Laurentian University advanced funds for 2017-18 and 2018-19 in accordance with the 1993 Funding Model, while it considered the effect of any changes.

The purpose of this Notice is to ensure that all funding transferred by Laurentian University to any of the Federated Universities from and after the Effective Date is consistent with the New Funding Model, and that the financial effects of the New Funding Model are recognized and assumed proportionately by each of Laurentian University and the Federated Universities, on the terms set out herein. The underlying principle is that none of Laurentian University or any of the Federated Universities will subsidize the operations or services of another, and each will be responsible for covering its own costs. The funding mechanism in place at any given time will be consistent with the funding mechanism between the Province and Laurentian University.

As outlined in Schedule **A**, as at and from the Effective Date, Laurentian University will transfer **grant funding** to each Federated University based on the current and future provincial funding formulas for post-secondary institutions, consistent with the terms of the New Funding Model to which Laurentian University is now subject.

Tuition fees are collected by Laurentian University and will be transferred to the Recipient based on enrolment in courses, less the tuition set-aside obligation, as outlined in Schedule **B**.

Laurentian University will be implementing the New Funding Model as at and from the Effective Date. All aspects of funding and the distribution of revenue by Laurentian University to the Federated Universities will be strictly in accordance with this Notice.

ADMINISTRATIVE SERVICE FEES

Laurentian University provides direct non-academic administrative services to each Recipient as outlined in Schedule **C**. From and after the Effective Date, an administrative services fee will be charged to the Recipient by Laurentian University calculated in accordance with Schedule **C** based on 15% of shared revenues, being Grant Revenue and Tuition Revenue as such terms are defined on Schedule **A** (the "**Administrative Services Fee**").

The Administrative Services Fee will only partially cover the costs incurred by Laurentian University for a number of non-academic services it provides as set out on Schedule **C**. This formula will be reviewed and, if required, updated by Laurentian University not less than once every three (3) years.

Each Federated University employs its own staff and is, and will continue to be, responsible for its own financial affairs. Laurentian University is the principal employer for administering pension plan and benefits and provides access to these employee benefits to each of the Federated Universities, with each Federated University bearing the sole financial responsibility for all contributions and funding for such employee benefits for its own staff.

AMENDING THE TERMS OF FINANCIAL DISTRIBUTION TO FEDERATED UNIVERSITIES

As set out on Schedule **A**, at all times the funding model established between the Province and Laurentian University from time to time will be reflected in the financial distribution model between Laurentian University and each of the Federated Universities. Any modification by the Province in the grant structure or through regular negotiation with the Province through the Strategic Mandate Agreements (SMA) or otherwise with Laurentian University will be correspondingly reflected in the grant allocation calculations by Laurentian University with each of the Federated Universities. If a change occurs, an amendment to the terms contained in this Notice will be provided by Laurentian University to each of the Federated Universities, and become effective. Laurentian University will keep the Recipient informed when the Province implements modifications in the grant structure and formulas.

LAURENTIAN UNIVERSITY OF SUDBURY

Per:___ _____
Name: Dr. Pierre Zundel
Title: Interim President and Vice-Chancellor

SCHEDULE "A"
GRANT REVENUE ALLOCATION

Operating grant revenue allocations from Laurentian University to the Federated Universities will be consistent at all times with the Provincial funding formulae for post-secondary institutions.

In accordance with the terms of the New Funding Model, Laurentian University receives a specified amount of operating funding provided through a new Core Operating Grant ("**COG**"). Enrolment will continue to be counted using a single measure of activity-enrolments as measured by Full-time Equivalent enrolments in specific programs. These enrolments will be weighted by program and level of study using the new program weights as provided by the Ministry of Training, Colleges and Universities (the "**Ministry**"). Information on the reallocation of grants is available in the Ministry's University Funding Technical Design Manual.

The total COG provided to Laurentian University annually will be equal to the total Weighted Grant Unit ("**WGU**") at its corridor midpoint multiplied by the average grant per WGU funding determined by the New Funding Model. Under the corridor funding model, Laurentian University will receive the amount of funding with enrolments levels at its corridor midpoint, as long as it remains within its enrolment corridor range of plus or minus 3%.

Should Laurentian University fall above or below the corridor lower threshold, the grant adjustment by the Province will be correspondingly reflected on the grant allocation made by Laurentian University to the Recipient.

Each Federated University will receive Grant Revenue for the COG based upon their relative students' enrolment in programs as reported to the Ministry for 2017-18.

Until SMA3 (or any replacement or modification thereof) is negotiated between Laurentian University and the Province, or there is any change in the funding formula by the Ministry, the **Northern Grant** will remain consistent with the historical allocation.

Until SMA3 (or any replacement or modification thereof) is negotiated between Laurentian University and the Province, or there is a change in the funding formula by the Ministry, the **Performance Grant** will be distributed to each Federated University based upon their relative WGU as a share of gross Laurentian University WGU for 2017-18. This grant is currently under review by the Province, and effective May 1, 2020, Laurentian University will update the grant allocation to be consistent with the Province's determination.

Laurentian University will also continue to transfer to the University of Sudbury its share of the **French Language Grant** and the **Bilingualism Grant** as mandated by the Province and will notify the University of Sudbury if any changes are established by the Province, which will then flow through in a corresponding manner to the amounts distributed by Laurentian University to the University of Sudbury.

The Ministry provides Facilities Renewal Program (FRP) capital funding to institutions through the **Facilities Renewal Grant** based on space standards ("generated space" – the amount of theoretical space a university should have) and the current formulae is under review by the Province. If the funding formulae are modified by the Ministry, Laurentian University will update the grant allocation for each Federated University to be consistent with the Province's funding principles. Unless and until that occurs, the current Grant Revenue allocation will remain unchanged.

GRANT REVENUE ALLOCATION EFFECTIVE MAY 1, 2019

2017-2018 Enrolment Data

Grant	Laurentian University	U of S	Huntington	Thorneloe	Total Federated	Grand Total
WGU	16,247.5	97.5	263.7	111.1	472.3	16,719.8

Grant Revenue Allocation to Federated Universities based upon 2017-18 data and effective May 1, 2019 to April 30th, 2020:

Grant	U of S	Huntington	Thorneloe	Total Federated
Core	283,043	765,521	322,523	1,371,087
Performance	41,075	111,093	46,805	198,972
Northern	212,816	172,832	80,462	466,185
Bilingualism	615,185	0	0	615,185
Total Grant Distributed	1,152,119	1,049,446	449,790	2,651,354

FRP funding will continue on the same basis as is currently allocated, pending any change in the funding formula by the Ministry. Prior year's allocations and distributions were as follows:

CAPITAL GRANTS	TOTAL PROVINCIAL ENVELOPE	TOTAL LU + FEDS	Laurentian 92.98 %	U of S 3.54 %	Huntington 2.04 %	Thorneloe 1.43 %
2018	40,000,000	656,308	610,235	23,299	13,389	9,385
2017	56,093,200	920,300	855,694	32,671	18,744	13,161
2016	26,630,000	436,900	406,229	15,510	8,913	6,248
2015	17,300,000	291,800	271,315	10,359	5,953	4,173
2014	17,300,000	291,800	271,315	10,359	5,953	4,173

SCHEDULE "B"
TUITION REVENUE DISTRIBUTION

Tuition fee revenue ("**Tuition Revenue**") resulting from course registrations are received by each Recipient offering the courses, from Laurentian University.

All Tuition Revenue collected from students for course registrations at Federated Universities are transferred by Laurentian University to the Recipient, net of Tuition Set-Aside (TSA). Beginning in 1996/1997 the TSA fund was established in addition to the government's Ontario Student Assistance Program (OSAP). The fund required universities to expend the TSA amount annually to provide financial support to students through bursaries, scholarships, work-study programs and work between academic terms. This is monitored annually by the Ministry.

Laurentian University administers scholarships and bursaries paid from the TSA funds to students registered at all Federated Universities. Laurentian will continue to calculate the TSA percentage annually.

Work study is a component of TSA. Laurentian University will allocate a proportionate share to each Federated University for work study. For clarity, the total amount for work study in 2019-20 will be $50,000. The Recipient will receive a proportionate Work Study share based upon its *pro rata* share of the amount of tuition revenue allocated to it by Laurentian University. The Recipient shall provide supporting information on their use of Work Study funds to Laurentian University in order to allow for reporting to the Ministry.

SCHEDULE "C"
ADMINISTRATIVE SERVICES PROVIDED BY LAURENTIAN UNIVERSITY

Laurentian University provides services to its students and academic departments through a number of central services. Laurentian University strives to optimize the delivery of cost-effective, flexible and reliable services to all customers.

There exists an understanding between the Recipient and Laurentian University that they will work together, in good faith, to achieve synergistic benefits through administrative capacity and efficiencies.

Consistent with that understanding, Laurentian University provides the following services to the Recipient and the student population: student fees collection and accounting, central computing services, administration of all pension and employee benefit services, security, registrarial functions, library, recruitment and liaison services, student support services (such as but not limited to academic advising, international supports, mental health and wellness, accessibility and counselling services, campus recreation, equity and diversity).

While ensuring efficiency among Laurentian University and the Federated Universities and in promoting elimination of duplication, Laurentian University shall recover the cost of providing services through the payment by each Federated University of an annual Administrative Service Fee. As at and from the Effective Date, the actual administrative cost associated with the provision of these student services by Laurentian University represents approximately 30% of Laurentian University's total annual expenses. For clarity, these costs do not include the provision of any facility costs or administrative costs other than those provided to the Recipient.

The Administrative Services Fee will be deducted annually from the Grant Revenue and Tuition Revenue distributions made by Laurentian University to each Federated University in accordance with Schedule **A**. Effective May 1, 2019, the Administrative Services Fee payable to Laurentian University by each Federated University shall be set at 15% of shared gross revenue with the Recipient (comprised of Grant Revenue and Tuition Revenue), all as set out on Schedule **A**.

Laurentian University and the Recipient will continue to identify opportunities for increased operational capacity and efficiencies through ongoing, successful collaborations in connection with administration services including but not limited to:

1. (Environmental/facility services, (includes sharing of operating costs of facilities, leases, utilities, maintenance, etc.);
2. security services;
3. human resources;
4. procurement;
5. insurance and risk;
6. ancillary services;

7. technology services;
8. financial services;
9. registration, collection and accounting of tuition and ancillary fees;
10. students support services;
11. advancement support and alumni;
12. communications support;
13. francophone support services;
14. Indigenous support services;
15. emergency preparedness

This is **Exhibit "K"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

DATED 10th SEPTEMBER 1960

LAURENTIAN UNIVERSITY OF SUDBURY

- and -

THE UNIVERSITY OF SUDBURY

A G R E E M E N T

CASSELS, BROCK & KELLEY
255 Bay Street
Toronto 1 Ontario

THIS AGREEMENT made in quadruplicate this 10th day of September, A. D. 1960:

BETWEEN:

LAURENTIAN UNIVERSITY OF SUDBURY
hereinafter called "Laurentian University"

OF THE FIRST PART

- and -

THE UNIVERSITY OF SUDBURY
hereinafter called "Sudbury University"

OF THE SECOND PART

WHEREAS Sudbury University is a corporation incorporated by Chapter 131 of the Statutes of Ontario, 1914, as amended by Chapter 103 of the Statutes of Ontario, 1923, Chapter 160 of the Statutes of Ontario 1957 and Chapter 173 of the Statutes of Ontario, 1959;

AND WHEREAS Laurentian University was incorporated by the Laurentian University of Sudbury Act, 1960, being Chapter 151 of the Statutes of Ontario, 1960, pursuant to the petition of The University of Sudbury, The United Church of Canada and The Incorporated Synod of the Diocese of Algoma (Anglican) praying for the incorporation of Laurentian University as a non-denominational bilingual institution to provide facilities for instruction in all branches of higher learning;

AND WHEREAS Laurentian University is empowered by virtue of its said Act of Incorporation to admit into federation or affiliation with it other colleges or universities and to continue in Laurentian University, faculties, schools, institutes, departments and chairs already established in Sudbury

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University;

AND WHEREAS Sudbury University is desirous of entering into federation with Laurentian University in accordance with the provisions of the said Act of Incorporation of Laurentian University and upon the terms and conditions hereinafter set forth and Laurentian University has agreed to admit Sudbury University into federation with it in accordance with its said Act of Incorporation, and upon the terms and conditions hereinafter set forth;

WITNESSETH that pursuant to the said Act of Incorporation of Laurentian University and in consideration of the terms, covenants and agreements on the part of the parties hereto to be respectively observed, fulfilled and performed, the Parties hereto covenant and agree as follows:

1. Sudbury University is hereby and by virtue of the said Act of Incorporation of Laurentian University admitted into federation with Laurentian University.

2. While this agreement remains in force, Sudbury University shall suspend all its degree-conferring powers except the power to grant degrees in Theology.

3. Laurentian University agrees to continue all faculties, schools, institutes, departments and chairs now established in Sudbury University except those in Theology and Philosophy in accordance with the provisions of the Act of Incorporation of Laurentian University.

4. Laurentian University agrees that in continuing

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the faculties, schools, institutes, departments and chairs now established in Sudbury University, it will do so upon the basis of the Act of Incorporation of Laurentian University by virtue of which Laurentian University is a bi-lingual, non-denominational university and it will continue the system of bi-lingual instruction in the respective faculties, schools, institutes, departments and chairs heretofore followed in Sudbury University.

5. All students, including those enrolled in federated universities or colleges who intend to proceed towards degrees or to obtain diplomas, certificates or other academic qualifications at Laurentian University shall register at Laurentian University and must comply with the requirements of Laurentian University for entry to and registration in Laurentian University and to become entitled to degrees, diplomas, certificates or other academic qualifications at Laurentian University must comply with all requirements of Laurentian University. In the case of students enrolled in federated universities or colleges, fees paid shall be apportioned between Laurentian University and such federated universities or colleges as may from time to time be agreed upon between the parties hereto provided however that the academic standing of all students now registered at Sudbury University who by virtue of the Act of Incorporation of Laurentian University and of this agreement, become registered as students of Laurentian University shall be accepted by Laurentian University upon the basis of their academic standing at Sudbury University, provided they comply with the requirements of Laurentian University

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in regard to registration and payment of fees.

6. Sudbury University shall have disciplinary jurisdiction over and entire responsibility for the conduct of its students in respect of all matters arising or occurring in or upon the buildings and grounds, including residences, occupied by Sudbury University but in all other cases Laurentian University shall have disciplinary jurisdiction over students registered in it.

7. Sudbury University hereby agrees to sell to Laurentian University its entire library and library equipment other than books and documents on theology and philosophy and Laurentian University agrees to purchase the same at a price to be agreed upon between the parties.

8. Sudbury University hereby agrees to sell to Laurentian University its entire laboratory equipment and supplies and Laurentian University agrees to purchase the same at a price to be agreed upon between the parties.

9. Laurentian University agrees to assume the contracts of employment entered into by Sudbury University with members of its teaching staff or to enter into new contracts of employment with such members in the Faculty of Arts and Sciences, the School of Business Administration, the School of Nursing, the Graduate School and the Extension Department being all of its existing faculties, schools, institutes, departments and chairs, with the exception of the Departments of Theology and Philosophy.

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10. Sudbury University agrees to assign and transfer to Laurentian University the leases of premises occupied by it in the Empire Building, Sudbury, and on the third floor of the Federal Building, Sudbury, subject to the approval of the Lessors of the said premises being obtained and Laurentian University agrees to indemnify Sudbury University in respect of any liability under the said leases which may arise subsequent to such assignments and transfers.

11. General facilities provided by Laurentian University such as physical training, health and athletic facilities, buildings and quarters (other than residences) provided for the use of Laurentian University faculty and students shall be available to the faculty and students of Sudbury University upon the same fee basis as to the faculty and students of Laurentian University.

12. Laurentian University shall allocate and reserve land within its campus which Sudbury University may acquire and upon which Sudbury University may construct buildings for teaching, administration, and faculty and students residences, with or without chapels, subject to the prior written approval of Laurentian University as to architectural design and upon such financial arrangements and conditions as to title and tenure as may be agreed upon between Sudbury University and Laurentian University.

13. Public appeals for financial or other contributions or assistance for Sudbury University shall be made only

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with the prior written approval of Laurentian University. A request for money through a Church body to be raised from its members shall not be considered a public appeal.

14. Sudbury University and Laurentian University respectively shall retain as their own property all gifts, bequests, devises, scholarships, endowments or grants of any kind made to them respectively, except as may otherwise be agreed upon between the parties hereto and subject to any trusts which may affect the same.

15. Any federation or affiliation agreements or modifications thereof relating to federation or affiliation with Laurentian University shall be discussed with the universities and colleges federated or affiliated with Laurentian University prior to Laurentian University entering into any such agreements or agreeing to modifications of any such agreements.

16. Laurentian University will make arrangements to commence the courses which are to be conducted by it, not later than the 30th day of September, 1960.

17. Both Laurentian University and Sudbury University declare and express the firm hope and conviction that the relationship between the Universities established by this agreement will be a permanent one and that they and the other universities and colleges which become federated or affiliated with Laurentian University will work together to fulfill the objects of the Act of Incorporation of Laurentian University and to build a great institution of learning which shall forever

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be bi-lingual and non-denominational in its character. The Parties fully realize that the success of the task which they have set themselves will depend more on mutual understanding, goodwill and cooperation between the institutions now or hereafter associated together in Laurentian University, than upon any formal agreements.

IN WITNESS WHEREOF the Parties hereto have hereunto affixed their corporate seals under the hands of their proper officers duly authorized in that behalf.

LAURENTIAN UNIVERSITY OF SUDBURY

Emile Bauvier S.J.

M.D.

THE UNIVERSITY OF SUDBURY

J. L. Jaudette S.J.

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This is **Exhibit "L"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

THIS INDENTURE made in triplicate this 9th day of April, 1965, in pursuance of The Short Forms of Leases Act;

B E T W E E N:

LAURENTIAN UNIVERSITY OF SUDBURY,
hereinafter called "the Lessor"

OF THE FIRST PART

- and -

THE UNIVERSITY OF SUDBURY
hereinafter called "the Lessee"

OF THE SECOND PART

WHEREAS the Lessee has entered into an agreement of federation with the Lessor;

AND WHEREAS the Lessor has agreed to allocate and reserve land within its campus which the Lessee may acquire and upon which it may construct buildings for teaching at the University level, administration, and faculty and students residences, with or without chapels, subject to the prior written approval of the Lessor as to architectural design and upon such arrangements and conditions as to title and tenure as may be agreed upon;

WITNESSETH that in consideration of the premises and in further consideration of the rents, covenants and agreements hereinafter contained on the part of the Lessee to be observed and performed, the Lessor hath demised and leased and by these presents doth demise and lease unto the Lessee

That part of Lot 3 in the First Concession and that part of Lot 3 in the Second Concession of the Township of MacKim in the District of Sudbury and being designated as PART 4 on a plan of survey of record in the office of Land Titles at Sudbury as SR-Plan 525.

TOGETHER WITH A RIGHT-OF-WAY for all those now and hereafter entitled thereto, over along and upon: That part of Lot 3 in the First Concession and that part of Lot 3 in the Second Concession of the Township of McKim in the District of Sudbury and being designated as PART 1 on said SR-Plan 525.

2. TO HAVE AND TO HOLD the said demised lands for and during the term of ninety-nine (99) years from and inclusive of the 1st day of September, 1963, and thenceforth next ensuing and fully to be completed and ended.

3. YIELDING AND PAYING therefor during the said term the sum of ONE DOLLAR ($1.00) of lawful money of Canada on the 1st day of September, 1963, and on the 1st day of September of each year of the remainder of the term hereby granted, if demanded.

4. THE LESSEE covenants with the Lessor to pay rent.

5. THE LESSOR covenants with the Lessee that if the Lessee duly and regularly pays the said rent, if demanded, and performs all and every the covenants, provisos and conditions herein and on the part of the Lessee to be paid and performed, the Lessor will at the expiration of the said term (at the cost of the Lessee and upon the written request of the Lessee, mailed by registered post to or delivered to the Lessor not later than six (6) months before the expiration of the said term) grant to the Lessee a renewal lease of the said lands and premises for a further term of ninety-nine (99) years, at the same rent, and subject to the same covenants, provisos and agreements as are herein contained, and such new lease shall contain all the covenants, provisos and agreements contained in the present lease, including the right of renewal.

6. PROVIDED that this lease and any renewal thereof shall at the option of the Lessor cease and be void if at any time during the term hereby granted the Lessee shall withdraw

from federation with the Lessor or if the lands and premises cease for a period of three years to be used by the Lessee for educational instruction at a university level, or if the Lessee shall cease for a period of three years to operate as a University. In the event of such termination the Lessee shall have the right to purchase the demised lands forthwith from the Lessor and shall pay therefor to the Lessor the value thereof as at the time of termination, the said value and the terms of agreement thereof to be determined by arbitration in the manner set out in paragraph 16 hereof on the basis of the value thereof as though there were no buildings erected thereon but taking into consideration the services and improvements to the land furnished by the Lessor, the Lessee covenanting and agreeing in any such purchase that the said lands shall be used only for the purpose of educational instruction at a university level; provided that if the Lessee does not forthwith exercise its right to purchase the said lands as aforesaid in the event of such termination the said lands shall revert to the Lessor, and any building or buildings erected thereon shall be dealt with as follows:

(a) The Lessor shall within a period of six months select the building or buildings it may wish to acquire from the Lessee, and the Lessor shall pay to the Lessee for such building or buildings the value thereof as of the date of such selection, the said value and the terms of payment therefor to be determined by arbitration in the manner set out in paragraph 16 hereof.

(b) The Lessee shall have the right to use and occupy for the purposes of educational instruction at a university level, or for such other purpose as may be consented to by the Lessor in the exercise of an absolute discretion, and upon such terms as to maintenance, upkeep and access as may then be agreed upon, any building or buildings not acquired by the Lessor under sub paragraph (a) hereof.

(c) The Lessor may require vacant possession of any building or buildings occupied by the Lessee under sub paragraph (b) hereof upon giving one year's notice in writing, from the first day of August in any year. Upon obtaining such vacant possession the Lessor shall pay to the Lessee the value thereof to the Lessor as of the date that possession is acquired, such value and the terms of payment thereof to be determined by arbitration in the manner set out in paragraph 16 hereof.

(d) The Lessor may designate in writing to the Lessee any building or buildings not acquired by it under sub paragraph (a) hereof, or occupied by the Lessee under sub paragraph (b) hereof, and upon paying the maintenance charges thereof and keeping it or them insured against damage by fire, the Lessor shall have the right to acquire such building or buildings for a period of ten years following the termination of this lease upon paying to the Lessee the value thereof to the Lessor as of the date of such acquisition, such value and the terms of payment to be determined by arbitration in the manner set out in paragraph 16 hereof. Any such building or buildings not so acquired during such ten year period shall be demolished by the Lessee or become the property of the Lessor as set out in sub paragraph (e) hereof.

(e) Any building or buildings not acquired by the Lessor under sub paragraph (a) hereof, or occupied by the Lessee under sub paragraph (b) hereof, or designated by the Lessor under sub paragraph (d) hereof shall forthwith be demolished by the Lessee at the expense and the demised lands upon which any such building or buildings are situate shall be restored to a condition in conformity with the remainder of the demised lands, failing which any such building or buildings shall forthwith become the property of the Lessor.

The Lessor and the Lessee agree that if at the time of such termination the demised lands and any building or buildings to be constructed thereon by the Lessee for which the Lessor has agreed to pay the Lessee the value thereof as hereinbefore set out in the event of such termination are subject to a mortgage, the Lessor shall assume the obligation of such mortgage, in respect to any such building or buildings only in the event that the Lessee does not exercise its option to purchase the said lands as hereinbefore set out, and only and to the extent only of the amount which it would be obligated in such event to pay to the Lessee hereunder, and any such amounts so assumed shall be deducted by the Lessor from the amount to be paid to the Lessee.

7. THE LESSEE covenants with the Lessor that it will during the term of this lease and any renewal hereof keep and maintain in good and proper repair the exteriors of all buildings to be constructed on the demised lands and grounds appurtenant thereto to the standards of maintenance of the Lessor and other federated universities and colleges.

8. THE LESSOR and the Lessee agree that those portions of the demised lands and of the remaining lands of the Lessor above a contour level of nine hundred and sixty feet (960') constitute an outstanding topographical feature of the Laurentian University of Sudbury campus and that to preserve this outstanding feature of the campus for the use and enjoyment of all students and staff members of the Lessor and of the federated or affiliated universities or colleges the Lessor and the Lessee covenant and agree as follows:

(a) The Lessee covenants that it will not during the term of this lease or any renewal thereof erect any building or structure the foundation of which shall be on land above the said contour level of nine hundred and sixty feet (960').

(b) The Lessor and the Lessee agree that the said portions of the demised lands above the said

contour level of nine hundred and sixty feet (960') may be developed as a landscape area or observation lookout by either the Lessor or the Lessee according to plans to be approved by the Lessor and the Lessee for the use of the Lessor and the Lessee in common with other universities or colleges federated or affiliated with the Lessor.

(c) The Lessor and the Lessee agree that it is desirable that no building to be erected by the Lessee on the demised lands (or by the Lessor on its remaining lands or by any university or college federated or affiliated with the Lessor on the lands demised to it or them by the Lessor) shall exceed in elevation a contour level of nine hundred and seventy feet (970').

(d) The Lessor reserves to itself and its federated or affiliated universities or colleges the right of access to and egress from the said lands above a contour level of nine hundred and sixty feet (960') from and to the lands of the Lessor adjacent to the demised lands over, along and upon a footpath or roadway to be constructed by the Lessor or the Lessee according to plans as to design and location to be approved by the Lessor and the Lessee.

(e) The Lessee shall have disciplinary jurisdiction over the said lands above a contour level of nine hundred and sixty feet (960') including the right to set reasonable hours during which persons will be allowed in this area.

9. THE LESSEE covenants with the Lessor that no part of any building or structure shall be erected closer to the boundary of the demised lands than fifteen (15') feet and that it will not erect any building or buildings or other

structure or structures upon the lands hereby demised without the written approval of the Lessor as to site planning and building design first had and obtained, and that it will not remove or make major alterations to or in any of the buildings now or at any time during the currency of this lease or any renewal hereof situate upon the lands hereby demised without the written consent of the Lessor first had and obtained, and that it will not erect or cause to be erected conspicuous notices, signs or symbols on or about the demised lands or any building or structure to be constructed thereon without the written consent of the Lessor as to design and appropriateness within the Lessor's overall plan for the Laurentian campus first had and obtained.

10. THE LESSEE further covenants with the Lessor that subject to any statutory exemptions which it may enjoy, it will during the term hereby granted pay all taxes, rates, duties and assessments whatsoever whether municipal, parliamentary or otherwise, including municipal taxes for local improvements or works the cost of which is properly assessed upon the property benefited thereby now charged or hereafter to be charged upon the demised premises or upon any buildings or erections thereon or upon the Lessor on account thereof.

11. THE LESSEE further covenants with the Lessor that it will not during the term hereby demised or any renewal thereof hew, fell, cut down or destroy or cause or knowingly permit or suffer to be hewed, felled, cut down or destroyed without the consent in writing of the Lessor, any trees that may now or during the said term or any renewal thereof be growing upon the demised premises.

12. THE LESSOR agrees at its own expense to install and maintain water, electrical, gas, and sewer lines or services to one point selected by the Lessor at or near the boundary of the demised lands and will allow the Lessee to connect to the said lines and services at its own expense. The Lessee covenants to pay its own electricity, water, gas and sewerage charges and to maintain such services with respect to the demised lands.

13. PROVIDED ALWAYS and it is hereby expressly agreed that in case of the breach or non-performance of any of the covenants or agreements herein contained on the part of the Lessee, the Lessee shall be given six months' notice in writing to remedy such breach or non-performance and if the Lessee fails to remedy such breach or non-performance within the six months, it shall be lawful for the Lessor, its successor and assigns at any time thereafter into and upon the demised premises or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as of its former estate, subject to the provisions of paragraph 6 herein contained.

14. AND THE LESSEE further agrees to observe and fulfil the provisions and requirements of all statutes, orders-in-council, by-laws, rules and regulations relating to the use by the Lessee of the said demised premises, plumbing fixtures, drain pipes, sidewalks, areas, streets and lanes connected therewith, and that upon request being made or notice being given by the proper official charged with the enforcement of the said provisions and requirements to the Lessee or to the Lessor in respect of any non-performance or infraction of any such provisions or requirements the Lessee shall immediately comply with the demand contained in such request or demand and in default thereof the Lessor may procure to be done any work necessary to comply therewith and may charge the cost thereof against the Lessee and shall have the same remedies for the recovery of the moneys so paid as if the same were arrears of the rent reserved hereby in respect of the said demised premises.

15. IF, after the expiration or termination of this lease, or any renewal thereof the Lessee shall remain in possession of the demised premises, with or without the consent of the Lessor, or without any further written agreement, a tenancy from year to year shall not be created by implication

of law, but the Lessee shall be deemed to be a monthly tenant only, at a rental of ONE DOLLAR ($1.00) per month, payable in advance on the 1st day of each month, if demanded, and subject in all other respects to the terms of this lease.

16. IT IS HEREBY AGREED that in case any dispute or question shall arise between the Lessor and the Lessee relative to the maintenance of the lands and buildings herein mentioned, or as to matters consequent upon termination hereof, or as to construction of the terms of this lease, such dispute or question shall be referred to the arbitration and determination of three arbitrators, one to be named by each of the parties hereto and the third to be named by the two so appointed; and the award and determination of the said arbitrators shall be final and binding.

17. IT IS FURTHER PROVIDED AND AGREED that any notice given by the Lessor to the Lessee or by the Lessee to the Lessor may be sufficiently given by sending it by Registered Mail in a letter, postage prepaid and shall be taken to have been received by the party to whom the letter is addressed on the second day after it is deposited in the post at Sudbury, or, if that day is a Sunday or a public holiday then on the next day following.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their respective corporate seals duly attested by the signatures of their proper officers in that behalf.

LAURENTIAN UNIVERSITY OF SUDBURY

D. S. Cameron

J. Leonard

THE UNIVERSITY OF SUDBURY

J. McCamus S.J.

Jacques Wallet, S.J.

Rodolphe Tremblay, S.J.

This is **Exhibit "M"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

DATED 10th SEPTEMBER 1960

LAURENTIAN UNIVERSITY OF SUDBURY

- and -

HUNTINGTON UNIVERSITY

A G R E E M E N T

CASSELS, BROCK & KELLEY
255 Bay Street
Toronto 1 Ontario

THIS AGREEMENT made in quadruplicate this 10th day of September, A.D. 1960:

BETWEEN:

LAURENTIAN UNIVERSITY OF SUDBURY
hereinafter called "Laurentian University"

OF THE FIRST PART

- and -

HUNTINGTON UNIVERSITY

OF THE SECOND PART

WHEREAS Huntington University is a corporation incorporated by Chapter 143 of the Statutes of Ontario, 1960;

AND WHEREAS Laurentian University was incorporated by The Laurentian University of Sudbury Act, 1960, being Chapter 151 of the Statutes of Ontario, 1960, pursuant to the petition of The University of Sudbury, The United Church of Canada and The Incorporated Synod of the Diocese of Algoma (Anglican) praying for the incorporation of Laurentian University as a non-denomination bilingual institution to provide facilities for instruction in all branches of higher learning;

AND WHEREAS Laurentian University is empowered by virtue of its said Act of Incorporation to admit into federation or affiliation with it other colleges or universities;

AND WHEREAS Huntington University is empowered by virtue of its said Act of Incorporation to enter into federation or affiliation with other colleges or universities;

AND WHEREAS Huntington University is desirous of entering into federation with Laurentian University in accordance

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with the provisions of the said Acts of Incorporation of Huntington University and Laurentian University and upon the terms and conditions hereinafter set forth and Laurentian University has agreed to admit Huntington University into federation with it in accordance with the said Acts of Incorporation, and upon the terms and conditions hereinafter set forth;

WITNESSETH that pursuant to the said Acts of Incorporation of Huntington University and of Laurentian University and in consideration of the terms, covenants and agreements on the part of the parties hereto to be respectively observed, fulfilled and performed, the Parties hereto covenant and agree as follows:

1. Huntington University is hereby and by virtue of the said Acts of Incorporation of Huntington University and of Laurentian University admitted into federation with Laurentian University.

2. While this agreement remains in force, Huntington University shall suspend all its degree-conferring powers except the power to grant degrees in Theology.

3. Laurentian University agrees to continue all faculties, schools, institutes, departments and chairs now established in The University of Sudbury except those in Theology and Philosophy in accordance with the provisions of the Act of Incorporation of Laurentian University.

4. Laurentian University agrees that in continuing the faculties, schools, institutes, departments and chairs now established in The University of Sudbury, it will do so upon the

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basis of the Act of Incorporation of Laurentian University by virtue of which Laurentian University is a bilingual, non-denominational university and it will continue the system of bilingual instruction in the respective faculties, schools, institutes, departments and chairs heretofore followed in The University of Sudbury.

5. All students, including those enrolled in federated universities or colleges who intend to proceed towards degrees or to obtain diplomas, certificates or other academic qualifications at Laurentian University shall register at Laurentian University and must comply with the requirements of Laurentian University for entry to and registration in Laurentian University and to become entitled to degrees, diplomas, certificates or other academic qualifications at Laurentian University must comply with all requirements of Laurentian University. In the case of students enrolled in federated universities or colleges, fees paid shall be apportioned between Laurentian University and such federated universities or colleges as may from time to time be agreed upon between the parties hereto provided however that the academic standing of all students now registered at Sudbury University who by virtue of the Act of Incorporation of Laurentian University and of this agreement, become registered as students of Laurentian University shall be accepted by Laurentian University upon the basis of their academic standing at Sudbury University, provided they comply with the requirements of Laurentian University in regard to registration and payment of fees.

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6. Huntington University shall have disciplinary jurisdiction over and entire responsibility for the conduct of its students in respect of all matters arising or occurring in or upon the buildings and grounds, including residences, occupied by Huntington University but in all other cases Laurentian University shall have disciplinary jurisdiction over students registered in it.

7. Huntington University hereby agrees to sell to Laurentian University its entire library and library equipment other than books and documents on Theology and Philosophy and Laurentian University agrees to purchase the same at a price to be agreed upon between the Parties.

8. Huntington University hereby agrees to lease to Laurentian University space required by Laurentian University in premises owned by Huntington University at such rental and upon such terms as may be agreed upon between Huntington University and Laurentian University.

9. General facilities provided by Laurentian University such as physical training, health and athletic facilities, buildings and quarters (other than residences) provided for the use of Laurentian University faculty and students shall be available to the faculty and students of Huntington University upon the same fee basis as to the faculty and students of Laurentian University.

10. Laurentian University shall allocate and reserve land within its campus which Huntington University may acquire and upon which Huntington University may construct

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buildings for teaching, administration, and faculty and students residences, with or without chapels, subject to the prior written approval of Laurentian University as to architectural design and upon such financial arrangements and conditions as to title and tenure as may be agreed upon between Huntington University and Laurentian University.

11. Public appeals for financial or other contributions or assistance for Huntington University shall be made only with the prior written approval of Laurentian University. A request for money through a church body to be raised from its members shall not be considered a public appeal.

12. Huntington University and Laurentian University respectively shall retain as their own property all gifts, bequests, devises, scholarships, endowments or grants of any kind made to them respectively, except as may otherwise be agreed upon between the parties hereto and subject to any trusts which may affect the same.

13. Any federation or affiliation agreements or modifications thereof relating to federation or affiliation with Laurentian University shall be discussed with the universities and colleges federated or affiliated with Laurentian University prior to Laurentian University entering into any such agreements or agreeing to modifications of any such agreements.

14. Laurentian University will make arrangements to commence the courses which are to be conducted by it, not later than the 30th day of September, 1960.

15. Both Laurentian University and Huntington

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University declare and express the firm hope and conviction that the relationship between the Universities established by this agreement will be a permanent one and that they and the other universities and colleges which become federated or affiliated with Laurentian University will work together to fulfil the objects of the Act of Incorporation of Laurentian University and to build a great institution of learning which shall forever be bilingual and non-denominational in its character. The Parties fully realize that the success of the task which they have set themselves will depend more on mutual understanding, goodwill and cooperation between the institutions now or hereafter associated together in Laurentian University, than upon any formal agreements.

IN WITNESS WHEREOF the Parties hereto have hereunto affixed their corporate seals under the hands of their proper officers duly authorized in that behalf.

LAURENTIAN UNIVERSITY OF SUDBURY

Emile Bouvier S.J.

M.S.

HUNTINGTON UNIVERSITY

E Lauenstager

V.L. C.S.M.

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DATED SEPTEMBER, 1960

LAURENTIAN UNIVERSITY OF SUDBURY

and

HUNTINGTON UNIVERSITY

DRAFT
AGREEMENT

CASSELS, BROCK & KELLEY
Barristers & Solicitors
255 Bay Street
Toronto-Ontario

2 Sept. 60

THIS AGREEMENT made in quadruplicate this day of September, A.D. 1960:

BETWEEN:

LAURENTIAN UNIVERSITY OF SUDBURY
hereinafter called "Laurentian University"

OF THE FIRST PART

- and -

HUNTINGTON UNIVERSITY

OF THE SECOND PART

WHEREAS Huntington University is a corporation incorporated by Chapter 143 of the Statutes of Ontario, 1960;

AND WHEREAS Laurentian University was incorporated by The Laurentian University of Sudbury Act, 1960, being Chapter 151 of the Statutes of Ontario, 1960, pursuant to the petition of The University of Sudbury, The United Church of Canada and The Incorporated Synod of the Diocese of Algoma (Anglican) praying for the incorporation of Laurentian University as a non-denominational bilingual institution to provide facilities for instruction in all branches of higher learning;

AND WHEREAS Laurentian University is empowered by virtue of its said Act of Incorporation to admit into federation or affiliation with it other colleges or universities;

AND WHEREAS Huntington University is empowered by virtue of its said Act of Incorporation to enter into federation or affiliation with other colleges or universities;

AND WHEREAS Huntington University is desirous of entering into federation with Laurentian University in accordance

with the provisions of the said Acts of Incorporation of Huntington University and Laurentian University and upon the terms and conditions hereinafter set forth and Laurentian University has agreed to admit Huntington University into federation with it in accordance with the said Acts of Incorporation, and upon the terms and conditions hereinafter set forth;

WITHNESSETH that pursuant to the said Acts of Incorporation of Huntington University and of Laurentian University and in consideration of the terms, covenants and agreements on the part of the parties hereto to be respectively observed, fulfilled and performed, the Parties hereto covenant and agree as follows:

1. Huntington University is hereby and by virtue of the said Acts of Incorporation of Huntington University and of Laurentian University admitted into federation with Laurentian University.

2. While this agreement remains in force, Huntington University shall suspend all its degree-conferring powers except the power to grant degrees in Theology.

3. Laurentian University agrees to continue all faculties, schools, institutes, departments and chairs now established in The University of Sudbury except those in Theology and Philosophy in accordance with the provisions of the Acts of Incorporation of Laurentian University.

4. Laurentian University agrees that in continuing the faculties, schools, institutes, departments and chairs now established in The University of Sudbury, it will do so upon the

basis of the Acts of Incorporation of Laurentian University by virtue of which Laurentian University is a bi-lingual, non-denominational university and it will continue the system of bi-lingual instruction in the respective faculties, schools, institutes, departments and chairs heretofore followed in The University of Sudbury.

5. All students who intend to proceed towards degrees or to obtain diplomas, certificates or other academic qualifications at Laurentian University shall register at Laurentian University and must comply with the requirements of Laurentian University for entry to and registration in Laurentian University and to become entitled to degrees, diplomas, certificates or other academic qualifications at Laurentian University must comply with all requirements of Laurentian University.

6. Huntington University shall have disciplinary jurisdiction over and entire responsibility for the conduct of its students in respect of all matters arising or occurring in or upon the buildings and grounds, including residences, occupied by Huntington University but in all other cases Laurentian University shall have disciplinary jurisdiction over students registered in it.

7. Huntington University hereby agrees to sell to Laurentian University its entire library and library equipment other than books and documents on theology and philosophy and Laurentian University agrees to purchase the same at a price to be agreed upon between the parties.

8. Huntington University agrees to assignand transfer to Laurentian University the leases of any rented premises occupied

by Huntington University which may be required for the purposes of Huntington University, subject to the approval of the Lessors of the said premises being obtained and Laurentian University agrees to indemnify Huntington University in respect of any liability under the said leases which may arise subsequent to such assignments and transfers. Huntington University further agrees to lease to Laurentian University space required by Laurentian University in premises owned by Huntington University at such rental and upon such terms as may be agreed upon between Huntington University and Laurentian University.

9. General facilities provided by Laurentian University such as physical training, health and athletic facilities, buildings and quarters (other than residences) provided for the use of Laurentian University faculty and students shall be available to the faculty and students of Huntington University upon the same fee basis as to the faculty and students of Laurentian University.

10. Laurentian University shall allocate and reserve land within its campus which Huntington University may acquire and upon which Huntington University may construct buildings for teaching, administration, and faculty and students residences, with or without chapels, subject to the prior written approval of Laurentian University as to architectural design and upon such financial arrangements and conditions as to title and tenure as may be agreed upon between Huntington University and Laurentian University.

11. Public appeals for financial or other contributions or assistance for Huntington University shall be made only with

the prior written approval of Laurentian University.

12. Huntington University and Laurentian University respectively shall retain as their own property all gifts, bequests, devises, scholarships, endowments or grants of any kind made to them respectively.

13. Any federation or affiliation agreements or modifications thereof relating to federation or affiliation with Laurentian University shall be discussed with the universities and colleges federated or affiliated with Laurentian University prior to Laurentian University entering into any such agreements or agreeing to modifications of any such agreements.

14. This agreement shall remain in full force and effect for a period of ten years from the date hereof and thereafter unless and until either party, after the expiration of the said period of ten years notifies the other in writing that this agreement shall be terminated at the expiration of one year from the date such notice is given, and on the expiration of the said period of one year this agreement shall no longer have any force or effect except as to anything done during its currency, and Huntington University shall thereupon cease to be federated with Laurentian University and may thereafter resume its full degree-conferring powers.

15. Laurentian University will make arrangements to commence the courses which are to be conducted by it, not later than the 30th day of September, 1960.

16. Notwithstanding the provisions for possible termination of this agreement, hereinbefore mentioned, both Laurentian

University and Huntington University declare and express the firm hope and conviction that the relationship between the Universities established by this agreement will be a permanent one and that they and the other universities and colleges which become federated or affiliated with Laurentian University will work together to fulfill the objects of the Acts of Incorporation of Laurentian University and to build a great institution of learning which shall forever be bi-lingual and non-denominational in its character. The Parties fully realize that the success of the task which they have set themselves will depend more on mutual understanding, goodwill and cooperation between the institutions now or hereafter associated together in Laurentian University, than upon any formal agreements.

IN WITNESS WHEREOF the Parties hereto have hereunto affixed their corporate seals under the hands of their proper officers duly authorized in that behalf.

LAURENTIAN UNIVERSITY OF SUDBURY

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HUNTINGTON UNIVERSITY

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DRAFT NO. 2

MEMORANDUM TO THE BOARD OF REGENTS OF HUNTINGTON UNIVERSITY as to the proposed Terms of Federation with LAURENTIAN UNIVERSITY OF SUDBURY in accordance with the Provisions of The Laurentian University of Sudbury Act, 1960, and the Huntington University Act, 1960.

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1. The Board of Regents of Huntington University respectfully submit that the following suggestions are in accordance with the form, substance and intention of The Laurentian University of Sudbury Act, 1960, and The Huntington University Act, 1960, and in accordance with the agreed intentions of all who worked for and negotiated the agreements which led to the enactment of these Acts by the Ontario Legislature, and these proposals are accordingly submitted with a view to implementing the provisions of both Acts.

2. In accordance with Section 3 (c) of The Huntington University Act, 1960, the Board of Regents of Huntington University submit that it is desirable for Huntington University to enter into Federation on a basi of full equality with all other present or future federating parties.

3. In accordance with Section 3(b) of The Laurentian University Act, 1960, Huntington University agrees to hold its degree-granting powers im abeyance, except in Theology, during such time as it remains in Federation.

4. In accordance with the powers granted to Huntington University by Section 3(a) of The Huntington University Act, 1960, as modified in the event of Federation by Section 4(a) and 4(d) of The Laurentian University of Sudbury Act, 1960, Huntington University proposes to teach Philosophy and Religious Knowledge and, in accordance with the oral agreement now in effect with the University of Sudbury, and with the consent of the Faculty of Arts and Sciences of University College, to be consented to by the Senate and Board of Laurentian University of Sudbury, Huntington proposes also to teach English which, however, would be coordinated with the teaching of English in University Colleg and would be taught under the direction of the Senate of the Laurentia University of Sudbury.

5. Huntington University proposes that it be allowed to offer instructions in subjects other than Philosophy, Religious Knowledge

and English at such time as the Senate and the Board of Huntington University deem it advisable to offer such further courses, when and if its application to offer instruction in such other subjects is approved by the Faculty of Arts and Sciences of University College and consented to by the Senate and Board of Laurentian University of Sudbury in accordance with the Provisions of Section 4(d) of The Laurentian University of Sudbury Act, 1960, with the same opportunity being open to other federating parties.

6. Huntington University proposes that the University College of Laurentian University of Sudbury should provide the remainder of the necessary Arts and Science courses required by the federating Colleges and if it is not practicable for the University College so to do, notwithstanding the Provisions and the expressed intention of Section 4(a) of The Laurentian University of Sudbury Act, 1960, then the Faculty of Arts and Sciences of University College and the Senate and Board of The Laurentian University of Sudbury will, pursuant to Section 4(d) of The Laurentian University of Sudbury Act, 1960, permit Huntington University to share in the teaching of Arts and Science subjects not provided for by the University College of The Laurentian University of Sudbury.

7. Huntington University requires to be assured of the establishment of an active University College under the administration and direction of The Laurentian University of Sudbury as envisioned in The Laurentian University of Sudbury Act, 1960, Section 4(d) and provided for by Section 4(a), with the University College in control of the Arts and Science Faculty. It is submitted that the Acts of the Legislature do not, in terms, set forth any time for the coming into being of the University College, and it would appear that the Board and Senate of the Laurentian University of Sudbury should be respectfully requested to establish the University College in order that it may function as a non-denominational College of the Laurentian University of Sudbury with a Principal, Registrar, Bursar, Librarian and teaching staff, at as early date as possible. Pending the establishment of the University College, Huntington University would agree that the University of Sudbury and Huntington University teach the necessary subjects until th University College is in a position to take over those teaching duties in accordance with Terms Nos.5 and 6 of these proposed Terms of Federation

8. Huntington University expects that Faculties, departments, schools and chairs in addition to those referred to in The Laurentian University of Sudbury Act, 1960, Section 4(a) will be organized as required and controlled by the Board and Senate of The Laurentian University of Sudbury.

9. Students enrolling in The Laurentian University of Sudbury shall enroll with the Registrar of The Laurentian University but shall regis ter in the College or federating University of their choice.

10. Huntington University would expect that the complete control of examinations and educational standards would be the responsibility of The Laurentian University of Sudbury, with the exception of the subjects of Philosophy and Religious Knowledge, and Huntington Universit proposes, in order best to ensure proper standards, that all federated Universities should be invited to confer from time to time with The Laurentian University of Sudbury with respect to admission and examination standards.

11. Huntington University proposes that all federating parties be invited to take part in the program of the Extension Department of The Laurentian University of Sudbury.

12. Huntington University proposes that if an agreement respecting federation can be reached which accords generally with these suggested terms of federation,the Boards and Senates of the federating parties should delegate to a committee of all federating parties the task of proposing a recommendation to all federating parties covering the financial arrangements of federation.

13. It will be apparent from the foregoing that before any Federation Agreement could be reached, it would be essential to request the Senat and Board of the Laurentian University of Sudbury that they make known their plans for the establishment of the University College of the Laurentian University of Sudbury in order that Huntington University and any others desiring to federate may be made aware of the facilitie that will be provided by the University College of the Laurentian University and may accordingly undertake their duties in providing a higher education for their students.

The Board and Senate of Huntington University, therefore, deem it desirable that they be invited by the Board and Senate of the Laurentian University of Sudbury to make suggestions as the establishment of the University College in addition to the suggestions of a general nature contained in the foregoing Terms of Federation.

The above proposed terms of federation were accepted by Board of Regents of Huntington University at a meeting on August 11, 1960.

D. P. Best, Chairman
C. A. Nicholson, Secretary.

Federation
Contracts

THE LAURENTIAN UNIVERSITY OF SUDBURY

September 6, 1960

Dr. E.S. Lautenslager, President,
Huntington University,
83 Larch Street,
Sudbury, Ontario

Dear Sir:

In an effort to expedite the consideration of the proposed federation agreements between your University and Laurentian University of Sudbury, I would suggest that your University might be represented at our meeting of Governors on Saturday of this week to consider what alterations, if any, you might require to the draft agreements prepared by our solicitors for your consideration.

You might care to have your President, your solicitor and your Chairman of the Board of Regents attend our Governors' meeting, to be held in Room 302 Federal Building, 19 Lisgar St., South, Sudbury. Might I suggest the hour of 10:30 A.M. That would give our Board the opportunity of reviewing the draft agreements so that the Governors would then be in a position to hear the suggestions of the federating colleges. Our counsel, Mr. Cassels, will be present at that meeting.

In the meantime, our Executive Committee is meeting on Wednesday at 3:00 P.M. in the President's office and we would be obliged if by that time you might let us know of anything in the proposed agreements that does not meet with your approval. Perhaps in that way we could approach the Saturday meeting with fewer problems or with suggested solutions.

Your kind co-operation would be greatly appreciated.

Yours very truly,

D. L. James

Acting Secretary

Copy for President E. Bonvier
- a similar letter was also sent under even date to Father J. Belcourt, S.J. of the University of Sudbury.

This is **Exhibit "N"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

THIS INDENTURE made in triplicate this 3rd day of July, 1964, in pursuance of The Short Forms of Leases Act:

B E T W E E N:

LAURENTIAN UNIVERSITY OF SUDBURY

hereinafter called "the Lessor"

OF THE FIRST PART

- and -

HUNTINGTON UNIVERSITY

hereinafter called "the Lessee"

OF THE SECOND PART

WHEREAS the Lessee has entered into an agreement of federation with the Lessor;

AND WHEREAS the Lessor has agreed to allocate and reserve land within its campus which the Lessee may acquire and upon which it may construct buildings for teaching at the University level, administration, and faculty and students residences, with or without chapels, subject to the prior written approval of the Lessor as to architectural design and upon such arrangements and conditions as to title and tenure as may be agreed upon;

WITNESSETH that in consideration of the premises and in further consideration of the rents, covenants and agreements hereinafter contained on the part of the Lessee to be observed and performed, the Lessor hath demised and leased and by these presents doth demise and lease unto the Lessee

That part of Lot 3 in the First Concession and that part of Lot 3 in the Second Concession of the Township of McKim in the District of Sudbury andbeing designated as PART 2 on a plan of survey of record in the office of Land Titles at Sudbury as SR- Plan 525.

TOGETHER WITH A RIGHT-OF-WAY for all those now and hereafter entitled thereto, over along and upon: That part of Lot 3 in the First Concession and that part of Lot 3 in the Second Concession of the Township of McKim in the District of Sudbury and being designated as PART 1 on said SR- Plan 525

2. TO HAVE AND TO HOLD the said demised lands for and during the term of ninety-nine (99) years from and inclusive of the 1st day of September, 1963, and thenceforth next ensuing and fully to be completed and ended.

3. YIELDING AND PAYING therefor during the said term the sum of ONE DOLLAR ($1.00) of lawful money of Canada on the 1st day of September, 1963, and on the 1st day of September of each year of the remainder of the term hereby granted, if demanded.

4. THE LESSEE covenants with the Lessor to pay rent.

5. THE LESSOR covenants with the Lessee that if the Lessee duly and regularly pays the said rent, if demanded, and performs all and every the covenants, provisos and conditions herein and on the part of the Lessee to be paid and performed, the Lessor will at the expiration of the said term (at the cost of the Lessee and upon the written request of the Lessee, mailed by registered post to or delivered to the Lessor not later than six (6) months before the expiration of the said term) grant to the Lessee a renewal lease of the said lands and premises for a further term of ninety-nine (99) years, at the same rent, and subject to the same covenants, provisos and agreements as are herein contained, and such new lease shall contain all the covenants, provises and agreements contained in the present lease.

6. PROVIDED that this lease and any renewal thereof shall at the option of the Lessor cease and be void if at any time during the term hereby granted the Lessee shall withdraw from federation with the Lessor or if the lands and premises cease for a period of three years to be used by the Lessee for educational instruction at a University level, or if the Lessee shall cease for a period of three years to operate as a University. In the event of such termination the Lessor shall within a reasonable time thereafter pay to the Lessee the value

as of such termination of any building or buildings constructed by the Lessee on the said lands the plans for which have been approved by the Lessor and which building or buildings could be used by the Lessor in the ordinary course for University purposes, such as a residence or classroom building or buildings, but reserving to the Lessor the right not to pay the Lessee for any building or buildings which may duplicate then existing facilities of the Lessor, other than residence or classroom facilities, the said value to be considered for the purposes hereof as the cost of construction or erection thereof, less depreciation calculated on the basis of 4% depreciation per annum, provided that if the Lessor considers that the said building has depreciated at a rate of more than 4% per annum the said value shall be reduced on the basis of a rate of depreciation higher than 4% per annum and if the Lessor and the Lessee cannot agree on such higher rate the rate of depreciation shall be determined by arbitration at the instance of either the Lessor or the Lessee, but the rate of depreciation for the purposes of fixing the said value shall in no event be less than 4% per annum. If the matter of rate of depreciation is submitted to arbitration as aforesaid it shall be determined by the award of three arbitrators, or a majority of these, one to be named by the Lessor and one by the Lessee; and the two arbitrators thus chosen shall forthwith select a third, and their award, or the award of a majority of them shall be final and binding upon the Lessor and the Lessee and not open to review in any Court or otherwise howsoever. The expense of the said arbitration shall be borne equally by the parties hereto. In case of failure of the two arbitrators appointed by the parties hereto to agree upon a third arbitrator, such third arbitrator shall be appointed in accordance with the provision of the Arbitration Act of Ontario by reference to a Judge of the Supreme Court of Ontario. The Lessor and the Lessee agree that, if at the time of such termination the demised lands and any building or buildings to be constructed thereon by the Lessee for which the Lessor has

agreed to pay the Lessee the value thereof as hereinbefore set out in the event of such termination are subject to a mortgage, the Lessor shall assume the obligation of such mortgage in respect to any such building or buildings only and to the extent only of the amount which it would be obligated in such event to pay to the Lessee, and any such amount so assumed shall be deducted by the Lessor from the amount to be paid to the Lessee.

7. THE LESSEE covenants with the Lessor that it will during the term of this lease and any renewal hereof keep and maintain in good and proper repair all buildings to be constructed on the demised lands.

8. THE LESSOR and the Lessee agree that those portions of the demised lands and of the remaining lands of the Lessor above a contour level of nine hundred and sixty feet (960') constitute an outstanding topographical feature of the Laurentian University of Sudbury campus and that to preserve this outstanding feature of the campus for the use and enjoyment of all students and staff members of the Lessor and of the federated or affiliated universities or colleges the Lessor and the Lessee covenant and agree as follows:

(a) The Lessee covenants that it will not during the term of this lease or any renewal thereof erect any building or structure the foundation of which shall be on land above the said contour level of nine hundred and sixty feet (960').

(b) The Lessor and the Lessee agree that the said portions of the demised lands above the said contour level of nine hundred and sixty feet (960') may be developed as a landscape area or observation lookout by either the Lessor or the Lessee according to plans to be approved by the Lessor and the Lessee for the use of the Lessor and the Lessee in common with other universities or colleges federated or affiliated with the Lessor.

(c) The Lessor and the Lessee agree that it is desirable that no building to be erected by the Lessee on the demised lands (or by the Lessor on its remaining lands or by any university or college federated or affiliated with the Lessor on the lands demised to it or them by the Lessor) shall exceed in elevation a contour level of nine hundred and seventy feet (970').

(d) The Lessor reserves to itself and its federated or affiliated universities or colleges the right of access to and egress from the said lands above a contour level of nine hundred and sixty feet (960') from and to the lands of the Lessor adjacent to the demised lands over, along and upon a footpath or roadway to be constructed by the Lessor or the Lessee according to plans as to design and location to be approved by the Lessor and the Lessee.

9. THE LESSEE covenants with the Lessor that no part of any building or structure shall be erected closer to the boundary of the demised lands than fifteen feet (15') and that it will not erect any building or buildings or other structure or structures upon the lands hereby demised without the written approval of the Lessor as to site planning and building design first had and obtained, and that it will not remove or make major alterations to or in any of the buildings now or at any time during the currency of this lease or any renewal hereof situate upon the lands hereby demised without the written consent of the Lessor first had and obtained, and that it will not erect or cause to be erected conspicuous notices, signs or symbols on or about the demised lands or any buildings or structure to be constructed thereon without the written consent of the Lessor as to design and appropriateness within the Lessor's overall plan for the Laurentian campus first had and obtained.

10. THE LESSEE further covenants with the Lessor that subject to any statutory exemptions which it may enjoy,

it will during the term hereby granted pay all taxes, rates, duties and assessments whatsoever whether municipal, parliamentary or otherwise, including municipal taxes for local improvements or works the cost of which is properly assessed upon the property benefited thereby now charged or hereafter to be charged upon the demised premises or upon any buildings or erections thereon or upon the Lessor on account thereof.

11. THE LESSEE further covenants with the Lessor that it will not during the term hereby demised or any renewal thereof hew, fell, cut down or destroy or cause or knowingly permit or suffer to be hewed, felled, cut down or destroyed without the consent in writing of the Lessor, any trees that may now or during the said term or any renewal thereof be growing upon the demised premises.

12. AND IT IS HEREBY AGREED that it shall be lawful for the Lessor, its successors and assigns and its agents at all reasonable times during the said term to enter upon the said demised premises to examine the condition thereof and further that all want of reparation that upon such review shall be found and for the amendment of which, notice in writing shall be left at the premises, the Lessee will within three calendar months next after such notice well and sufficiently repair and make good accordingly.

13. PROVIDED ALWAYS and it is hereby expressly agreed that in case of the breach or non-performance of any of the covenants or agreements herein contained on the part of the Lessee, the Lessee shall be given six months' notice in writing to remedy such breach or non-performance and if the Lessee fails to remedy such breach or non-performance within the six months, it shall be lawful for the Lessor, its successors and assigns at any time thereafter into and upon the demised premises or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as of its former estate, subject to the provisions of paragraph 6 herein contained.

14. AND THE LESSEE further agrees to observe and fulfil the provisions and requirements of all statutes,

orders-in-council, by-laws, rules and regulations relating to the use by the Lessee of the said demised premises, plumbing fixtures, drain pipes, sidewalks, areas, streets and lanes connected therewith, and that upon request being made or notice being given by the proper official charged with the enforcement of the said provisions and requirements to the Lessee or to the Lessor in respect of any non-performance or infraction of any such provisions or requirements the Lessee shall immediately comply with the demand contained in such request or demand and in default thereof the Lessor may procure to be done any work necessary to comply therewith and may charge the cost thereof against the Lessee and shall have the same remedies for the recovery of the moneys so paid as if the same were arrears of the rent reserved hereby in respect of the said demised premises.

15. IF, after the expiration or termination of this lease, the Lessee shall remain in possession of the demised premises, with or without the consent of the Lessor, or without any further written agreement, a tenancy from year to year shall not be created by implication of law, but the Lessee shall be deemed to be a monthly tenant only, at a rental of ONE DOLLAR ($1.00) per month, payable in advance on the 1st day of each month, if demanded, and subject in all other respects to the terms of this lease.

16. IT IS HEREBY AGREED that in case any dispute or question shall arise between the Lessor and the Lessee relative to the maintenance of the lands and buildings herein mentioned, or as to matters consequent upon termination hereof, or as to construction of the terms of this lease, such dispute or question shall be referred to the arbitration and determination of three arbitrators, one to be named by each of the parties hereto and the third to be named by the two so appointed; and the award and determination of the said arbitrators shall be final and binding.

17. IT IS FURTHER PROVIDED AND AGREED that any notice given by the Lessor to the Lessee or by the Lessee to the Lessor may be sufficiently given by sending it by Registered Mail in aletter, postage prepaid and shall be taken to have been received by the party to whom the letter is addressed on the second day after it is deposited in the post at Sudbury, or, if that day is a Sunday or a public holiday then on the next day following.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their respective corporate seals duly attested by the signatures of their proper officers in that behalf.

LAURENTIAN UNIVERSITY OF SUDBURY

HUNTINGTON UNIVERSITY

DATED July 3rd , 1964

LAURENTIAN UNIVERSITY
OF SUDBURY

and

HUNTINGTON UNIVERSITY

L E A S E

CASSELS, BROCK, KELLEY,
DES BRISAY & GUTHRIE
165 University Avenue,
Toronto 1 ONTARIO

A.C.P.

DATED this 3rd day of July, A.D. 1964.

TRIPLICATE

No. 213378
Received at the office of Land Titles
at SUDBURY at 1 25 o'clock P.M.
of the 10 day of July
A.D. 19 64. and entered in
Vol. Parcel 30769.

SUDBURY EAST SECTION

Leases and Power of Atty Book

APPLICATION FOR REGISTRATION OF NOTICE OF LEASE

SOPHA, CONROY & HUNEAULT,
Barristers & Solicitors,
7 Cedar Street,
SUDBURY, Ontario.

This is **Exhibit "O"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

LaurentianUniversity
UniversitéLaurentienne

HUNTINGTON

Memorandum of Agreement

BETWEEN: LAURENTIAN UNIVERSITY OF SUDBURY AND HUNTINGTON UNIVERSITY

SUBJECT: MUSIC PROGRAM

WHEREAS Huntington University has indicated its intention to suspend its Music Program;

WHEREAS Laurentian University has agreed to continue said Music Program;

Both Parties agree to the following as the terms of the transfer of the music program to Laurentian University.

1) Laurentian University assumes the responsibility for the management of the Music Program(s) as of November 1, 2005.

2) Laurentian University will become the Employer of the three full-time teaching faculty as of November 1, 2005. The salaries of these three faculty members will be adjusted as per the Laurentian University MOA with LUFA.

3) Laurentian University will become the Employer for all the part-time faculty of the music program as of November 1, 2005.

4) Huntington University will transfer to Laurentian University before January 1, 2006, the sabbatical reserve for all three full-time music faculty members, valued at $63.985.53 on April 30, 2005.

5) Huntington University will transfer to Laurentian University all scholarship funds dedicated to music students and/or programs. The value of these funds is to be determined as of April 30, 2005.

6) Huntington University will continue to provide adequate space based on current allocations for teaching purposes related to the music program, including faculty offices, until the end of the 2007-2008 academic year (April 30, 2008).

7) Laurentian University will provide all space required for the music program as of the start of the 2008-2009 academic year (May 1, 2008).

8) Huntington University will continue to provide current library resources and equipment, including the services of a music librarian, for the music program until the end of the 2006-2007 academic year.

9) Huntington University will provide a $7, 500 library acquisition budget for the music program until the end of the 2006-2007 academic year. Laurentian University will provide an equal amount during the same time period.

10) Laurentian University shall be responsible for all the library resources and equipment for the music program as of the 2007-2008 academic year (May 1, 2007).

11) Huntington University shall transfer ownership (at no cost) to Laurentian University of all library resources and equipment dedicated to the music program as of the end of the 2006-2007 academic year (May 1, 2007).

12) Huntington University shall provide $43 000, plus the value of the unpaid salaries of the part-time faculty for October 2005, to Laurentian University for the 2005-2006 academic year to offset costs related to the transfer of the music program.

13) The costs for the actual salaries and benefits of both the full-time and part-time faculty of the music program, as well as the costs of salaries and benefits for a half-time support staff, for the 2006-2007, 2007-2008 and 2008-2009 academic year shall be divided between Laurentian University and Huntington University according to the following principle: (a) these costs minus tuition shall be divided by the total number of music credits taken by students; (b) Huntington University shall be responsible for the cost of the total number of music credits taken by students registered in the music program before the start of the 2005-2006 academic year as per the attached list determined as of December 8, 2004; (c) Laurentian University shall be responsible for the cost of the total number of credits taken by students not on the attached list.

14) Both Huntington University and Laurentian University concur that this Agreement is intended solely to cover the transfer of the music program to Laurentian University and does not preclude other agreements on revenue sharing that could arise as a result of a new provincial funding scheme.

SIGNED on December 12, 2005.

Dr. Judith Woodsworth
President
Laurentian University

Dr. Doug Joblin
President
Huntington University

This is **Exhibit "P"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

THIS AGREEMENT made in quadruplicate this day of , A.D. 1962:

B E T W E E N :

LAURENTIAN UNIVERSITY OF SUDBURY

hereinafter called "Laurentian University"

OF THE FIRST PART

- and -

THORNELOE UNIVERSITY

hereinafter called "Thorneloe University"

OF THE SECOND PART

WHEREAS Thorneloe University is a Corporation incorporated by Chapter 135 of the Statutes of Ontario, 1960-1961;

AND WHEREAS Laurentian University was incorporated by The Laurentian University of Sudbury Act, 1960, being Chapter 151 of The Statutes of Ontario, 1960, pursuant to the petition of The University of Sudbury, The United Church of Canada, and the Incorporated Synod of the Diocese of Algoma (Anglican) praying for the incorporation of Laurentian University as a non-denominational bilingual institution to provide facilities for instruction in all branches of higher learning, which said Act of Incorporation was amended by Chapter 154 of The Statutes of Ontario, 1961-1962;

AND WHEREAS Laurentian University is empowered by virtue of its said Act of Incorporation to admit into federation or affiliation with it other colleges or universities;

AND WHEREAS Thorneloe University is empowered by

virtue of its said Act of Incorporation to enter into federation or affiliation with other colleges or universities;

AND WHEREAS Thorneloe University is desirous of entering into federation with Laurentian University in accordance with the provisions of the said Acts of Incorporation of Thorneloe University and Laurentian University and upon the terms and conditions hereinafter set forth and Laurentian University has agreed to admit Thorneloe University into federation with it in accordance with the said Acts of Incorporation, and upon the terms and conditions set forth;

AND WHEREAS the University of Sudbury and Huntington University, both of which have heretofore entered into federation with Laurentian University, have consented to the admission of Thorneloe University into such federation;

NOW WITNESSETH that pursuant to the said Acts of Incorporation of Thorneloe University and of Laurentian University and in consideration of the terms, covenants and agreements on the part of the parties hereto to be respectively observed, fulfilled and performed, the parties hereto covenant and agree as follows:

1. Thorneloe University is hereby and by virtue of the said Acts of Incorporation of Thorneloe University and of Laurentian University admitted into federation with Laurentian University.

2. While this agreement remains in force, Thorneloe University shall suspend all its degree-conferring powers except the power to grant degrees in Theology.

3. Laurentian University agrees to continue all its faculties, schools, institutes, departments and chairs now established in accordance with the provisions of the Act of Incorporation of Laurentian University, and Thorneloe University shall be entitled to give instruction in Theology and Philosophy in accordance with the Acts of Incorporation of Laurentian University and Thorneloe University.

4. Laurentian University agrees that in continuing its faculties, schools, institutes, departments and chairs now established it will do so upon the basis of the Act of Incorporation of Laurentian University by virtue of which Laurentian University is a bilingual, non-denominational university and it will continue the system of bilingual instruction in the respective faculties, schools, institutes, departments and chairs heretofore followed in Laurentian University.

5. All students, including those enrolled in federated universities or colleges who intend to proceed towards degrees or to obtain diplomas, certificates or other academic qualifications at Laurentian University shall register at Laurentian University and must comply with the requirements of Laurentian University for entry and registration in Laurentian University and to become entitled to degrees, diplomas, certificates or other academic qualifications at Laurentian University, must comply with all requirements of Laurentian University. In the case of students enrolled in federated universities or colleges, fees paid shall be apportioned between Laurentian University and such federated universities or colleges as may from time to time be agreed upon between the parties hereto.

6. Thorneloe University shall have disciplinary jurisdiction over and entire responsibility for the conduct of its students in respect of all matters arising or occurring in or upon the buildings and grounds, including residences, occupied by Thorneloe University but in all other cases Laurentian University shall have disciplinary jurisdiction over students registered in it.

7. General facilities provided by Laurentian University such as physical training, health and athletic facilities, buildings and quarters (other than residences) provided for the use of Laurentian University faculty and students shall be available to the faculty and students of Thorneloe University upon the same fee basis as to the faculty and students of Laurentian University.

8. Laurentian University shall allocate and reserve land within its campus which Thorneloe University may acquire and upon which Thorneloe University may construct buildings for teaching, administration, and faculty and students residences, with or without chapels, subject to the prior written approval of Laurentian University as to architectural design and upon such financial arrangements and conditions as to title and tenure as may be agreed upon between Thorneloe University and Laurentian University.

9. Public appeals for financial or other contributions or assistance for Thorneloe University shall be made only with the prior written approval of Laurentian University. A request for money through a Church body to be raised from its

members shall not be considered a public appeal.

10. Thorneloe University and Laurentian University respectively shall retain as their own property all gifts, bequests, devises, scholarships, endowments, or grants of any kind made to them respectively, except as may otherwise be agreed upon between the parties hereto and subject to any trusts which may affect the same.

11. Any federation or affiliation agreements or modifications thereof relating to federation or affiliation with Laurentian University shall be discussed with the universities and colleges federated or affiliated with Laurentian University prior to Laurentian University entering into any such agreements or agreeing to modifications of any such agreements.

12. Both Laurentian University and Thorneloe University declare and express the firm hope and conviction that the relationship between the Universities established by this agreement will be a permanent one and that they and the other universities and colleges which become federated or affiliated with Laurentian University will work together to fulfil the objects of the Act of Incorporation of Laurentian University and to build a great institution of learning which shall forever be bilingual and non-denominational in its character. The parties fully realize that the success of the task which they have set themselves will depend more on mutual understanding, goodwill and co-operation between the institutions now or hereafter associated together in Laurentian University, than upon any

formal agreements.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their corporate seals under the hands of their proper officers duly authorized in that behalf.

LAURENTIAN UNIVERSITY OF SUDBURY

THORNELOE UNIVERSITY

This is **Exhibit "Q"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.

THIS INDENTURE made in triplicate this 26 day of October, 1964, in pursuance of The Short Forms of Leases Act:

B E T W E E N :

LAURENTIAN UNIVERSITY OF SUDBURY

hereinafter called "the Lessor"

OF THE FIRST PART

- and -

THORNELOE UNIVERSITY

hereinafter called "the Lessee"

OF THE SECOND PART

WHEREAS the Lessee has entered into an agreement of federation with the Lessor;

AND WHEREAS the Lessor has agreed to allocate and reserve land within its campus which the Lessee may acquire and upon which it may construct buildings for teaching at the University level, administration, and faculty and students residences, with or without chapels, subject to the prior written approval of the Lessor as to architectural design and upon such arrangements and conditions as to title and tenure as may be agreed upon;

WITNESSETH that in consideration of the premises and in further consideration of the rents, covenants and agreements hereinafter contained on the part of the Lessee to be observed and performed, the Lessor hath demised and leased and by these presents doth demise and lease unto the Lessee

That part of Lot 3 in the First Concession and that part of Lot 3 in the Second Concession of the Township of McKim in the District of Sudbury and being designated as PART 3 on a plan of survey of record in the office of Land Titles at Sudbury as SR-Plan 525.

TOGETHER WITH A RIGHT-OF-WAY for all those now and hereafter entitled thereto, over along and upon: That part of Lot 3 in the First Concession and that part of Lot 3 in the Second Concession of the Township of McKim in the District of Sudbury and being designated as PART 1 on said SR-Plan 525.

2. TO HAVE AND TO HOLD the said demised lands for and during the term of ninety-nine (99) years from and inclusive of the 1st day of September, 1963, and thenceforth next ensuing and fully to be completed and ended.

3. YIELDING AND PAYING therefor during the said term the sum of ONE DOLLAR ($1.00) of lawful money of Canada on the 1st day of September, 1963, and on the 1st day of September of each year of the remainder of the term hereby granted, if demanded.

4. THE LESSEE covenants with the Lessor to pay rent.

5. THE LESSOR covenants with the Lessee that if the Lessee duly and regularly pays the said rent, if demanded, and performs all and every the covenants, provisos and conditions herein and on the part of the Lessee to be paid and performed, the Lessor will at the expiration of the said term (at the cost of the Lessee and upon the written request of the Lessee, mailed by registered post to or delivered to the Lessor not later than six (6) months before the expiration of the said term) grant to the Lessee a renewal lease of the said lands and premises for a further term of ninety-nine (99) years, at the same rent, and subject to the same covenants, provisos and agreements as are herein contained, and such new lease shall contain all the covenants, provisos and agreements contained in the present lease.

6. PROVIDED that this lease and any renewal thereof shall at the option of the Lessor cease and be void if at any time during the term hereby granted the Lessee shall withdraw from federation with the Lessor or if the lands and premises cease for a period of three years to be used by the Lessee for educational instruction at a University level, or if the Lessee shall cease for a period of three years to operate as a University. In the event of such termination the Lessor shall within a reasonable time thereafter pay to the Lessee the value

as of such termination of any building or buildings constructed by the Lessee on the said lands the plans for which have been approved by the Lessor and which building or buildings could be used by the Lessor in the ordinary course for University purposes, such as a residence or classroom building or buildings, but reserving to the Lessor the right not to pay the Lessee for any building or buildings which may duplicate then existing facilities of the Lessor, other than residence or classroom facilities, the said value to be considered for the purposes hereof as the cost of construction or erection thereof, less depreciation calculated on the basis of 4% depreciation per annum, provided that if the Lessor considers that the said building has depreciated at a rate of more than 4% per annum the said value shall be reduced on the basis of a rate of depreciation higher than 4% per annum and if the Lessor and the Lessee cannot agree on such higher rate the rate of depreciation shall be determined by arbitration at the instance of either the Lessor or the Lessee, but the rate of depreciation for the purposes of fixing the said value shall in no event be less than 4% per annum. If the matter of rate of depreciation is submitted to arbitration as aforesaid it shall be determined by the award of three arbitrators, or a majority of these, one to be named by the Lessor and one by the Lessee; and the two arbitrators thus chosen shall forthwith select a third, and their award, or the award of a majority of them shall be final and binding upon the Lessor and the Lessee and not open to review in any Court or otherwise howsoever. The expense of the said arbitration shall be borne equally by the parties hereto. In case of failure of the two arbitrators appointed by the parties hereto to agree upon a third arbitrator, such third arbitrator shall be appointed in accordance with the provision of the Arbitration Act of Ontario by reference to a Judge of the Supreme Court of Ontario. The Lessor and the Lessee agree that, if at the time of such termination the demised lands and any building or buildings to be constructed thereon by the Lessee for which the Lessor has

agreed to pay the Lessee the value thereof as hereinbefore set out in the event of such termination are subject to a mortgage, the Lessor shall assume the obligation of such mortgage in respect to any such building or buildings only and to the extent only of the amount which it would be obligated in such event to pay to the Lessee, and any such amount so assumed shall be deducted by the Lessor from the amount to be paid to the Lessee.

7. THE LESSEE covenants with the Lessor that it will during the term of this lease and any renewal hereof keep and maintain in good and proper repair all buildings to be constructed on the demised lands.

8. THE LESSOR and the Lessee agree that those portions of the demised lands and of the remaining lands of the Lessor above a contour level of nine hundred and sixty feet (960') constitute an outstanding topographical feature of the Laurentian University of Sudbury campus and that to preserve this outstanding feature of the campus for the use and enjoyment of all students and staff members of the Lessor and of the federated or affiliated universities or colleges the Lessor and the Lessee covenant and agree as follows:

(a) The Lessee covenants that it will not during the term of this lease or any renewal thereof erect any building or structure the foundation of which shall be on land above the said contour level of nine hundred and sixty feet (960').

(b) The Lessor and the Lessee agree that the said portions of the demised lands above the said contour level of nine hundred and sixty feet (960') may be developed as a landscape area or observation lookout by either the Lessor or the Lessee according to plans to be approved by the Lessor and the Lessee for the use of the Lessor and the Lessee in common with other universities or colleges federated or affiliated with the Lessor.

(c) The Lessor and the Lessee agree that it is desirable that no building to be erected by the Lessee on the demised lands (or by the Lessor on its remaining lands or by any university or college federated or affiliated with the Lessor on the lands demised to it or them by the Lessor) shall exceed in elevation a contour level of nine hundred and seventy feet (970').

(d) The Lessor reserves to itself and its federated or affiliated universities or colleges the right of access to and egress from the said lands above a contour level of nine hundred and sixty feet (960') from and to the lands of the Lessor adjacent to the demised lands over, along and upon a footpath or roadway to be constructed by the Lessor or the Lessee according to plans as to design and location to be approved by the Lessor and the Lessee.

9. THE LESSEE covenants with the Lessor that no part of any building or structure shall be erected closer to the boundary of the demised lands than fifteen feet (15') and that it will not erect any building or buildings or other structure or structures upon the lands hereby demised without the written approval of the Lessor as to site planning and building design first had and obtained, and that it will not remove or make major alterations to or in any of the buildings now or at any time during the currency of this lease or any renewal hereof situate upon the lands hereby demised without the written consent of the Lessor first had and obtained, and that it will not erect or cause to be erected conspicuous notices, signs or symbols on or about the demised lands or any buildings or structure to be constructed thereon without the written consent of the Lessor as to design and appropriateness within the Lessor's overall plan for the Laurentian campus first had and obtained.

10. THE LESSEE further covenants with the Lessor that subject to any statutory exemptions which it may enjoy,

it will during the term hereby granted pay all taxes, rates, duties and assessments whatsoever whether municipal, parliamentary or otherwise, including municipal taxes for local improvements or works the cost of which is properly assessed upon the property benefited thereby now charged or hereafter to be charged upon the demised premises or upon any buildings or erections thereon or upon the Lessor on account thereof.

11. THE LESSEE further covenants with the Lessor that it will not during the term hereby demised or any renewal thereof hew, fell, cut down or destroy or cause or knowingly permit or suffer to be hewed, felled, cut down or destroyed without the consent in writing of the Lessor, any trees that may now or during the said term or any renewal thereof be growing upon the demised premises.

12. AND IS IS HEREBY AGREED that it shall be lawful for the Lessor, its successors and assigns and its agents at all reasonable times during the said term to enter upon the said demised premises to examine the condition thereof and further that all want of reparation that upon such review shall be found and for the amendment of which, notice in writing shall be left at the premises, the Lessee will within three calendar months next after such notice well and sufficiently repair and make good accordingly.

13. PROVIDED ALWAYS and it is hereby expressly agreed that in case of the breach or non-performance of any of the covenants or agreements herein contained on the part of the Lessee, the Lessee shall be given six months' notice in writing to remedy such breach or non-performance and if the Lessee fails to remedy such breach or non-performance within the six months, it shall be lawful for the Lessor, its successors and assigns at any time thereafter into and upon the demised premises or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as of its former estate, subject to the provisions of paragraph 6 herein contained.

14. AND THE LESSEE further agrees to observe and fulfil the provisions and requirements of all statutes,

orders-in-council, by-laws, rules and regulations relating to the use by the Lessee of the said demised premises, plumbing fixtures, drain pipes, sidewalks, areas, streets and lanes connected therewith, and that upon request being made or notice being given by the proper official charged with the enforcement of the said provisions and requirements to the Lessee or to the Lessor in respect of any non-performance or infraction of any such provisions or requirements the Lessee shall immediately comply with the demand contained in such request or demand and in default thereof the Lessor may procure to be done any work necessary to comply therewith and may charge the cost thereof against the Lessee and shall have the same remedies for the recovery of the moneys so paid as if the same were arrears of the rent reserved hereby in respect of the said demised premises.

15. IF, after the expiration or termination of this lease, the Lessee shall remain in possession of the demised premises, with or without the consent of the Lessor, or without any further written agreement, a tenancy from year to year shall not be created by implication of law, but the Lessee shall be deemed to be a monthly tenant only, at a rental of ONE DOLLAR ($1.00) per month, payable in advance on the 1st day of each month, if demanded, and subject in all other respects to the terms of this lease.

16. IT IS HEREBY AGREED that in case any dispute or question shall arise between the Lessor and the Lessee relative to the maintenance of the lands and buildings herein mentioned, or as to matters consequent upon termination hereof, or as to construction of the terms of this lease, such dispute or question shall be referred to the arbitration and determination of three arbitrators, one to be named by each of the parties hereto and the third to be named by the two so appointed; and the award and determination of the said arbitrators shall be final and binding.

17. IT IS FURTHER PROVIDED AND AGREED that any notice given by the Lessor to the Lessee or by the Lessee to the Lessor may be sufficiently given by sending it by Registered Mail in a letter, postage prepaid and shall be taken to have been received by the party to whom the letter is addressed on the second day after it is deposited in the post at Sudbury, or if that day is a Sunday or a public holiday then on the next day following.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their respective corporate seals duly attested by the signatures of their proper officers in that behalf.

LAURENTIAN UNIVERSITY OF SUDBURY

THORNELOE UNIVERSITY

Dated October 26, 1964

LAURENTIAN UNIVERSITY
OF SUDBURY

and

THORNELOE UNIVERSITY

LEASE

Cassels, Brock, Kelley,
Des Brisay & Guthrie,
165 University Avenue,
Toronto 1, Ontario.

Registered by way
of Notice of Lease
No. 217228
Received at the Office
of Land Titles at
Sudbury at 4.20 pm
13th November 1964
entered Folium Volume 150
Parcel 30769
Sudbury East-Section
Leases and Powers of Attorney Book
Volume 6

LEASE AMENDING AGREEMENT

DATED the day of November, 1997.

B E T W E E N:

THORNELOE UNIVERSITY

(Hereinafter referred to as "Lessee")

OF THE FIRST PART

- and -

LAURENTIAN UNIVERSITY OF SUDBURY

(Hereinafter referred to as "Lessor")

OF THE SECOND PART

WHEREAS pursuant to a lease agreement, dated November 13, 1964, registered in the Land Titles Office of the District of Sudbury, as instrument number 217228 between Lessee and Lessor (the "Lease"), Lessee leased from Lessor the property legally described as follows:

> Parcel 30769, in the register for Sudbury East Section, being part of Lot 3, in the First Concession of the Township of McKim, and part of Lot 3, in the Second Concession of the Township of McKim, in the District of Sudbury, being designated as Part 3 according to Plan of Survey SR-525 (the "Property").

AND WHEREAS in order to facilitate the construction of an addition to Lessee's existing building located on the Property, more particularly described in the sketch attached hereto as Schedule "A" certain provisions of the Lease must be amended;

AND WHEREAS Lessee and Lessor have agreed to such amendments;

NOW THEREFORE in consideration of One ($1.00) Dollar now paid by Lessee to Lessor, the mutual covenants herein contained and other good and valuable consideration, the parties hereto agree as follows:

1. The Lease is hereby amended by the addition of the following terms and conditions:

a) Definitions - In this Lease, the terms listed below shall have the following definitions:

i) "Lease" means the lease agreement dated November 13, 1964, registered in the Land Titles Office of the District of Sudbury, as instrument #217228 between the Lessee and the Lessor;

ii) "New Addition" means the construction of a theatre/classroom building addition to Thorneloe's existing building, more particularly described in the sketch attached hereto as Schedule "A";

iii) "Property" means the real property legally described as follows:

> Parcel 30769, in the register for Sudbury East Section, being part of Lot 3, in the First Concession of the Township of McKim, and part of Lot 3, in the Second Concession of the Township of McKim, in the District of Sudbury, being designated as Part 3 according to Plan of Survey SR-525.

b) Elevation Amendment - Notwithstanding the provisions of paragraph 8(a), 8(b), 8(c) and 8(d) of the Lease, Lessee shall be permitted to use those portions of the Property above the contour line of 960' necessary in order to construct the New Addition in a manner more particularly described in Schedule "A" attached hereto. It is further agreed that the roof elevation of the New Addition shall be permitted to be approximately 981', being a roof elevation similar to that of the Lessee's existing building.

c) Setbacks - Notwithstanding the setback requirements provided for in paragraph 9 of the Lease, Lessee and Lessor agree that Lessee shall be permitted to erect part of New Addition within the fifteen foot (15') setback provided for in paragraph 9 of the Lease as more particularly set out in Schedule "A" attached hereto.

d) Trees - Notwithstanding the provisions of paragraph 11 of the Lease, for the purposes of constructing the New Addition, Lessee shall be permitted to cut down and remove such trees and other vegetation as may be reasonably required in order the permit the construction of the New Addition.

2. Terms of Lease and Conflict - All other terms and conditions of the Lease shall remain in effect unamended in their present form. To the extent of any conflict between the terms of this Lease Amending Agreement and the Lease, the provisions of this Lease Amending Agreement shall govern.

3. Successors and Assigns - This Lease Amending Agreement shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

4. Governing Law - This Lease Amending Agreement shall be governed by, interpreted and enforced in accordance with the laws of the Province of Ontario.

5. Registration of Lease Amending Agreement - It is agreed that a copy of this Lease Amending Agreement may be registered on title to the Property by Lessee.

IN WITNESS WHEREOF the parties have hereto duly executed this Agreement on the date first above written.

SIGNED, SEALED AND DELIVERED)
In the presence of)
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THORNELOE UNIVERSITY

Per: Barbara N Bolton

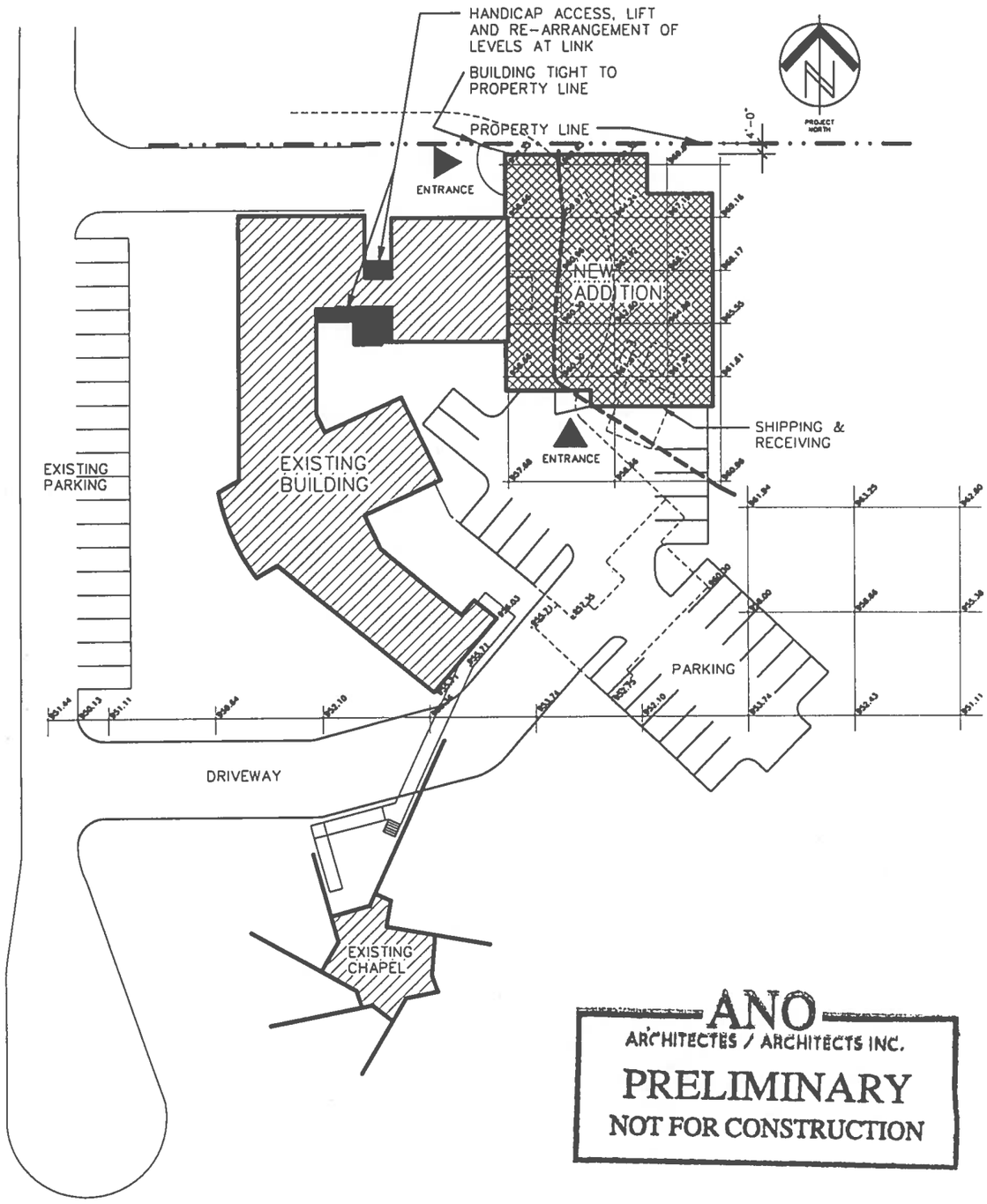
Per: B. H. Fisk

LAURENTIAN UNIVERSITY OF SUDBURY

Per:

Per:

SCHEDULE "A"

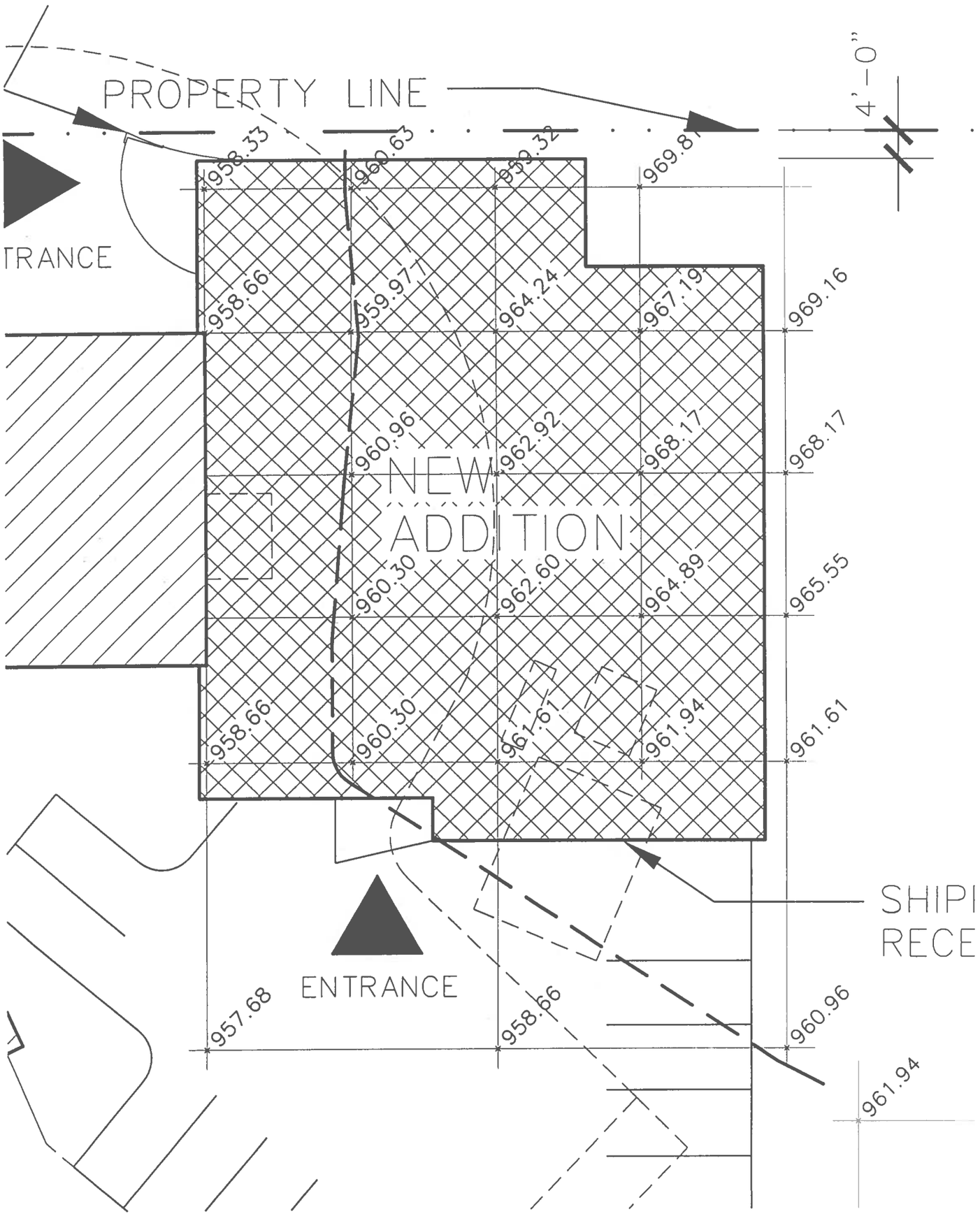


ANO
ARCHITECTES / ARCHITECTS INC.
PRELIMINARY
NOT FOR CONSTRUCTION

SITE PLAN

N.T.S.

SECOND PAGE OF SCHEDULE "A" CONTINUED



TEMPORARY EASEMENT AGREEMENT

DATED the 16th day of March, 1998.

BETWEEN:

THORNELOE UNIVERSITY

(Hereinafter referred to as "Thorneloe")

OF THE FIRST PART

- and -

HUNTINGTON UNIVERSITY

(Hereinafter referred to as "Huntington")

OF THE SECOND PART

WHEREAS pursuant to a lease agreement, dated November 13, 1964, registered in the Land Titles Office of the District of Sudbury, as instrument number 217228 between Thorneloe and Laurentian University of Sudbury (the "Lease"), Thorneloe leased from Laurentian University the property legally described as follows:

> Parcel 30769, in the register for Sudbury East Section, being part of Lot 3, in the First Concession of the Township of McKim, and part of Lot 3, in the Second Concession of the Township of McKim, in the District of Sudbury, being designated as Part 3 according to Plan of Survey SR-525 (the "Property").

AND WHEREAS Huntington has leased from Laurentian University the lands immediately to the north of the Property legally described as follows:

> Parcel 30769, in the register for Sudbury East Section, being part of Lot 3, in the First Concession of the Township of McKim, and part of Lot 3, in the Second Concession of the Township of McKim, in the District of Sudbury, being designated as Part 2 according to Plan of Survey SR-525 (the "Huntington Property").

AND WHEREAS in order to facilitate the construction of an addition to Thorneloe's existing building located on the Property ("New Addition"), more particularly described in the sketch attached hereto as Schedule "A", the co-operation of Huntington is required;

NOW THEREFORE in consideration of One ($1.00) Dollar now paid by Thorneloe to Huntington, the mutual covenants herein contained and other good and valuable consideration, the parties hereto agree as follows:

1. Consent to Construction - Huntington consents to the construction of the New Addition and more particularly the location of the New Addition as more particularly set out in Schedule "A" attached hereto.

2. Temporary Right of Access - For the period of the construction of the New Addition only, Huntington agrees to permit Thorneloe, its employees, servants, contractors and agents, the uninterrupted right to access that area bounded by Manitou Road, the Huntington University Upper Parking Lot entry, the Huntington University Upper Parking Lot and the adjacent northerly boundary of the existing Thornloe Property, for the purposes of facilitating the construction of the New Addition only.

3. Repair to Original Condition - To the extent that the access provided hereunder causes any disruption or destruction to any of the Huntington Property, Thorneloe agrees that it shall be responsible for the return of such lands to their original condition, prior to the granting of the rights of access provided for hereunder.

4. No liability - Huntington shall have no liability for any damage or injury to Thorneloe or its agents, contractors, servants and employees resulting from or in any way related to their entering on the Huntington Property during the term of this agreement. Thorneloe further agrees to indemnify and hold harmless Huntington against and from all costs, liabilities, claims, damages or expenses in respect of any injuries, deaths, loss or damages suffered as a consequence of its agents, contractors, servants and employees, entering upon the Huntington Property, except such claims that result directly from the negligence of Huntington.

5. Term - The rights of access contemplated by this agreement shall commence on the date hereof and conclude upon the completion of the New Addition and in no event shall they extend beyond December 31, 1998.

6. Successors and Assigns - This agreement shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

7. Governing Law - This agreement shall be governed by, interpreted and enforced in accordance with the laws of the Province of Ontario.

IN WITNESS WHEREOF the parties have hereto duly executed this Agreement on the date first above written.

SIGNED, SEALED AND DELIVERED)
In the presence of)

THORNELOE UNIVERSITY

Per: Barbara H Bolton

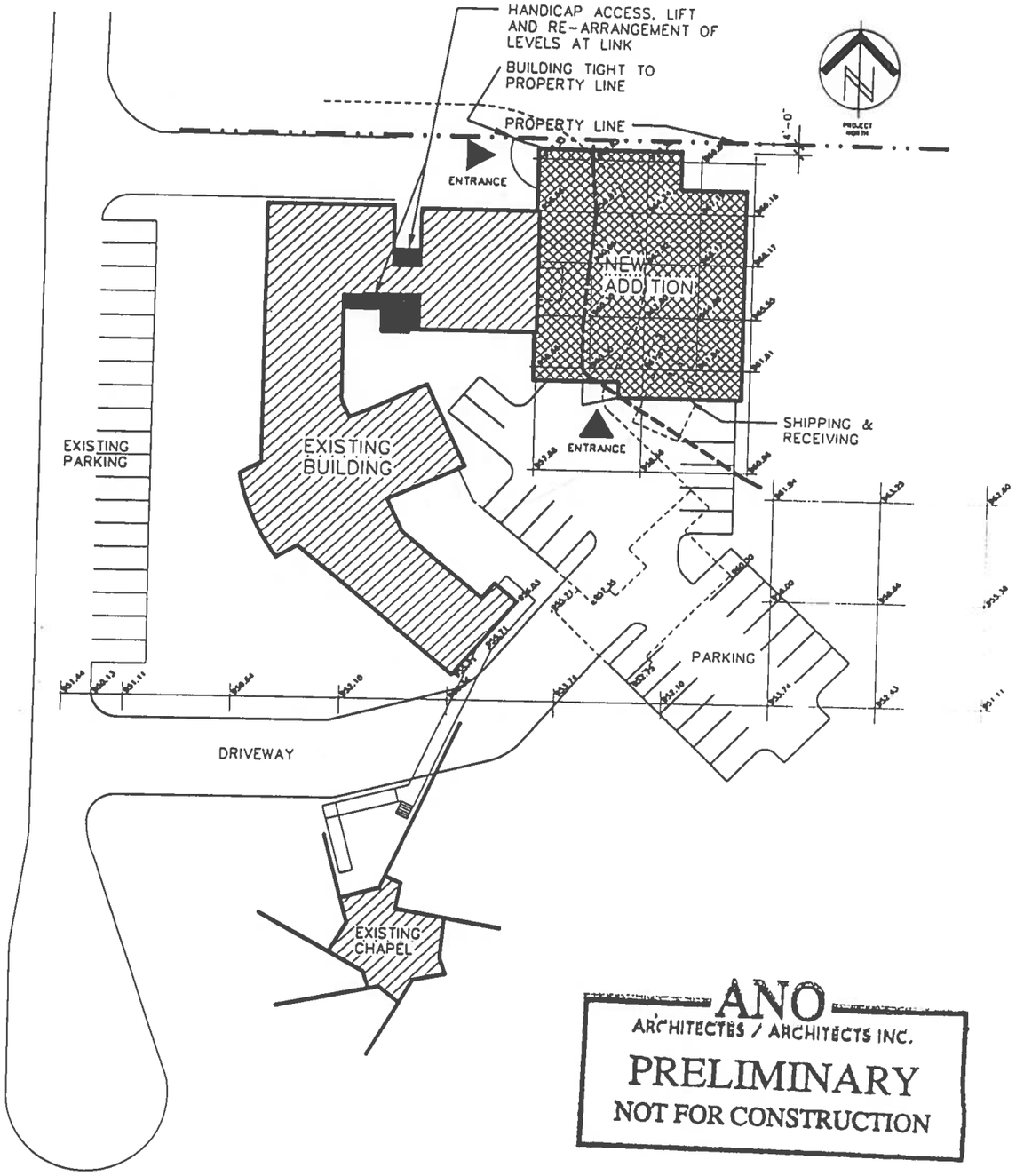
Per:

HUNTINGTON UNIVERSITY

Per:

Per:

SCHEDULE "A"

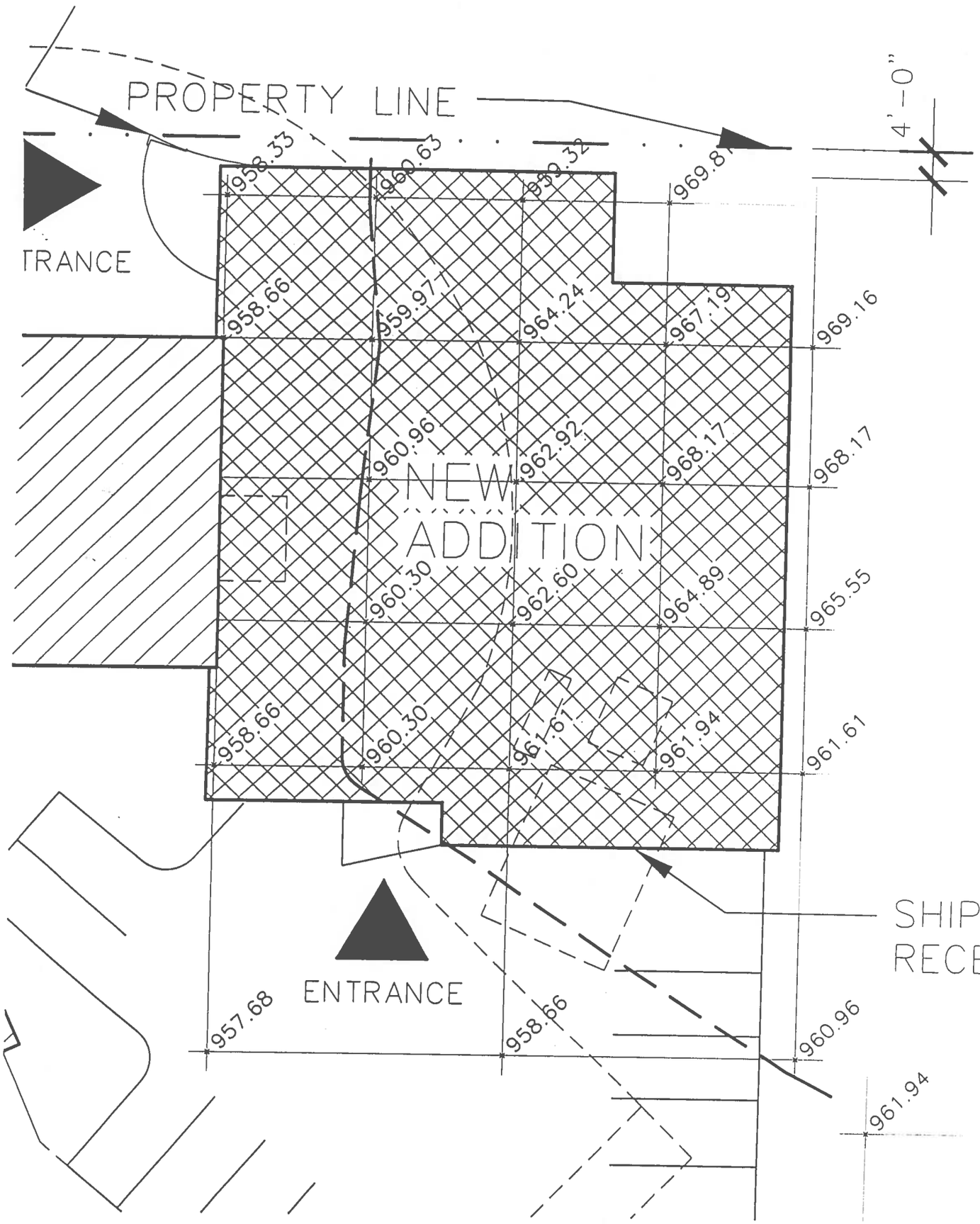


ANO
ARCHITECTES / ARCHITECTS INC.
PRELIMINARY
NOT FOR CONSTRUCTION

SITE PLAN

N.T.S.

SECOND PAGE OF SCHEDULE "A" CONTINUED



THE LAND TITLES ACT

NOTICE OF MORTGAGE OF LEASE

TO THE LOCAL MASTER OF TITLES AT SUDBURY

IT, CENTRAL MORTGAGE AND HOUSING CORPORATION, a corporation incorporated under the laws of the Dominion of Canada, being interested in the land entered in the Office of Land Titles at Sudbury as Parcel 30769 in the Register for the District of Sudbury East Section, of which LAURENTIAN UNIVERSITY OF SUDBURY is the registered owner and THORNELOE UNIVERSITY the Lessee by virtue of a lease dated the 26th day of October, A.D. 1964, notice whereof is entered in the Register for the said parcel on the 13th day of November , A.D. 1964 as No. 217223 , hereby applies under the provisions of Section 74 of The Land Titles Act to enter on the register for the said parcel notice of mortgage of the said lease.

The evidence in support of this application consists of:

1. Affidavit of office of applicant.
2. Executed copy of Mortgage of Lease.
3. The address of the applicant for service is c/o Warren & Roleton, Barristers & Solicitors, 45 Elm Street, East, Sudbury, Ontario.

DATED at Sudbury, this 8th day of December, A.D. 1964.

CENTRAL MORTGAGE AND HOUSING CORPORATION
By their solicitors,
WARREN & ROLETON,

Per: _____

THE LAND TITLES ACT

A F F I D A V I T

I, RONALD B. WARREN, of the City of Sudbury, in the District of Sudbury, Solicitor, make oath and say as follows:-

1. I am a Solicitor of the Sudbury Branch of Central Mortgage And Housing Corporation.

2. As such, I have personal knowledge of the facts herein deposed.

3. Central Mortgage And Housing Corporation has a charge of the lease from Laurentian University of Sudbury to Thornloe University dated the 26th day of October, 1964 and registered on the 13th day of November, A.D. 1964.

4. The said charge is in full force and effect and Central Mortgage And Housing Corporation is, I verily believe, entitled to have registered on title notice of mortgage of lease.

SWORN before me at the City of Sudbury, in the District of Sudbury, this 21st day of December, A.D. 1964.

.....
A Commissioner etc.

Ronald B. Warren

Ronald B. Warren

M O R T G A G E

THIS INDENTURE, made (in quadruplicate) the 8th day of December, A.D. 1964 in PURSUANCE OF THE SHORT FORMS OF MORTGAGES ACT, R.S.O. 1960 AND AMENDMENTS THERETO AND OF THE NATIONAL HOUSING ACT, 1954.

B E T W E E N:

THORNELOE UNIVERSITY

Hereinafter called the Mortgagor

OF THE FIRST PART,

A N D

CENTRAL MORTGAGE AND HOUSING CORPORATION

Hereinafter called the Mortgagee

OF THE SECOND PART,

WHEREAS Thorneloe University was incorporated by Act of the Legislature of Ontario being Chapter 135 of the Statutes of Ontario, 1960-1961, and has been continued as a body corporate.

WHEREAS by a certain lease dated the 26th day of October, 1964, made between Laurentian University of Sudbury and Thorneloe University, the said Lessor therein named, did demise and lease unto Thorneloe University, all and singular that certain parcel or tract of land known as that Part of Lot Three (3) in the First Concession and that Part of Lot Three (3) in the Second Concession of the Township of McKim, in the District of Sudbury, and being designated as Part Three on a plan of survey of record in the Office of Land Titles at Sudbury as S.R.-Plan 525, being Part of Parcel 30769 in the Register for Sudbury East Section, together with a right-of-way for all those now and hereafter entitled thereto, over along and upon: That Part of Lot Three (3) in the First Concession and that Part of Lot Three (3) in the Second Concession of the Township of McKim in the District of Sudbury and being designated as Part 1 on said Plan SR-525.

NOW THIS INDENTURE WITNESSETH that in consideration of the sum of THREE HUNDRED AND SEVENTY-EIGHT THOUSAND ($378,000.00) DOLLARS of lawful money of Canada now paid by the said Mortgagee to the said Mortgagor (the receipt whereof is hereby acknowledged), the said Mortgagor doth grant and mortgage unto the said Mortgagee, its heirs, executors, administrators and assigns,

all and singular the said above-described parcel of land and premises comprised in and demised by, the aforesaid lease together with the said lease, and all benefit and advantage to be derived therefrom;

TO have and to hold the same, together with all houses and other buildings, easements, privileges and appurtenances thereunto belonging or appertaining unto the said Mortgagee, its heirs, executors, administrators and assigns, from henceforth for and during all the residue of the said term of ninety-nine (99) years granted by the said lease, and for all other, the estate, term, right or renewal (if any), and other the interest of the said Mortgagor therein or thereto, subject to the payment of the rent and the observance and performance of the lessee's covenants and agreements in the said indenture of lease reserved and contained.

THE amount of principal money advanced on this mortgage is the sum paid to the Mortgagor as aforesaid and the rate of interest chargeable thereon is five and three-eighths (5 3/8%) per centum per annum calculated half-yearly not in advance, as well after as before maturity of this mortgage, until paid.

PROVIDED this mortgage to be void on payment to the Mortgagee at its Head Office in Ottawa, Ontario, or such other place as the Mortgagee may designate, in lawful money of Canada, of the principal money advanced as aforesaid, with interest at the rate aforesaid, payable as follows:-

Interest at the aforesaid rate on the amounts from time to time advanced, computed from the respective dates of such advances until the first day of July, 1965, shall become due and be paid on the date last mentioned (hereinafter referred to as the "date for adjustment of interest"); and thereafter the aforesaid principal money, together with interest thereon at the aforesaid rate, computed from the date for adjustment of interest, shall become due and be paid by semi-annual instalments of TEN THOUSAND, NINE HUNDRED AND TWENTY-NINE DOLLARS AND THIRTY-SIX CENTS ($10,929.36) each (which include principal and interest) on the first day of January and July in each and every year from and including the first day of January, 1966, to and including the first day of October 2015, and the balance, if any, of the said

Principal money and interest thereon, on the date last mentioned; and taxes and performance of statute labour.

THE amount of principal money shall be the amount of the loan advanced to the Borrower as aforesaid and the rate of interest chargeable thereon shall be five and three-eighths (5 3/8%) per centum per annum calculated semi-annually not in advance, as well after as before maturity of the loan, until paid, and the said interest shall be chargeable on the amounts from time to time advanced, computed from the respective dates of such advances until the interest adjustment date on which date the said interest shall be due and payable, and thereafter the principal money together with interest thereon at the aforesaid rate, computed from the interest adjustment date, shall become due and be paid semi- annually in equal blended payment of principal and interest on the first days of January and July in each and every year commencing on the first day of January, 1966, for a period of fifty (50) years, when the full balance of principal and interest shall become due and be paid PROVIDED that the Borrower shall have the privilege, at any time before the expiry of the said period of fifty (50) years, of paying the whole amount owing hereunder or any part thereof without interest bonus.

THE Mortgagor will pay when and as the same fall due all taxes, rates, liens, charges, encumbrances or claims which are or may be or become charges or claims against the mortgaged premises or on this mortgage or on the mortgagee in respect of this mortgage.

THE Mortgagor covenants with the Mortgagee: that the Mortgagor will pay the mortgage money and interest and observe the above provisos; and it has a good title, by demise to the said lands; and that it has the right to convey the demise of the said lands to the Mortgagee; and that, on default, the Mortgagee shall have quiet possession of the said lands, free from all encumbrances; and that the Mortgagor will execute such further assurances of said lands as may be requisite; and that the Mortgagor has done no act to encumber the said lands; and that the Mortgagor will forthwith insure and during the continuance of this mortgage keep insured in favour of the Mortgagee against loss or damage by fire, and, as the Mortgagee may require, insure against loss or damage by tempest, tornado, cyclone, lightening and

other risks or hazards, each and every building on the said land which may hereafter be erected thereon, both during erection and thereafter, for the full insurable value thereof in lawful money of Canada, in a company approved by the Mortgagee; and the Mortgagor will forthwith assign, transfer and deliver over unto the Mortgagee the policy of insurance and receipts thereof appertaining; and if the Mortgagor shall neglect to keep the said buildings or any of them insured as aforesaid, or to deliver such policies and receipts or to produce to the Mortgagee at least three days before the termination of any insurance, evidence of renewal thereof, the Mortgagee shall be entitled but shall not be obliged to insure the said buildings or any of them; and the Mortgagor shall forthwith on the happening of any loss or damage, furnish at his own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance moneys; and any insurance money received may, at the option of the Mortgagee, be applied in rebuilding, reinstating or repairing the premises or be paid to the Mortgagor or any other person appearing by the registered title to be or to have been the owner of the said premises or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Mortgagee, in whole or in part on the mortgage debt or any part thereof whether due or not then due; and the Mortgagor doth release to the Mortgagee all its claims upon the said lands, subject to the said provisos.

PROVIDED that all arrears of principal and interest or compound interest required by these presents to be paid shall bear compound interest at the rate aforesaid, as well after as before maturity, to be computed with rests and paid on the first day of January and July in each year and all such interest and compound interest shall be a charge on the said lands.

IT IS FURTHER STIPULATED, provided and agreed that the Mortgagee may pay the amount of any encumbrance, lien or charge now or hereafter existing, or to arise or to be claimed upon the said lands, having priority over this mortgage, including any taxes or other rates on the said lands or any of them and may pay all costs, charges and expenses which may be incurred in taking, recovering and keeping possession of the said premises, and all solicitors charges or commissions for or in respect of the collection of any overdue instalments or any other moneys whatsoever payable by the

Mortgagor hereunder, as between solicitor and client, whether any action or other judicial proceeding to enforce such payment has been taken or not; and the amount so paid and insurance premiums for fire or other risks or hazards and any other moneys paid hereunder by the Mortgagee shall be added to the debt hereby secured and be a charge on the said lands and shall bear interest at the rate aforesaid and shall be payable forthwith by the Mortgagor to the Mortgagee; and the non-payment of such amount shall be a default of payment within the meaning of those words in the proviso next following and shall entitle the Mortgagee to exercise the powers under such proviso; and in the event of the Mortgagee paying the amount of any such encumbrance, lien or charge, taxes or rates, either out of the moneys advanced on the security of this mortgage or otherwise, the Mortgagee shall be entitled to all the rights, equities and securities of the person or persons, company, corporation or Government so paid off and is hereby authorized to retain any discharge thereof, without registration, for a longer period than six (6) months if the Mortgagee deems it proper to do so.

PROVIDED that the Mortgagee, on default of payment for one month, may, on one weeks notice enter on and lease or sell the said lands; and that should such default continue for two months, the foregoing powers of entry, leasing and sale, or any of them, may be exercised without notice; and the Mortgagee may lease or sell as aforesaid without entering into possession of the lands; and that service or giving of any notice required hereunder shall be good and effectual, either by leaving the same with a grown-up person on the mortgaged premises, if occupied, or by putting up the same on some portion thereof, if unoccupied, or, at the option of the Mortgagee, by publishing the same in one of the newspapers published in the country or district in which the said lands are situated; and that such notice shall be sufficient though not addressed to any person or persons by name or designation and notwithstanding any person or persons to be affected thereby may be unknown, unascertained or under disability; and that the title of a purchaser or lessee upon a sale or lease made in professed exercise of the above power shall not be liable to be impeached on the groud that no case had arisen to authorize the exercise of such power, or that such power had been improperly or irregularly exercised, or that such notice had not been given, but any

person damnified by an unauthorized, improper or irregular exercise of the power shall have his remedy against the person exercising the power in damages only ; and that the Mortgagee may sell the whole or any part or parts of the said lands, by public auction or private contract, or partly one and partly the other, on such terms as to credit and otherwise as to the Mortgagee shall appear most advantageous and for such prices as can reasonably be obtained therefore; and that sales may be made from time to time of portions to satisfy interest or parts of the principal overdue, leaving the principal or balance thereof to run at interest, payable as aforesaid; and the Mortgagee may make any stipulations as to title, or evidence, or commencement of title, or otherwise, as the Mortgagee shall deem proper; and the Mortgagee may buy in or rescind or vary any contract for sale of any of the said lands and re-sell, without being answerable for loss occasioned thereby; and in the case of a sale on credit the Mortgagee shall only be bound to pay to the Mortgagor such moneys as have been actually received from purchasers after the satisfaction of the Mortgagee's claim; and for any of such purposes the Mortgagee may make and execute all agreements and assurances the Mortgagee deems fit; and that the purchaser at any sale hereunder shall not be bound to see to the propriety or regularity thereof; and that no want of notice of publication, when required hereby, shall invalidate any sale hereunder; and the above powers may be exercised by the successors and assigns of the Mortgagee and against the heirs, executors, administrators, successors and assigns of the Mortgagor.

PROVIDED that the Mortgagee may distrain for arrears of instalments.

THE MORTGAGOR doth attorn and become tenant from year to year to the Mortgagee from the date of the execution hereof, at a semi-annual rental equivalent to, applicable in satisfaction of and payable at the same time as the semi-annual instalments hereinbefore provided to be paid, the legal relation of landlord and tenant being hereby constituted between the Mortgagee and the Mortgagor, but it is agreed that neither the existence of this clause, nor anything done by virtue thereof, shall render the Mortgagee a mortgagee in possession so as to be accountable for any moneys except those actually received; and the Mortgagee may, at any time after default hereunder, enter upon the mortgaged premises, or any part thereof, and determine the tenancy hereby created, without giving the Mortgagor any notice to quit.

IT IS HEREBY MUTUALLY COVENANTED AND AGREED by and between the parties hereto that all erections and improvements fixed or otherwise now on or hereafter put upon the said premises, including but without limiting the generality of the foregoing, all fences, heating, plumbing, air-conditioning, ventilation, lighting and water heating equipment, cooking and refrigeration equipment, window blinds, storm windows and storm doors, window screens and screen doors, and all apparatus and equipment appurtenant thereto are and shall, in addition to other fixtures thereon, be and become fixtures and an accession to the freehold and a part of the realty as between the parties hereto, their heirs, executors, administrators, successors, legal representatives and assigns and all persons claiming by, through or under them and shall be a portion of the security for the indebtedness herein mentioned.

PROVIDED that the Mortgagee may at all times release any part or parts of the said lands or any other security or any surety for payment of all or any part of the moneys hereby secured or may release the Mortgagor or any other person from any covenant or other liability to pay the said moneys or any part thereof, either with or without any consideration therefore, and without being accountable for the value thereof or for any moneys except those actually received by the Mortgagee, and without thereby releasing any other part of the said lands, or any other securities or covenants herein contained, it being especially agreed that notwithstanding any such release the lands, securities and covenants remaining unreleased shall stand charged with the whole of the moneys hereby secured.

PROVIDED that upon default of the payment of any instalment or any other moneys payable hereunder by the Mortgagor, or upon breach of any covenant, agreement or proviso herein contained, or upon any waste being committed or suffered on the said lands, the whole of the moneys hereby secured remaining unpaid shall, at the option of the Mortgagee, forthwith become due and payable; but waiver of or failure toenforce at any time or from time to time any of the rights of the Mortgagee hereunder shall not prejudice the Mortgagee's rights in the event of any future default or breach.

THE Mortgagor covenants and agrees with the Mortgagee to construct a building or buildings and other improvements on the said lands in accordance with plans and specifications which have been or are hereafter approved by Central Mortgage and Housing Corporation and by the Mortgagee and to carry on diligently to completion of the constructionon the said building,

buildings and other improvements.

THE Mortgagor covenants and agrees with the Mortgagee that he will not permit waste to be committed or suffered on the mortgaged premises and will maintain the buildings and other improvements on the said premises in good order and repair to the satisfaction of the Mortgagee.

THE Mortgagor covenants and agrees with the Mortgagee that he will not make or permit to be made any alterations or additions to the mortgaged premises without the consent of the Mortgagee and will not use the said premises or permit them to be used for the purpose of any business, trade or manufacture of any description.

THE Mortgagee or agent of the Mortgagee or agent of Central Mortgage and Housing Corporation may, at any time, enter upon the said lands to inspect the lands and buildings thereon.

THE Mortgagor covenants and agrees with the Mortgagee that in the event of default in the payment of any instalment or any other moneys payable hereunder by the Mortgagor or on breach of any covenant, proviso or agreement herein contained, after all or any part of the moneys hereby secured have been advanced, the Mortgagee may, at such time or times as the Mortgagee may deem necessary and without the concurrence of any person, enter upon the said lands and make such arrangements for completing the construction of, repairing or putting in order any buildings or other improvements on the mortgaged premises, or for inspecting, taking care of, leasing, collecting the rents of and managing generally the mortgaged property, as the Mortgagee may deem expedient; and all reasonable costs, charges, and expenses, including allowance for the time and service of any employee of the Mortgagee or other person appointed for the above purposes, shall be forthwith payable to the Mortgagee and shall be a charge upon the mortgaged property and shall bear interest at the mortgage rate until paid.

THIS mortgage is a building mortgage and it is the intention of the parties hereto that the building being erected or to be erected on the said lands forms part of the security for the full amount of the moneys secured by this mortgage and that advances on this mortgage are to be made from time to time in the future in accordance with the progress of such building and/or upon its completion and occupation or sale; and the Mortgagor agrees that neither

the execution nor registration of this mortgage nor the advance of part of the said moneys shall bind the Mortgagee to advance the said moneys or any unadvanced part thereof, and that the advance of the said moneys or any part thereof from time to time shall be in the sole discretion of the Mortgagee. PROVIDED that no extension of time given by the Mortgagee to the Mortgagor, or anyone claiming under it, or any other dealing by the Mortgagee with the owner of the equity of redemption of the said lands, shall in any way affect or prejudice the rights of the Mortgagee against the Mortgagor or any other person liable for payment of the moneys hereby secured.

THE Mortgagee shall have a reasonable time after payment of the mortgage moneys in full within which to prepare and execute a discharge of this mortgage; and interest as aforesaid shall continue to run and accrue until actual payment in full has been received by the Mortgagee; and all legal and other expenses for the preparation and execution of such discharge shall be borne by the Mortgagor.

THE Mortgagor covenants and agrees that he will not, in the selling or leasing of any building or part thereof constructed with the aid of the moneys borrowed from the Mortgagee, discriminate against any person by reason of of race, colour, religion or origin.

THE Mortgagor acknowledges the procedure described in sections 570 to 574 inclusive of the National Housing Loan Regulations as the procedure to be followed in determining whether there has been a breach of the covenant contained in clause twenty-three (23).

THE Mortgagor covenants and agrees with the Mortgagee:

(a) That none of the proposed constructions shall occupy more than fifty (50%) per cent of the lands given as mortgage security and that ample space shall be provided for side and back yards and parking of automobiles;

(b) That the Mortgagor hereby grants to the Mortgagee a twenty (20) foot easement giving access to a public street from any proposed construction which does not already have access to such a public street.

IN the event of acquisition by the Mortgagee of any of the buildings to be constructed hereunder, the Mortgagor hereby covenants to supply all essential services including water and electricity at the going rates, and in case of disagreement between the parties such rates shall be determined by arbitration.

THE Mortgagor covenants and agrees that it will not, during the term of the

loan, use the project for any purpose other than for a university housing project within the meaning of Section Six (6) A of the National Housing Act, 1954.

APPROVED LENDER

THE Mortgagor/Borrower acknowledges that if the amount of the principal money of this mortgage/deed was advanced to it for the construction of a house, multiple-family dwelling or combination thereof for sale or for rent it is a condition of this mortgage/deed that it will not in the sale or leasing of that house, multiple-family dwelling or combination thereof discriminate against any person by reason of race, colour, religion or origin.

THE Mortgagor/Borrower further acknowledges that no further loan made by an approved lender to him shall be insured by Central Mortgage and Housing Corporation and that no loan shall be made to it by Central Mortgage and Housing Corporation where

(a) it has, within a period of three years immediately prior to the date of an application, been guilty of a breach of a condition described in sub-section A or of a covenant in a contract of loan with Central Mortgage and Housing Corporation to the effect described in sub-section A;

(b) in the opinion of Central Mortgage and Housing Corporation, it is associated in the construction for sale or rent of a house, multiple-family dwelling or combination thereof, with a person, who has, within a period of three years immediately prior to the date of an application, been guilty of a breach of a condition or of a covenant in a contract of loan with Central Mortgage and Housing Corporation to the effect described in section A;

(c) it is a corporation controlled directly or indirectly, whether through holding a majority of the shares of the corporation or in any other manner whatsoever, by a person who has, within a period of three years immediately prior to the date of an application, been guilty of a breach of condition or of a covenant in a contract of loan with Central Mortgage and Housing Corporation to the effect described in sub-section A; or

(d) he is a person who control directly or indirectly, whether by holding a majority of the shares of the corporation or in any other manner whatsoever, a corporation that has, within a period of three years immediatly prior to the date of an application, been guilty of a breach of a condition or of a covennnt in a contract of loan with Central Mortgage and Housing Corporation to the effect described in sub-section A.

OR
CORPORATION LOAN

THE Mortgagor/Borrower covenants and agrees that he will not, in the selling or leasing of any house or any unit in a multiple family dwelling constructed with the aid of the moneys borrowed from the Mortgagee/Lender, discriminate against any person by reason of race, colour, religion or origin.

THE Mortgagor/Borrower acknowledges the procedure described in sections 570 to 574 inclusive of the National Housing Loan Regulations as the procedure to be followed in determining whether there has been a breach of the covenant contained in sub-section A.

IN CONSIDERATION of the Mortgagee loaning the said money to the Mortgagor, it, Laurentian University of Sudbury, in the event of re-entry pursuant to Clause Six (6) of the Lease herein mortgaged, hereby covenants and agrees with the Mortgagee that in the event of the Mortgagor not paying, it will pay to the Mortgagee the instalments herein provided to be paid on the days and times and in the manner provided by this mortgage and will otherwise observe and perform the covenants, conditions and provison herein.

As between Thornloe University and Laurentian University of Sudbury payments made under this guaranty clause shall be construed as payments pro tanto to Thornloe University of amounts owing, if any, by Laurentian University of Sudbury pursuant to Clause (6) Six as aforesaid.

WITNESS:)
as to the signature of Stanley Mullins)
.....)
as to the signature of Harold Bennett)

LAURENTIAN UNIVERSITY OF SUDBURY
Per:

IT IS HEREBY AGREED AND DECLARED that the expression "the Mortgagor" used in these presents shall include the heirs, executors, administrators, successors and assigns of the Mortgagor, and the expression "the Mortgagee" shall include the successors and assigns of the Mortgagee, and words in singular include the plural, and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders where the context

as requires, and that all covenants, liabilities and obligations entered into or imposed hereunder upon the Mortgagor shall be joint and several.

IN WITNESS WHEREOF the Mortgagor has executed the within mortgage of Lease under the hands of its duly authorized officers in that behalf.

WITNESS)
)
)
Ronald B Wanless)
as to both signatures)
)
)

THORNELOE UNIVERSITY
Per: C. G. Higgins

A F F I D A V I T

I, V. L. BERG, of the City of Sudbury, in the District of Sudbury, make oath and say as follows:-

1. I am Secretary of the Board of Governors of Thorneloe University.

2. As such I have personal knowledge of the within facts.

3. On the 4th day of November, A.D. 1954, at a duly constituted meeting of the Board of Governors of Thorneloe University, it was moved, seconded, passed unanimously that the sum of Three Hundred and Seventy-Eight Thousand ($378,000.00) Dollars to be borrowed from Central Mortgage and Housing Corporation to be repaid at five and three-eights (5 3/8%) per centum per annum over a period of fifty (50) years in semi-annual instalments.

4. It was further moved, seconded and passed unanimously that the Lease of Land from Laurentian University of Sudbury to Thorneloe University be mortgaged for this purpose.

SWORN before me at the City)
of Sudbury, in the District)
of Sudbury, this 21st day)
of December, A.D., 1964.)
)
.....) V. L. BERG
A Commissioner, etc.)

A F F I D A V I T

I, V.L. BERG , of the City of Sudbury, in the District of Sudbury, makeoath and say:-

1. I am Registrar of Thorneloe University.

2. Edwin G. Higgins , whose signature is affixed to the annexed (or within) document is the Chairman of the said company, and William A. Inch whose signature is also affixed thereto is the Vice-Chairman thereof and the seal affixed thereto is the corporate seal of the said company.

3. Under the by-laws of the said company the Chairman , and Vice-Chairman are empowered to execute on behalf of the company all deeds and other instruments requiring the seal of the company.

4. The said company, is, I verily believe, the lessee of the lands mentioned in the said documents.

SWORN before me at the City)
of Sudbury, in the District)
of Sudbury, this 21st day)
of December, A.D. 1964.)
)
)
)
.....)
A Commissioner etc.

V. L. BERG

AFFIDAVIT OF EXECUTION

I, RONALD B. WARREN , of the City of Sudbury, in the District of Sudbury, Solicitor , make oath and say as follows:-

1. That I was personally present and did see the within Instrument and duplicates thereof duly signed, sealed and executed by William A. Inch, Vice-Chairman of the Board of Thornloe University, one of the parties thereto.

2. That the said Instrument and Duplicates were executed by the said party at the City of Sudbury , in the District of Sudbury .

3. That I know the said party.

4. That I am a subscribing witness to the said Instrument and Duplicates.

SWORN before me at the City)
of Sudbury, in the District)
of Sudbury, this 21st day) Ronald B Warren
of December, A.D. 1964.)
.....)
A Commissioner, Etc.)

AFFIDAVIT OF EXECUTION

I, RONALD B. WARREN, of the City of Sudbury, in the District of Sudbury, SOLICITOR , make oath and say as follows:-

1. That I was personally present and did see the within or annexed Instrument and duplicates thereof duly signed, sealed and executed by Edwin G. Higgins , Chairman , of Thornloe Univereity, one of the parties thereto.

2. That the said Instrument and Duplicates were executed by the said party at the City of Sudbury, in the District of Sudbury.

3. That I know the said party.

4. That I am a subscribing witness to the said Instrument and duplicates.

SWORN before me at the City)
of Sudbury, in the District)
of Sudbury, this 21st day)
of December, A.D. 1964.) Ronald B Warren
.....)
A Commissioner, Etc.

A F F I D A V I T

I, HAROLD BENNETT, of the City of Toronto, in the County of York, make oath and say as follows:

1. I am Secretary of the Board of Laurentian University of Sudbury.

2. Stanley Mullins, whose signature is affixed to the annexed document is the President of Laurentian University of Sudbury, and Harold Bennett whose signature is also affixed thereto is Secretary of the Board of Laurentian University if Sudbury and the seal affixed thereto is the corporate seal of Laurentian University of Sudbury.

3. Under the by-laws of the Board of Governors of the University the President and Secretary are empowered to execute on behalf of the University all deeds and other instruments requiring the seal of the University.

4. Laurentian University of Sudbury is, I verily believe, the owner of the land mentioned in the said document.

SWORN before me at the City of Toronto, in the County of York, this 29th day of December, A.D. 1964

H. Bennett

A Commissioner, etc.

AFFIDAVIT OF EXECUTION

I, AUBREY ALEXANDER RUSSELL, of the City of Toronto, in the County of York, Solicitor, make oath and say as follows:

1. That I was personally present and did see the within or annexed document and duplicates thereof duly signed, sealed and executed by Harold Bennett, Secretary of the Board of Laurentian University of Sudbury.

2. That the said instrument and duplicates were executed by the said party at the City of Toronto, in the County of York.

3. That I know the said party.

4. That I am a subscribing witness to the said instrument and duplicates.

SWORN before me at the City of Toronto, in the County of York, this 29th day of December, A.D. 1964.

A Commissioner, etc.

AFFIDAVIT OF EXECUTION

I, MAURICE LACOURCIÈRE, of the City of Sudbury, in the District of Sudbury, make oath and say as follows:

1. That I was personally present and did see the within or annexed document and duplicates thereof duly signed, sealed and executed by Stanley Mullins, President of Laurentian University of Sudbury.

2. That the said instrument and duplicates were executed by the said party at the City of Sudbury, in the District of Sudbury.

3. That I know the said party.

4. That I am a subscribing witness to the said instrument and duplicates.

SWORN before me at the City of Sudbury, in the District of Sudbury, this 5TH day of JANUARY, 1965.

A Commissioner, etc.

TRIPLICATE (14)

W.K

DATED: this 8th day of December, A.D. 1964.

481

No. 218695

Received at the office of Land Titles
at SUDBURY at 2 10 o'clock P.M.
of the 8 day of Jan
A.D. 1965. and entered in
Folium Vol. 150 Parcel 30769.

SUDBURY EAST SECTION

Leases and Power of Atty Book

Elmire O'Malley
AUTHORIZED SIGNING OFFICER

THORNLOE UNIVERSITY

-to-

CENTRAL MORTGAGE AND HOUSING CORPORATION

- -

NOTICE OF MORTGAGE OF LEASE

- -

WARREN A. HOLSTON,
Barristers & Solicitors,
45 Elm Street East,
SUDBURY, Ontario.

DATED: this 8th day of December, A.D. 1964.

THUNDER UNIVERSITY

-to-

CENTRAL MORTGAGE AND HOUSING CORPORATION

- -

M O R T G A G E

- -

WARREN & NOLSTON,
Barristers & Solicitors,
45 Elm Street East,
SUDBURY, Ontario.

THIS INDENTURE made in duplicate the 1st day of October, 1964.

IN PURSUANCE OF THE SHORT FORM OF LEASES ACT.

B E T W E E N:

LAURENTIAN UNIVERSITY OF SUDBURY

hereinafter called the "Lessor"

of the first part

- and -

THORNELOE UNIVERSITY

hereinafter called the "Lessee"

of the second part

WHEREAS the Lessor has agreed to lease unto the Lessee certain space in its Arts and Humanities Building for the use of the Lessee for administrative and academic purposes until such time as the Lessee has constructed its own building, or until the demised space is required by the Lessor,

WITNESSETH that in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Lessee to be respectively paid, observed and performed the Lessor doth demise and lease unto the Lessee that portion of the Arts and Humanities Building situate on the Lessor's campus in the City of Sudbury, which portion of the said building is hereinafter called the "demised premises" as shown outlined in red on the sketch attached hereto and containing an area of 1,269 square feet more or less.

1. To have and to hold the demised premises for and during the term of two years to be computed from the first day of October, 1964 and thenceforth next ensuing and fully to be complete and ended.

2. Yielding and paying therefore during the said term unto the Lessor the sum of ~~$3,807.74~~ $4,479.60 to be payable in equal monthly installments of $186.65 each in advance on the first day of each month during the said term, the first payment to be made on the 1st day of October, 1964.

3. Provided that the Lessee may terminate this lease on the last day of any month during the term hereby granted by giving one months' notice in writing to the Lessor.

4. The Lessee covenants with the Lessor to pay rent and to repair reasonable wear and tear and damage by fire, lightning and tempest only excepted.

   And the Lessor may enter and view the state of repair.

   And that the Lessee will repair according to notice in writing, reasonable wear and tear and damage by fire, lightning and tempest only excepted.

   And will not assign or sub-let without leave which leave may be unreasonably withheld.

   Provided the Lessee may remove its fixtures.

Provided that in the event of damage by fire, lightning or tempest, rent shall cease until the premises are rebuilt.

5. Proviso for re-entry by the Lessor on non-payment of rent or non-performance of covenants.

6. The Lessor covenants with the Lessee for quiet enjoyment.

The Lessor shall supply adequate facilities to heat the demised premises to the same standards and at the same times as the portions of the said building occupied by the Lessor are heated.

The Lessor shall permit the Lessee in common with other persons entitled thereto to use such of the lavatories and wash closets provided in the building as may be designated from time to time, except at such time as the general supply of water may be turned off from the public main.

The Lessor shall give the Lessee and all persons lawfully requiring communication with it free use at all reasonable times of the main entrance to the building and of the stairways and corridors leading to the demised premises.

IN WITNESS WHEREOF the Parties hereto have hereunto affixed their corporate seals under the hands of their proper officers duly authorized in that behalf.

LAURENTIAN UNIVERSITY OF SUDBURY

THORNELOE UNIVERSITY

DATED: October 1st, 1964

LAURENTIAN UNIVERSITY OF SUDBURY

- and -

THORNELOE UNIVERSITY

L E A S E

CASSELS, BROCK, KELLEY,
DES BRISAY & GUTHRIE
165 University Avenue,
Toronto, Ontario

all file official doc

June 29th, 1965

Thorneloe University
Laurentian University Campus,
SUDBURY, Ontario

Attention: Mr. V.L. Berg, Registrar

Gentlemen:

Further to your letter of June 8th, 1965, and subsequent conversations with Mr. Berg, we agree to supply and install as follows:

(a) 4 x 4" duct in concrete from our manhole #14 to the electrical room at Thorneloe University.

(b) 3 conductor #2 PILC MIND cable, complete with splicing, potheading, and hi-pot testing from the Laurentian University Dinning Building switchroom to the switch gear at Thorneloe University.

(c) 2/14 RICL fire alarm cable from the central control in the Laurentian University Dining Building to Thorneloe University.

The total cost for Thorneloe University's portion of these services from their lot line to their building will be $953.86. Our invoice for this amount will be submitted as soon as this work, which is currently in progress, is completed.

Yours very truly,
LAURENTIAN UNIVERSITY

J.R. Harrison, P. Eng.
Director

JRH/ja

cc President S.G. Mullins
Mr. W.J. Shea
Mr. R.H. Moore
Mr. H. Lemire

March 8, 1967.

Excerpt from article in March 8, 1967, edition of Sudbury Daily Star.

CHAPEL AT THORNELOE WILL BE MEMORIAL
TO PARENTS OF PIONEER FIELDING FAMILY.

A $75,000 chapel for Thorneloe College will be built on Laurentian University campus, Dr. David Forth, provost of Throneloe College, announced today.

To create a memorial to their parents, the money to build the chapel is being donated by the family of the late Mr. and Mrs. George Parker Fielding.

The inspiration for the memorial chapel stemmed from a suggestion by Ben Merwin, prominent Sudbury lumberman, made to the Fielding family while Merwin was chairman of the capital funds campaign for Thorneloe University.

"Thorneloe commissioned Dr. T. Howarth to illustrate the architectural considerations. He emphasized that the chapel would be important as the architectural focal point for Thorneloe College," Dr. Forth said.

As Laurentian University's consultant on architectural design for all structures on campus, Dr. Howarth indicates the site for the memorial chapel will be adjacent to Thorneloe College, overlooking Trout Lake, and connected to the Thorneloe residence, probably by a covered walkway.

"We expect the chapel will be built during this summer and will be ready for dedication by Archbishop William L. Wright in time for the

opening of the 1967 fall term. (Archbishop Wright is bishop of the Anglican diocese of Algoma.)

The new Thorneloe chapel will be a memorial to one of Sudbury's pioneer families. George Parker Fielding emigrated from Manchester, England, arriving in Sudbury in 1886. He settled on the well-known Fielding farm in Waters township and farmed the property on Kelly Lake continuously until his death on March 8, 1937.

FORM NO. 8137—30653
COPYRIGHT, CANADA, BY
BURWICK BROS. & RUTTER LIMITED
TORONTO CANADA

Agreement for Tenancy.

I Hereby Rent *from* LAURENTIAN UNIVERSITY OF SUDBURY, *herein called the Lessor, (subject, if house occupied, to present tenant vacating), the premises situate at* Ralph D. Parker Building, Rooms L-224 and L-225 *herein called the said premises, from the* first *day of* August, *19*66, *to the* thirty-first *day of* July, *19*67, *at a monthly rental of $* 150.00, *to become due and be payable in advance on the* first *day of each and every month during my tenancy.*

~~I agree to pay all water rates, and charges for gas and electricity which may be levied or charged against the said premises.~~

I am the sole owner of all goods and chattels that are to be brought upon the said premises, and they are free from any mortgage, lien, charge or encumbrance.

I admit that I have inspected the premises and that they are now clean and in a good state of repair, and I agree to keep the said premises, including fixtures, in a good state of repair, reasonable wear and tear excepted, ~~and to clean the sheds and out-houses when notified to do so by the proper municipal officer~~, and I agree to leave the said premises in a clean state when giving up possession, and to make good all damage done to the said premises or fixtures.

I agree not to assign or sublet the said premises or any part thereof, or to make any alterations, without the written consent of the Lessor or his agent, and not to carry on any business or calling that may be deemed a nuisance.

I agree to give the Lessor a month's notice in writing before leaving, ~~and to put and keep up a notice "For Sale" or "To Let" in a lower front window of the said premises for a month previous to leaving,~~ and to allow persons bearing an order from the Lessor or his agent to inspect the said premises on any week day.

I hereby waive and renounce the right to exemptions from seizure provided by "The Landlord and Tenant Act", and I agree that, notwithstanding the said Act, the Lessor may seize and sell all my goods and chattels, or such part thereof as may be necessary, for payment of rent and costs, and that the Lessor may seize the said goods and chattels at any place they may have been removed to, and the Lessor shall be entitled to all costs as between solicitor and client which he may have incurred, whether in collecting arrears of rent, or otherwise howsoever.

All the terms hereof shall be binding upon my executors, administrators, and assigns.

Dated at SUDBURY, the eighteenth day of August, 1966

Witness: A Lemire
Business Officer

THORNELOE UNIVERSITY
David Forth
DAVID FORTH
PRESIDENT

FEB 13 1995

THORNELOE UNIVERSITY
A University of the Anglican Communion
Federated with
LAURENTIAN UNIVERSITY

Office of the President
February 6, 1995

Mr. Ron Chrysler
Vice-President, Administration
Laurentian University

Dear Mr. Chrysler,

At the last meeting of the Thorneloe Board of Governors while reviewing the provisions of our lease with Laurentian University, the following clause was noted:

> *YIELDING AND PAYING therefor during the said term the sum of ONE DOLLAR ($1.00) of lawful money of Canada on the 1st day of September, 1963, and on the 1st day of September of each year of the remainder of the term hereby granted, if demanded.*

We have searched our records to see whether Laurentian had ever "demanded" this or whether it had ever been volunteered. We find no record of either.

The Governors did request that we volunteer to pay this sum. I therefore enclose a cheque for $30.00 in payment for the years of 1964 to 1994. We hope that notwithstanding this symbolic payment, that relationships between Thorneloe and Laurentian remain collaborative, cooperative, and contributory in the spirit of the founding of this university.

[redacted]

Sincerely,

(The Rev. Dr.) Don Thompson
President and Provost of the College

COPY

LAURENTIAN UNIVERSITY OF SUDBURY
21st FLOOR
7 KING STREET EAST
TORONTO 1. CANADA

TELEPHONE
362-7292

Building

October 21, 1964

Mr. W. Ronald,
Laurentian University of Sudbury,
Ramsay Lake Road,
SUDBURY, Ontario.

Dear Mr. Ronald:

Phase II - Expenditures

The following Change Orders cover work which was done to provide accommodation for the Federated Colleges and the Extension Department. As it was expedient to do so, certain included areas were completed and are chargeable to Laurentian.

The Change Orders are:

Change Order #12 - Extension Dept.	$ 2,789.13
" " #23 - Federated Colleges	19,503.74
" " #36 - " " (Hardware)	1,366.49
Total	$23,659.36

A copy of the Architect's letter of October 15, 1964 is enclosed which shows the costs incurred on behalf of the respective Colleges:

Account 8901 - Change Order #23	$19,503.74
- " " #36	1,366.49
Total	$20,870.23
Account 8902 - Change Order #12	$ 2,789.13

Allocation:

Account 8901 -		
Sudbury College	$10,386.69	
Thorneloe "	5,605.74	
Laurentian "	4,877.80	
	$20,870.23	
Account 8902 -		
Extension Dept.	$ 2,789.13	
Total expenditure as part of Phase II		$23,659.36

..... 2

Yours truly,

R. H. Moore
Asst. to the Chairman
Building Committee

RHM:hm

cc: D.L. James
H.J. Fraser
S.G. Mullins

encl.

Rounthwaite & Associates Architects 93 Yorkville Ave., Toronto 5, Ont. Tel: Wa 5-3831

Copy J. H. Bowen
D. C. James
W. Arnold
D. C. James
R. H. M.
OCT 16 1964

October 15, 1964

Mr. R. H. Moore
7 King St. E.
21st Floor
Toronto, Ontario

Dear Mr. Moore:

Re: Arts Building

The following breakdown of costs for the rented areas on the second and third floors has been calcultaed on the basis of costs known to us. We believe this may be more realistic than the figure quoted John Woolcock earlier this year.

Sudbury	$10,386.69
Thornloe	5,605.74
Laurentian	4,877.80
Total	$ 20,870.23
C.O. #23	19,503.74
C.O. #36	1,366.49
Total	$ 20,870.23

Yours very truly,

Glenn Hadley.

GH/jj

C. F. T. Rounthwaite, E.D., B.Arch., M.R.A.I.C.
G. R. Hadley, B.Arch., M.R.A.I.C.
Construction Supervisors:
H. G. Farber, Dip.Ing., M.R.A.I.C.
C. J. Brown B.Sc., P.Eng.
J. M. Gugula, B.Arch., M.R.A.I.C.
G. T. Smedley, B.Arch., M.R.A.I.C.
A. E. J. Cunningham

This is **Exhibit "R"**, referred to in the

Affidavit of ROBERT HACHÉ,
sworn before me via videoconference
this 30th day of January, 2021.

A Commissioner for taking Affidavits, etc.