

Appendix “C”**LUFA and LUSU Collective Agreement Proposals Relating to Pension**

LUFA Collective Agreement			
Provision	Intended Amendment	Current	Proposed Revised
2.40.12	Adjust to reflect revised Pension Committee Composition in Terms of Reference	The President of the Union or someone designated by the President, and two (2) additional Members designated by the President of the Union, shall continue to be voting Members of the University Pension Committee. Given the importance of pensions, on substantive matters, the Union’s Board has the right to ratify the recommendations of its representatives.	The President of the Union or someone designated by the President, and two (2) additional Three (3) Members designated by the President of the Union; shall continue to be voting Members of the University Pension Committee. Given the importance of pensions, on substantive matters, the Union’s Board has the right to ratify the recommendations of its representatives. No amendments to the Pension Plan that reduce pension benefits for Members, or that materially affect Members’ rights, may be made without LUFA’s consent.
5.90.5	Reflect proposed pension portability changes	Members hired after September 24, 2017, and who are age 55 or older upon retirement or resignation, will not have the option to commute the value of their pension benefit upon retirement or resignation. The Pension Plan will be amended to reflect this agreement.	Delete [to be included in plan design support agreement].
8.45.3	Delete reference to the SuRP.	Effective July 1, 2011, Members shall only participate in the	Effective July 1, 2011, Members shall only participate in the

LUFA Collective Agreement			
Provision	Intended Amendment	Current	Proposed Revised
		Defined Benefit component of the Retirement Plan and Member contributions shall only be used toward funding the Defined Benefit component of the Retirement Plan. All pension service contributions and benefits accrued prior to July 1, 2011, shall remain in the hybrid component of the Retirement Plan. Eligible Members shall participate in the Laurentian University Supplementary Pension Plan.	Defined Benefit component of the Retirement Plan and Member contributions shall only be used toward funding the Defined Benefit component of the Retirement Plan. All pension service contributions and benefits accrued prior to July 1, 2011, shall remain in the hybrid component of the Retirement Plan. Eligible Members shall participate in the Laurentian University Supplementary Pension Plan.
8.45.4	Reflect agreement on contributions	<u>Employer</u> The Employer's contributions to the Retirement Plan shall be at least the amount required to fund current service costs and any unfunded liabilities and Solvency liabilities, or 7.5%, whichever is greater, in accordance with the <i>Pension Benefits Act</i> and regulations thereunder based upon the actuarial valuations for the Retirement Plan that the Employer files with the Financial Services Commission of Ontario. Interest on the Employee contributions to the	<u>Employer</u> The Employer's contributions to the Retirement Plan shall be at least the amount required to fund current service costs and any unfunded liabilities and reduced solvency liabilities, or 7.5% 8.0%, whichever is greater, in accordance with the <i>Pension Benefits Act</i> and regulations thereunder based upon the actuarial valuations for the Retirement Plan that the Employer files with the Financial Services Commission Regulatory Authority of Ontario. Interest on the Employee contributions

LUFA Collective Agreement			
Provision	Intended Amendment	Current	Proposed Revised
		Plan will be credited at the Plan rate of return. The Employer may take a contribution holiday in accordance with the <i>Pension Benefits Act</i> and after discussion with the Pension Committee only when required under the <i>Income Tax Act</i> due to excess surpluses as defined under the <i>Income Tax Act</i> 147.2(2) (d). Any contribution holiday shall be shared equally between the Employer and Employees. <u>Employee</u> (a) Effective June 30, 2017, eight point two percent (8.2%) of the part of the Member's Pensionable Earnings that is below the year's basic exemption as defined by the Canada Pension Plan; (b) Effective June 30, 2017, six point four percent (6.4%) of the part of the Member's Pensionable Earnings that is between the year's basic exemption and the year's maximum pensionable earnings; (c) Effective June	to the Plan will be credited at the Plan rate of return. The Employer may take a contribution holiday in accordance with the <i>Pension Benefits Act</i> and after discussion with the Pension Committee only when required under the <i>Income Tax Act</i> due to excess surpluses as defined under the <i>Income Tax Act</i> 147.2(2) (d). Any contribution holiday shall be shared equally between the Employer and Employees. <u>Employee:</u> Each Member shall contribute by regular payroll deduction as follows. Effective July 1, 2021, the sum of: a) 6.7% of Pensionable Earnings up to the YAMPE; and b) 10.4% of Pensionable Earnings above the YAMPE. [Placeholder for further adjustments to reflect Pension Term Sheet] (a) — Effective June 30, 2017, eight point

LUFA Collective Agreement			
Provision	Intended Amendment	Current	Proposed Revised
		30, 2017, eight point two percent (8.2%) of the part of the ember's Pensionable Earnings that is in excess of the year's maximum pensionable earnings.	two percent (8.2%) of the part of the Member's Pensionable Earnings that is below the year's basic exemption as defined by the Canada Pension Plan; (b) Effective June 30, 2017, six point four percent (6.4%) of the part of the Member's Pensionable Earnings that is between the year's basic exemption and the year's maximum pensionable earnings; (c) Effective June 30, 2017, eight point two percent (8.2%) of the part of the ember's Pensionable Earnings that is in excess of the year's maximum pensionable earnings.
Appendix L: Letter of Understanding - Pension Plan Contributions	Remove	RE: Pension Plan Contributions. During the 2017 collective bargaining negotiations, the University sought an increase to employee pension contributions from LUFA members while providing a fully offsetting salary increase, with the goal of achieving a fair and equitable cost-sharing of current service costs. It was agreed that the parties would benefit from an opportunity to	Delete.

LUFA Collective Agreement			
Provision	Intended Amendment	Current	Proposed Revised
		consider the July 1, 2017 Pension Plan Valuation, due to be finalized in or about December 2017. The parties therefore agreed that the matter of pension contributions would not form part of the renewal collective agreement but committed to a process to make progress on the matter during the life of the agreement. In that spirit, recognizing that no outcome is binding on either party except as may be mutually agreed in writing, the University and the Union commit to engaging in collegial, open and transparent discussions. The parties agree to begin these discussions in a timely manner to allow for pension and salary increases, if any, to take effect July 1, 2018.	

LUFA and LUSU Collective Agreement Proposals Relating to Pension

LUSU Collective Agreement			
Provision	Intended Amendment	Current	Proposed Revised
20.01	Delete reference to the SuRP.	Effective July 1, 2012, Members shall only participate in the Defined Benefit component of the Retirement Plan and Member contributions shall only be used toward funding the Defined Benefit component of the Retirement Plan. All pension service contributions and benefits accrued prior to July 01, 2012, shall remain in the hybrid component of the Retirement Plan. Eligible Members shall participate in the Laurentian University Supplementary Pension Plan.	Effective July 1, 2012, Members shall only participate in the Defined Benefit component of the Retirement Plan and Member contributions shall only be used toward funding the Defined Benefit component of the Retirement Plan. All pension service contributions and benefits accrued prior to July 01, 2012, shall remain in the hybrid component of the Retirement Plan. Eligible Members shall participate in the Laurentian University Supplementary Pension Plan.
20.03	Reflect agreement on contributions	Employer Contribution The Employer's contributions to the Retirement Plan shall beat least the amount required to fund current service costs and any unfunded liabilities and solvency liabilities, or 7.5%, whichever is greater, in accordance with the <i>Pension Benefits Act</i> and regulations there under based upon the	Employer Contribution The Employer's contributions to the Retirement Plan shall beat least the amount required to fund current service costs and any unfunded liabilities and <u>reduced</u> solvency liabilities, or 7.5% <u>8.0%</u> , whichever is greater, in accordance with the <i>Pension Benefits Act</i> and regulations there under based upon the

LUSU Collective Agreement			
Provision	Intended Amendment	Current	Proposed Revised
		actuarial valuations for the Retirement Plan that the Employer files with the Financial Services Commission of Ontario. Interest on the Employee contributions to the Plan will be credited at the Plan rate of return. The Employer may take a contribution holiday in accordance with the <i>Pension Benefits Act</i> and after discussion with the Pension Committee only when required under the <i>Income Tax Act</i> due to excess surpluses as defined under the Income Tax Act 147.2(2) (d). Any contribution holiday shall be shared equally between the Employer and Employees. Member's Required Contribution Each Member shall contribute by regular payroll deduction as follows: Effective July 1, 2018, the sum of:	actuarial valuations for the Retirement Plan that the Employer files with the Financial Services Commission <u>Regulatory Authority</u> of Ontario. Interest on the Employee contributions to the Plan will be credited at the Plan rate of return. The Employer may take a contribution holiday in accordance with the <i>Pension Benefits Act</i> and after discussion with the Pension Committee only when required under the <i>Income Tax Act</i> due to excess surpluses as defined under the Income Tax Act 147.2(2) (d). Any contribution holiday shall be shared equally between the Employer and Employees. Member's Required Contribution: Each Member shall contribute by regular payroll deduction as follows: Effective July 1,

LUSU Collective Agreement			
Provision	Intended Amendment	Current	Proposed Revised
		a) 9.9 % of the partof the Member's Pensionable Earnings that is below the year'sbasic exemption as defined by the CanadaPension Plan; b) 6.4 % of the partof the Member's Pensionable Earnings that is between the year's basic exemption and the Y.M.P.E.; and c) 9.9 % of the partof the Member's Pensionable Earnings that is in excess of the Y.M.P.E.	20182021, the sum of: a) 6.7% of <u>Pensionable Earnings up to the YAMPE</u>; and b) 10.4% of <u>PensionableEarnings above the YAMPE</u>. [Placeholder for further adjustments to reflect Pension Term Sheet] a) 9.9 % of the partof the Member's Pensionable Earnings that is below the year's basic exemption as defined by the Canada Pension Plan; b) 6.4 % of the partof the Member's Pensionable Earnings that is between the year's basic exemption and the Y.M.P.E.; and e) 9.9 % of the partof the Member's Pensionable Earnings that is in excess of the Y.M.P.E.
20.05 c)	Reflect proposed pensionportability changes	c) Laurentian University Staff Unionmembers who are hiredon or after September 24,	Delete [to be included in plan design support agreement]

LUSU Collective Agreement			
Provision	Intended Amendment	Current	Proposed Revised
		2017, and who are age 55 or older upon retirement or resignation, will not have the option to commute the value of their pension benefit upon retirement or resignation. The Pension Plan will be amended to reflect this agreement.	
New 20.06	Reflect LUSU participation in Pension Committee	N/A	Two (2) Laurentian University Staff Union members designated by the President of the Union shall be voting Members of the University Pension Committee.
New 20.07	Address Amendments to the Pension Plan	N/A	No amendments to the Pension Plan that reduce pension benefits for Members, or that materially affect Members' rights, may be made without LUSU's consent.

This is Exhibit “J” referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

Federated Universities Enrolment: Headcount+

Institution	2018F	2019F	2020F
Huntington University	192	181	163
Thorneloe University	94	85	91
University of Sudbury	94	100	108
Études religieuses	5	10	16
Philosophy (joint)	12	11	12
Religious Studies (joint)	16	19	28
Grand Total	412	403	417

Federated Universities Enrolment: Fall FTEs+

Institution	2018F	2019F	2020F
Huntington University	128.6	116.1	103.2
Thorneloe University	71.6	66.7	62.8
University of Sudbury	56.3	64.3	69.6
Études religieuses	2	5.6	9.4
Philosophy (joint)	8.8	8.9	10
Religious Studies (joint)	9.7	11.2	16.8
Grand Total	276.4	270.7	271

+Students can belong to multiple federated universities. A student enrolled in both Huntington and Thorneloe, for example, will be shown in both. The grand total is unique students.

Philosophy(ie) is offered jointly with Laurentian.

Religious Studies is offered jointly among the federated universities.

Both tables are based on enrolments submitted to the Ministry of Colleges and Universities for official enrolment reporting Fall Nov 1st each year.

This is Exhibit "K" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
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A Commissioner for taking affidavits

Laurentian University
 Distribution to Federated Universities
 April 30 2020

	UofS	Huntington	Thorneloe	Total
Total Grants	1,849,034	1,125,781	551,205	3,526,020
Net Tuition	2,417,652	1,283,652	1,570,964	5,272,268
Material fees paid	133,848	109,181	64,922	307,951
Administrative fee	-630,350	-398,791	(369,060)	(1,398,200)
Net Distribution paid to Fed. U	3,770,184	2,119,823	1,818,031	7,708,039

Laurentian University
Distribution to Federated Universities
April 30 2020

Summary of Grants	UofS	Huntington	Thorneloe	Total
Core	283,043	765,521	322,523	1,371,087
Performance Funding	41,075	111,093	46,805	198,973
Northern	212,816	172,832	80,462	466,110
Bilingualism	615,185			615,185
Northern Sustainability	100,584	51,507	76,615	228,706
COVID 19	18,361	9,402	13,986	41,749
Facilities Renewal	26,845	15,426	10,814	53,085
Special Purpose - French Language	551,125			551,125
Total	1,849,034	1,125,781	551,205	3,526,020

Laurentian University
Contribution (Tuition) to Federated Universities

	Actuals
<i>Total Federated Universities</i>	2019-20
Tuition (Gross before TSA)	6,213,634
TSA	-941,366
Net Tuition	5,272,268
Estimated \$ transfered to Fed. U for LU-only student delivery	4,034,808

University of Sudbury	
Tuition (Gross before TSA)	2,849,325
TSA	-431,673
Net Tuition	2,417,652
% of course delivery to LU-only degree seeker	0.8
Estimated \$ transfered to Fed. U for LU-only student delivery	1,934,122

Huntington University	
Tuition (Gross before TSA)	1,512,849
TSA	-229,197
Net Tuition	1,283,652
% of course delivery to LU-only degree seeker	0.666
Estimated \$ transfered to Fed. U for LU-only student delivery	854,912

Thorneloe University	
Tuition (Gross before TSA)	1,851,460
TSA	-280,496
Net Tuition	1,570,964
% of course delivery to LU-only degree seeker	0.793
Estimated \$ transfered to Fed. U for LU-only student delivery	1,245,774

Laurentian University
Contribution (Other) to Federated Universities

Administrative Fee	
University of Sudbury	-630,350
Huntington University	-398,791
Thorneloe University	-369,060
Total Admin Fee	<u>-1,398,200</u>

Material Fees	
University of Sudbury	133,848
Huntington University	109,181
Thorneloe University	64,922
Total Material Fee	<u>307,951</u>

This is Exhibit "L" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

**NOTICE BY LAURENTIAN UNIVERSITY OF SUDBURY TO DISCLAIM OR
RESILIAE AN AGREEMENT**

To: University of Sudbury

And To: Ernst & Young Inc., in its capacity as the Court-Appointed Monitor of the
Applicant (the “Monitor”)

TAKE NOTICE THAT:

1. Proceedings under the *Companies' Creditors Arrangement Act* (the “Act”) in respect of Laurentian University of Sudbury (“Laurentian”) were commenced on the 1st day of February, 2021.
2. In accordance with subsection 32(1) of the Act, Laurentian gives you notice of its intention to disclaim or resiliate the following agreements:

Federation Agreement between Laurentian and the University of Sudbury dated September 10, 1960, as same may have been amended from time to time.

Financial Distribution Notice between Laurentian and the University of Sudbury dated May 1, 2019 amending the Proposed Grant Distribution and Services Fees agreement between Laurentian, the University of Sudbury, Thorneloe University, and Huntington University dated November 10, 1993.

3. In accordance with subsection 32(2) of the Act, any party to the agreement may, within 15 days after the day on which this notice is given and with notice to the other parties to the agreement and to the Monitor, apply to court for an order that the agreement is not to be disclaimed or resiliated.
4. In accordance with paragraph 32(5)(a) of the Act, if no application for an order is made in accordance with subsection 32(2) of the Act, the agreements are disclaimed or resiliated on the 30th day of April, 2021, being 30 days after the day on which this notice has been given.
5. For more information on the CCAA proceeding affecting Laurentian, you may visit the Monitor’s website at: <https://documentcentre.ey.com/#/detail-engmt?eid=459>.

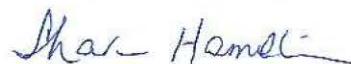
Dated at Sudbury, Ontario, on April 1, 2021.



Laurentian University of Sudbury
Robert Hache – President and Vice-Chancellor

The Monitor approves the proposed disclaimer or resiliation.

Dated at Toronto, Ontario, on April 1, 2021.



Sharon Hamilton,
Senior Vice President
Ernst & Young Inc., in its capacity
as Court-Appointed Monitor

This is Exhibit "M" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.

A handwritten signature in black ink, consisting of a large, stylized 'L' followed by a series of loops and a final vertical stroke.

A Commissioner for taking affidavits

**NOTICE BY LAURENTIAN UNIVERSITY OF SUDBURY TO DISCLAIM OR
RESILIAE AN AGREEMENT**

To: Thorneloe University

And To: Ernst & Young Inc., in its capacity as the Court-Appointed Monitor of the Applicant (the "Monitor")

TAKE NOTICE THAT:

1. Proceedings under the *Companies' Creditors Arrangement Act* (the "**Act**") in respect of Laurentian University of Sudbury ("**Laurentian**") were commenced on the 1st day of February, 2021.
2. In accordance with subsection 32(1) of the Act, Laurentian gives you notice of its intention to disclaim or resiliate the following agreements:

Federation Agreement between Laurentian and Thorneloe University dated 1962, as same may have been amended from time to time.

Financial Distribution Notice between Laurentian and Thorneloe University dated May 1, 2019 amending the Proposed Grant Distribution and Services Fees agreement between Laurentian, the University of Sudbury, Thorneloe University, and Huntington University dated November 10, 1993.

3. In accordance with subsection 32(2) of the Act, any party to the agreement may, within 15 days after the day on which this notice is given and with notice to the other parties to the agreement and to the Monitor, apply to court for an order that the agreement is not to be disclaimed or resiliated.
4. In accordance with paragraph 32(5)(a) of the Act, if no application for an order is made in accordance with subsection 32(2) of the Act, the agreements are disclaimed or resiliated on the 30th day of April, 2021, being 30 days after the day on which this notice has been given.
5. For more information on the CCAA proceeding affecting Laurentian, you may visit the Monitor's website at: <https://documentcentre.ey.com/#/detail-engmt?eid=459>.

Dated at Sudbury, Ontario, on April 1, 2021.



Laurentian University of Sudbury
Robert Hache – President and Vice-Chancellor

The Monitor approves the proposed disclaimer or resiliation.

Dated at Toronto, Ontario, on April 1, 2021.



Sharon Hamilton,
Senior Vice President
Ernst & Young Inc., in its capacity
as Court-Appointed Monitor

This is Exhibit "N" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

**NOTICE BY LAURENTIAN UNIVERSITY OF SUDBURY TO DISCLAIM OR
RESILIAE AN AGREEMENT**

To: Huntington University

And To: Ernst & Young Inc., in its capacity as the Court-Appointed Monitor of the
Applicant (the "Monitor")

TAKE NOTICE THAT:

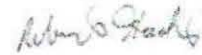
1. Proceedings under the *Companies' Creditors Arrangement Act* (the "Act") in respect of Laurentian University of Sudbury ("Laurentian") were commenced on the 1st day of February, 2021.
2. In accordance with subsection 32(1) of the Act, Laurentian gives you notice of its intention to disclaim or resiliate the following agreements:

Federation Agreement between Laurentian and Huntington University dated September 10, 1960, as same may have been amended from time to time.

Financial Distribution Notice between Laurentian and Huntington University dated May 1, 2019 amending the Proposed Grant Distribution and Services Fees agreement between Laurentian, the University of Sudbury, Thorneloe University, and Huntington University dated November 10, 1993.

3. In accordance with subsection 32(2) of the Act, any party to the agreement may, within 15 days after the day on which this notice is given and with notice to the other parties to the agreement and to the Monitor, apply to court for an order that the agreement is not to be disclaimed or resiliated.
4. In accordance with paragraph 32(5)(a) of the Act, if no application for an order is made in accordance with subsection 32(2) of the Act, the agreements are disclaimed or resiliated on the 30th day of April, 2021, being 30 days after the day on which this notice has been given.
5. For more information on the CCAA proceeding affecting Laurentian, you may visit the Monitor's website at: <https://documentcentre.ey.com/#/detail-engmt?eid=459>.

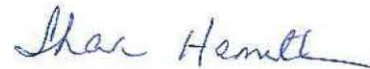
Dated at Sudbury, Ontario, on April 1, 2021.



Laurentian University of Sudbury
Robert Hache – President and Vice-Chancellor

The Monitor approves the proposed disclaimer or resiliation.

Dated at Toronto, Ontario, on April 1, 2021.



Sharon Hamilton,
Senior Vice President
Ernst & Young Inc., in its capacity
as Court-Appointed Monitor

This is Exhibit "O" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits



Sunday, 11 April 2021

Delivery by E-Mail

THORNTON GROUT FINNIGAN LLP
100 Wellington St. West, Suite 3200
TD West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

Attention: D.J. Miller
Mitchell W. Grossell
Andrew Hanrahan
Derek Harland

ERNST & YOUNG INC.
100 Adelaide Street West
EY Tower
Toronto, ON M5H 0B3

Attention: Sharon Hamilton
Michael Nathaniel

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Attention: Ashley Taylor,
Elizabeth Pillon
Ben Muller

Dear Madams, Dear Sirs:

**RE: IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
LAURENTIAN UNIVERSITY OF SUDBURY (under CCAA)
Court File No. CV-21-656040-00CL
Notice by Laurentian to Disclaim or Resiliate an Agreement, dated April 1, 2021**



This request is made on behalf of my client, University of Sudbury, under subsection 32(8) of the Companies' Creditors Arrangements Act, for Laurentian University of Sudbury's reasons, in writing, for the above-described proposed disclaimer or resiliation.

Please reply by email to me as soon as possible, and, in any event, within the 5 days required by the CCAA.

Respectfully,

Sheppard & Claude

Andre Claude

c.c. Client

This is Exhibit "P" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

April 19, 2021

VIA EMAIL (aclaude@sheppardclaudes.ca)

Sheppard & Claude
202 – 1173 Road Cyrville Road,
Ottawa ON K1J 7S6

Attention: André Claude

Dear Mr. Claude:

Re: In the Matter of the *Companies' Creditors Arrangement Act* and In the Matter of a Plan of Compromise or Arrangement of Laurentian University of Sudbury, Court File No.: CV-21-00656040-00CL

I write in response to your letter of April 11, 2021 in which you requested, pursuant to Section 32(8) of the *Companies' Creditors Arrangement Act* (“**CCAA**”) that Laurentian University of Sudbury (“**Laurentian**”) provide written reasons for the Notice to Disclaim that was delivered to the University of Sudbury (“**US**”) on April 1, 2021 (the “**Disclaimer**”).

By email exchange you advised that we did not need to respond to the request within the time referenced under the CCAA, if our client's motion record for the motion returnable on April 29, 2021 seeking the stay extension, increased DIP financing and other relief was served on April 19, 2021, as the evidence contained therein would include our client's position on the Disclaimer. As we advised, that motion record was to include an Affidavit addressing relief sought by Laurentian, as well as in response to the various motions brought by other parties including the Disclaimer.

Last night you delivered an Affidavit in French, which we are having translated in order to review and respond to it. As we are therefore not serving our motion record today, we take this opportunity to provide you with the reasons for the Disclaimer of the Federation Agreement between Laurentian and the University of Sudbury dated September 10, 1960 (the “**Federation Agreement**”) and the Financial Distribution Notice between Laurentian and the University of Sudbury dated May 1, 2019 (the “**Financial Distribution Notice**”) amending the Proposed Grant Distribution and Services Fees agreement between Laurentian, US, Thorneloe University, and Huntington University dated November 10, 1993.

These brief reasons will be supplemented by the motion record in respect of the April 29 motion, once served.

On February 1, 2021, Laurentian commenced proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA") and, the same day, the Ontario Superior Court of Justice issued an Order that, among other things, declared that Laurentian was insolvent.

The facts giving rise to Laurentian's insolvency are outlined in the Affidavit of Dr. Robert Haché filed in support of the CCAA application. Laurentian's insolvency has resulted in profound operational, academic and other changes having to be made in order to re-establish financial sustainability. That includes:

- A comprehensive academic restructuring
- The results of the academic restructuring, together with the need to immediately reduce expenses, has led to the reduction of more than 100 full time faculty positions at Laurentian, which reductions have been implemented
- The academic restructuring was approved by Senate and has been implemented
- The academic restructuring has included a review of the capacity and enrolment numbers in all courses and programs offered by Laurentian
- Laurentian has the capacity, facilities, faculty and courses available for all of its students. Its costs in that regard are fixed
- Having all courses taught at Laurentian does not result in any additional expenses being incurred. Accordingly, funding received from all sources for the teaching of students can remain at Laurentian, rather than being paid to the federated universities
- Laurentian has taken certain significant one-time steps in this restructuring in order to create cost-savings that will allow it to operate in future and generate positive cash flow. Cash will also be needed to satisfy the claims of creditors in its CCAA proceeding, and that is expected to include payments over a number of years.
- Not only does the Disclaimer of the federated agreements enhance the prospects of a viable Plan of Arrangement, but in the absence of such Disclaimer, Laurentian's prospects of continuing to operate beyond April 30, 2021 are diminished, if not entirely eliminated.

The overhaul of Laurentian's operations described above is designed to establish financial stability for Laurentian by finding all available ways to increase revenues and decrease expenses, while still providing a high-quality education to LU's students. Laurentian has already cut as many expenses as it can related to academic programming and labour. Those cuts alone will not be sufficient. Another critical component of the restructuring is the termination of the federated university model so that Laurentian can bring all teaching, and the accompanying revenue that is generated from teaching, in-house. That will result in the amount of approximately \$7.7 million per year not being paid by Laurentian to the federated universities. Otherwise, it is unlikely that there would be any Plan of Arrangement that would be acceptable to creditors and could therefore be approved.

The Disclaimer is further necessitated by the fact that it is a condition of Laurentian's DIP Loan, for the advance of further funds to cover the period May 1 to August 31, 2021, that no further funds be paid from Laurentian to the Federated Universities and that the Disclaimers become



3.

effective as of May 1, 2021. The availability of additional DIP financing is essential to Laurentian's continued operations beyond April 30, 2021.

Yours truly,

Thornton Grout Finnigan LLP

A handwritten signature in blue ink, appearing to read 'D.J. Miller', written over the printed name.

D.J. Miller

cc: *Laurentian University of Sudbury*
Ernst & Young Inc. – Court-appointed Monitor
Stikeman Elliott LLP – Counsel to the Court-appointed Monitor

This is Exhibit "Q" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

TRANSITION AGREEMENT

April 16, 2021

TRANSITION AGREEMENT

THIS AGREEMENT made and effective as of the 16th day of April, 2021,

BETWEEN:

LAURENTIAN UNIVERSITY OF SUDBURY, a corporation incorporated by *The Laurentian University of Sudbury Act*, 1960

(**“Laurentian”**)

- and -

HUNTINGTON UNIVERSITY, a corporation incorporated by Chapter 143 of the Statutes of Ontario, 1960

(**“Huntington”**)

RECITALS:

- A. Huntington was incorporated following the petition of the United Church of Canada, and Huntington continues to respect the United Church of Canada’s traditions and its relationship with Huntington. Pursuant to *The Huntington University Act, 1971*, Huntington is authorized and empowered to enter into federation or affiliation with other colleges or universities.
- B. Pursuant to *The Laurentian University of Sudbury Act*, 1960, c.151, Laurentian is authorized and empowered to admit into federation or affiliation with Laurentian, other colleges or universities.
- C. On September 10, 1960, Laurentian and Huntington (collectively, the **“Parties”**) entered into federation with each other upon the terms and conditions of the agreement dated September 10, 1960 (the **“Federation Agreement”**).
- D. On November 10, 1993, the Parties, in addition to the other Federated Universities (as defined below) entered into a Proposed Grant Distribution and Services Fees Agreement that provided for the terms for the distribution of tuition collected by Laurentian, operating grants and the allocation of certain fees for administrative services provided by Laurentian to the Federated Universities.
- E. On May 10, 2019, Laurentian delivered to Huntington a notice (the **“Financial Distribution Notice”**) that amended and superseded certain financial terms related to the allocation of grant funding, tuition fees and administrative services by and among the Parties and the Parties have been operating pursuant to the Financial Distribution Notice since that time.
- F. On February 1, 2021, Laurentian commenced proceedings (the **“CCAA Proceeding”**) under the *Companies’ Creditors Arrangement Act* (the **“CCAA”**).
- G. On April 1, 2021, Laurentian delivered a notice of disclaimer (the **“Disclaimer”**) in respect of the Federation Agreement and the Financial Distribution Notice.

- H. Huntington has not and does not consent to or approve the Disclaimer. Upon execution of this Transition Agreement, Huntington agrees that it will not take any steps to cause the Approval Order sought by Laurentian to be opposed or not granted, and provided the Approval Order is granted, Huntington agrees not to oppose the Disclaimer.
- I. With the approval of its Board of Governors (in the case of Laurentian) and its Board of Regents (in the case of Huntington), the Parties wish to enter into this Agreement to address certain matters arising from the Disclaimer and the termination of the Federation Agreement and the Financial Distribution Notice.

In consideration of the above recitals, the mutual representations and covenants below and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows.

ARTICLE 1 INTERPRETATION

Section 1.1 **Defined Terms.**

As used in this Agreement, capitalized terms used and not otherwise defined herein shall have the following meanings:

“Agreement” means this Transition Agreement, including Schedule “A” hereto.

“Applicable Laws” means, with respect to any Person, property, transaction, event or other matter, (a) any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, order or other requirement having the force of law, (b) any policy, practice, protocol, standard or guideline of any Governmental Authority which, although not necessarily having the force of law, is regarded by such Governmental Authority as requiring compliance as if it had the force of law (collectively in the foregoing clauses (a) and (b), **“Law”**), in each case relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

“Approval Order” means an order of the Court approving this Agreement and authorizing Laurentian and Huntington to carry out the terms herein, which order shall be in form and substance acceptable to Laurentian and Huntington, each acting reasonably.

“Business Day” means any day of the year, other than a Saturday, Sunday or any day on which Canadian chartered banks are closed for business in Sudbury, Ontario.

“CCAA” has the meaning given to such term in the Recitals to this Agreement.

“CCAA Claims Process” has the meaning given to such term in Section 10.1(1)(a) of this Agreement.

“CCAA Proceeding” has the meaning given to such term in the Recitals to this Agreement.

“Court” means the Ontario Superior Court of Justice (Commercial List).

“Disclaimer” has the meaning given to such term in the Recitals to this Agreement.

“Effective Date” means May 1, 2021 or such other date agreed to between Huntington and Laurentian.

“Federated Universities” means collectively, Huntington University, Thorneloe University and the University of Sudbury.

“Federation Agreement” has the meaning given to such term in the Recitals to this Agreement.

“Financial Distribution Notice” has the meaning given to such term in the Recitals to this Agreement.

“Gerontology Program Transfer” has the meaning given to such term in Section 4.1(1) of this Agreement.

“Governmental Authority” means:

- (a) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise);
- (b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government;
- (c) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and
- (d) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange or professional association.

“Huntington” has the meaning given to such term in the preamble to this Agreement.

“Huntington Courses and Programs” means Huntington’s current courses and programs, including courses and programs in Gerontology, Communications Studies and Religious Studies.

“Huntington Lease” means the indenture between Huntington and Laurentian dated July 3, 1964.

“Laurentian” has the meaning given to such term in the preamble to this Agreement.

“Marketing Materials” has the meaning given to such term in Section 5.3(1) of this Agreement.

“Monitor” means Ernst & Young Inc., in its capacity as monitor of Laurentian in the CCAA Proceeding.

“Notice” has the meaning given to such term in Section 12.1 of this Agreement.

“Party” has the meaning given to such term in the Recitals to this Agreement.

“Pension Effective Date” has the meaning given to such term in Section 7.1(1) of this Agreement, being June 30, 2021 or such other date agreed to by Huntington and Laurentian.

“Pension Plan” means Retirement Plan of Laurentian University of Sudbury and its Federated and Affiliated Universities, Registration Number 0267013.

“Person” means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or governmental entity, and pronouns have a similarly extended meaning.

“Representatives” means the individuals who are employees, whether unionized or non-unionized, including supplemental employees and independent contractors under contract, agents and representatives of each of the Parties who are employed by each of the Parties to perform, or who otherwise perform, or are otherwise involved with the decision making or operations of each of the Parties.

“RHBP” means the retiree health benefits plan administered by Laurentian as in effect prior to February 1, 2021.

Section 1.2 References and Usage.

- (1) Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (2) The division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.
- (3) All references in this Agreement to dollars or to “\$” are expressed in Canadian currency, unless otherwise specifically indicated.
- (4) In this Agreement (i) the words “including”, “includes” and “include” mean “including (or includes or include) without limitation” and (ii) the words “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”. Unless otherwise specified, the words “Article”, “Section” and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Agreement. In the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding”.
- (5) The schedules and exhibits attached to this Agreement form an integral part of it.
- (6) Any reference in this Agreement to a Person includes its legal representatives, successors and permitted assigns.

- (7) Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as it or they may have been, or may from time to time be, amended, re-enacted or replaced.
- (8) Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment must be made or such action must be taken on or not later than the next succeeding Business Day.

ARTICLE 2 RECITALS

Section 2.1 Recitals

- (1) The Recitals to this Agreement are true and correct and shall form part of this Agreement.

ARTICLE 3 EFFECTIVENESS

Section 3.1 Effectiveness

- (1) Subject to the Court granting the Approval Order, this Agreement and the Disclaimer are deemed to be effective on the Effective Date.
- (2) Laurentian shall seek the Approval Order on or prior to April 29, 2021. If Laurentian fails to obtain the Approval Order on or before April 29, 2021 (subject to reserve), this Agreement shall not be effective and shall be void.
- (3) Notwithstanding anything else in this Agreement or the Disclaimer, in the event that the University of Sudbury, Thorneloe University, or any successor in interest to such universities, receives funding from Laurentian, directly or indirectly, to teach courses or programs, Huntington shall be entitled, at its election, to resume teaching all or some of the Huntington Courses and Programs and to receive similar equivalent compensation on a per student basis from Laurentian to teach such Huntington Courses and Programs.

ARTICLE 4 ACADEMIC PROGRAMS

Section 4.1 Termination of Academic Programs

- (1) Effective on the Effective Date, Huntington shall cease to have the ability or responsibility to deliver academic courses or programs as credit towards Laurentian courses and degrees and shall cease to have the ability or responsibility to admit new students into Laurentian. As of the Effective Date, Laurentian students will no longer be permitted to take elective courses through Huntington as credit for a Laurentian degree.
- (2) Huntington shall request that its faculty complete all work and satisfy all obligations in respect of all Huntington Courses and Programs during the ongoing Winter 2021 academic term, including marking of all final exams, essays or other student work to enable grades, marks and credits to be received by existing students in the ordinary course.

Section 4.2 Payment of Existing Obligations

- (1) Prior to the Effective Date, Laurentian shall pay to Huntington, in full, all tuition and grant funds allocable to Huntington for the period between February 1, 2021 to the Effective Date in the amount calculated in accordance with the existing funding formula under the Financial Distribution Notice and agreed to by Huntington and Laurentian.
- (2) Following the Effective Date, neither Laurentian nor Huntington shall be required to transfer any portion of any tuition fees, grants or other funding received by either of them from any source to the other, provided that this section shall not impact: (i) the obligations of Huntington to make payment for services provided by Laurentian in accordance with Article 6 below; or (ii) the obligations of Huntington to make the payments in accordance with Article 7 below.

Section 4.3 Transition of Students to Laurentian Programs

- (1) Laurentian and Huntington shall each advise students enrolled in Huntington Courses and Programs that, as of the Effective Date, the Huntington Courses and Programs, other than Gerontology, have been discontinued by Laurentian and that the Gerontology program has been acquired by Laurentian with the consent of Huntington.
- (2) Laurentian may offer such students enrollment in other courses or programs, as applicable, offered by Laurentian. Laurentian will provide pathways to degree completion for students enrolled in the Huntington Courses and Programs to provide an opportunity for such students to complete their degrees on their anticipated schedule without undue disruption, wherever possible.
- (3) Huntington shall not be responsible for any transition of such students to other Laurentian courses or programs, but it shall provide such reasonable assistance to Laurentian as may be requested or required in order to effect same. Huntington shall provide such information in its possession to Laurentian as may be reasonably required in order to permit Laurentian to facilitate the transfer of students to other programs at Laurentian and the recognition of their credits, grades and related information.
- (4) The Parties agree that Huntington shall have no responsibility or liability of any kind to Laurentian, students or other persons arising from the discontinuance or cancellation of the Huntington Courses and Programs (including any refund of tuition fees or grant funds received by Laurentian). Laurentian agrees that, to the extent that Laurentian receives a release in any CCAA plan of compromise or arrangement or order of the Court in the CCAA Proceeding in connection with claims arising from the discontinuation of any courses and programs, Laurentian shall seek to obtain a similar third-party release in favour of Huntington.
- (5) Other than as expressly provided for in Section 4.4 of this Agreement, Huntington will continue to retain ownership and control of the remaining Huntington Courses and Programs, including all rights to teach, lease, license or otherwise exploit the Huntington Courses and Programs and any related intellectual property in the future, regardless of mode of delivery.

Section 4.4 Transfer of Gerontology Program

- (1) Effective on the Effective Date, Huntington hereby transfers and assigns to Laurentian all of its rights relating to the Gerontology program (including any rights to any related course material, curriculum and library material), in order to permit Laurentian to continue to offer

the Gerontology program following the Effective Date (the “**Gerontology Program Transfer**”), all on an as, is where is basis, and without any representations, warranties, or obligations on the part of Huntington except as expressly provided herein. For greater certainty, the Gerontology Program Transfer is with respect to the program only and does not include any rights or obligations in respect of any Huntington faculty.

- (2) In consideration for the Gerontology Program Transfer, Laurentian hereby agrees to assume Huntington’s retiree wind-up liabilities under the Pension Plan which, as at the actuarial valuation as at January 1, 2020, are in the amount of \$599,000, and hereby releases Huntington from all such liabilities.
- (3) The Parties shall work cooperatively to transfer from Huntington to Laurentian all physical materials relating to the Gerontology program (such as library material) in the possession and control of Huntington.

ARTICLE 5

HUNTINGTON LEASE AND CONTINUED USE OF FACILITIES

Section 5.1 Huntington Lease.

- (1) Following the Effective Date, the Huntington Lease shall remain in full force and effect and shall continue on the existing terms set out therein. For greater certainty, neither the Disclaimer and the termination of the Federation Agreement and the Financial Distribution Notice, nor the execution and implementation of this Agreement shall trigger Laurentian's rights under section 6 of the Huntington Lease. Huntington shall remain responsible for all obligations under the Huntington Lease.

Section 5.2 Continued Use of Facilities.

- (1) Following the Effective Date, Huntington will continue to maintain its building and related facilities (including its residence and parking lot) for its own benefit and use, and Huntington will continue to offer residence and parking which will be operated independently of Laurentian.
- (2) Huntington shall be solely responsible for all buildings it owns and operates on Laurentian's land including all related facilities and activities conducted thereon. Laurentian shall not be liable or responsible in any manner whatsoever relating to Huntington's operation or use of its buildings, facilities or residence, and Huntington is solely responsible for all aspects of same. Huntington will maintain such insurance as a prudent owner of buildings would hold, including as it relates to any activities conducted in the buildings.

Section 5.3 Advertisement of Residence in Marketing Materials

- (1) For five academic years following the Effective Date (commencing with the academic year 2021-2022) subject to any renewal by agreement of the Parties, Laurentian will offer Huntington's residence on its website/student enrollment and marketing materials (the “**Marketing Materials**”) for first-year students. The Marketing Materials will specify that Huntington's residence is independently managed and operated by Huntington, and not Laurentian.

- (2) During the term provided for in subsection (1) above, Huntington will require first-year students electing to reside in Huntington's residence through the Laurentian enrollment process to opt into the Laurentian meal plan.

ARTICLE 6 SEPARATION OF OPERATIONS

Section 6.1 Shared Services

- (1) Schedule "A" hereto is a list of all services provided or managed by Laurentian for Huntington as of the date of this Agreement, with the corresponding portion of the cost attributable to Huntington (or, where such portion is not a defined amount, the method of calculating the portion). Schedule "A" shall be reviewed annually by the Parties on or before the anniversary of the Effective Date, to ensure that it reflects the correct methodology and amounts for such services.

Section 6.2 Services to be Discontinued or Transferred

- (1) Prior to the Effective Date, Huntington and Laurentian will identify and agree to those services that Huntington will no longer require from Laurentian following the Effective Date and such services shall be discontinued as of the Effective Date. Huntington and Laurentian will work cooperatively to transfer to Huntington complete responsibility and billing of Huntington's portion within three (3) months of the Effective Date where it is possible to do so at minimal cost to either Huntington or Laurentian.
- (2) For services which cannot be transferred on that basis or which Huntington and Laurentian mutually agree not to transfer, Laurentian will continue to provide the service and shall bill Huntington for Huntington's portion of such service at Laurentian's cost, with no additional fees.
- (3) Notwithstanding the foregoing, prior to the Effective Date, Huntington and Laurentian may mutually agree, each in their sole discretion, to an arrangement pursuant to which shared services continue to be provided by Laurentian to Huntington on the current basis for an all-in service fee payable by Huntington to Laurentian.

ARTICLE 7 PENSION AND BENEFITS

Section 7.1 Pension and Benefits

- (1) Effective on June 30, 2021 or such other date agreed to by Huntington and Laurentian (the "**Pension Effective Date**"):
 - (a) Huntington will cease to be a "participating employer" in the Pension Plan and the RHBP.
 - (b) All current Huntington employees will cease to accrue benefits under the Pension Plan effective on the Pension Effective Date or the date of their termination of employment, if earlier. Current and former Huntington employees shall be entitled to benefits from the Pension Plan calculated in accordance with the terms of Pension Plan, subject to any amendments to the Pension Plan that are implemented by Laurentian in the CCAA

Proceeding or otherwise. Huntington employees will be entitled to the same treatment as Laurentian employees under any amendment made to the Pension Plan. Huntington shall make normal cost contributions to the Pension Plan for benefits accruing by Huntington employees up to the Pension Effective Date. Huntington shall make special payments in respect of the going concern deficiency of the Pension Plan based upon the January 1, 2020 actuarial valuation for the period ending on the Pension Effective Date.

- (c) Huntington employees and retirees will receive the same treatment as Laurentian employees and retirees in respect of the RHBP, and claims in respect of the RBHP may be filed in any claims process under the CCAA. The RBHP has, or will be terminated within the CCAA Proceeding and no claims have or will be processed after February 1, 2021. No further Huntington contributions will be required to the RHBP after April 5, 2021. Laurentian will terminate the RHBP, including Huntington's participation in the RHBP, no later than the Pension Effective Date.
 - (d) No Huntington employees will continue to accrue future benefits under the Pension Plan or the RHBP for any period commencing on the Pension Effective Date.
 - (e) To the extent that Laurentian receives a release in any CCAA plan of compromise or arrangement or order of the Court in the CCAA Proceeding in connection with claims arising from the discontinuation of the RHBP, Laurentian shall seek to obtain a similar third-party release in favour of Huntington.
 - (f) On the Pension Effective Date, Huntington shall pay \$1,200,000 into the Pension Plan in respect of the Pension Plan's wind-up deficiency relating to active and deferred vested Huntington members only, which shall be held by the Pension Plan and notionally segregated for the benefit of the active and deferred vested Huntington members until such time as Huntington former members who elect to receive commuted value transfer payments receive their final installment of such commuted value payments.
 - (g) Subject to, and in consideration of Huntington's payment in accordance with subsection (f) above and the Gerontology Program Transfer, Huntington shall be released from all obligations related to the Pension Plan, including any required contributions, special payments or wind-up liabilities, and Huntington shall have no further obligations or responsibilities under the Pension Plan.
 - (h) Laurentian shall continue to administer the Pension Plan, including communications and administration of the Pension Plan in respect of Huntington employees and former employees.
 - (i) The Parties acknowledge and agree that Huntington's participation in the Pension Committee for the Pension Plan ceased on April 5, 2021.
- (2) Effective on the Pension Effective Date, Laurentian shall amend, or cause an amendment of, the Pension Plan, in form and substance acceptable to Huntington acting reasonably, to document Huntington's removal as a "participating employer" under the Pension Plan and such other consequential amendments as the Parties may mutually agree to give effect to the foregoing.

ARTICLE 8 REPRESENTATIONS AND WARRANTIES

Section 8.1 Representations and Warranties of Huntington

- (1) Organization and Corporate Power. Huntington is duly organized and validly exists under the laws of the jurisdiction in which it is organized. Huntington has the requisite corporate power and authority to enter into, deliver and perform its obligations pursuant to this Agreement;
- (2) Authorization; Binding Effect; No Breach.
 - (a) The execution, delivery and performance of this Agreement has been duly authorized by Huntington, including approval by its Board of Regents, at the time of its execution and delivery. Upon its due authorization, execution and delivery by Huntington, this Agreement constitutes a valid and binding obligation of Huntington enforceable against Huntington in accordance with its respective terms.
 - (b) The execution, delivery and performance by Huntington of this Agreement does not and will not conflict with or result in a breach of the terms, conditions or provisions of, constitute a default under, result in a violation of, or require any consent pursuant to (i) the articles, notice of articles, charter, by-laws or operating agreement of Huntington, (ii) any material contract or other document to which Huntington is a party or to which any of its assets is subject to, or (iii) any Applicable Laws.

Section 8.2 Representations and Warranties of Laurentian

- (1) Organization and Corporate Power. Laurentian is duly organized and validly exists under the laws of the jurisdiction in which it is organized. Subject to obtaining the Approval Order, Laurentian has the requisite corporate power and authority to enter into, deliver and perform its obligations pursuant to this Agreement;
- (2) Authorization; Binding Effect; No Breach.
 - (a) The execution, delivery and performance of this Agreement has been duly authorized by Laurentian, including approval by its Board of Governors, at the time of its execution and delivery and is subject only to Court approval. Upon its due authorization, execution and delivery by Laurentian and subject only to Court approval, this Agreement constitutes a valid and binding obligation of Laurentian enforceable against Laurentian in accordance with its respective terms.
 - (b) The execution, delivery and performance by Laurentian of this Agreement does not and will not conflict with or result in a breach of the terms, conditions or provisions of, constitute a default under, result in a violation of, or require any consent pursuant to: (i) the articles, notice of articles, charter, by-laws or operating agreement of Laurentian, (ii) any material contract or other document to which Laurentian is a party or to which any of its assets is subject to, or (iii) any Applicable Laws.

Section 8.3 Mutual Representations and Warranties

- (1) Except pursuant to Section 8.1 and Section 8.2, neither Laurentian, Huntington or any of their respective Representatives have made or shall be deemed to have made any other representation or warranty, express or implied, at law or in equity in respect of the transactions contemplated by this Agreement.

ARTICLE 9 COVENANTS

Section 9.1 Cooperation.

- (1) Upon the terms and subject to the conditions of this Agreement, and subject to any other term of this Agreement providing for an alternate standard of cooperation, each of the Parties shall use its commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, and cooperate with each other in order to do, all things necessary, proper or advisable under Applicable Laws to consummate the transactions contemplated hereby as soon as practicable, including Huntington's support for the Approval Order.

ARTICLE 10 RELEASES AND CCAA MATTERS

Section 10.1 Releases by Laurentian

- (1) In accordance with the terms of this Agreement, Laurentian hereby:
 - (a) in its personal capacity and its capacity as administrator under the Pension Plan, fully and finally releases and discharges Huntington from any and all obligations and responsibilities under the Pension Plan effective as of the Pension Effective Date subject to, and in consideration of, Huntington's payment in accordance with Section 7.1(1)(f) and the Gerontology Program Transfer;
 - (b) agrees that, to the extent that Laurentian receives a release in any CCAA plan of compromise or arrangement or order of the Court in the CCAA Proceeding in connection with claims arising from the discontinuation of the RHBP, Laurentian shall seek to obtain a similar third-party release in favour of Huntington.
 - (c) agrees that, to the extent that Laurentian receives a release in any CCAA plan of compromise or arrangement or order of the Court in the CCAA Proceeding in connection with claims arising from the discontinuation of any courses and programs, Laurentian shall seek to obtain a similar third-party release in favour of Huntington.

Section 10.2 CCAA Claims

- (1) Nothing in this Agreement shall:
 - (a) constitute Huntington's consent or agreement to the Disclaimer or an acknowledgement that such agreements/documents are capable of being disclaimed or preclude Huntington from filing a proof of claim for damages or losses arising from the Disclaimer, subject in all respects to any claims process approved by the Court in

the CCAA Proceeding (the “**CCAA Claims Process**”) and any determination of such claim in accordance with the CCAA Claims Process;

- (b) waive or limit the rights of Huntington or Huntington’s current or former employees and retirees from asserting any claims as creditors against Laurentian in any CCAA Claims Process in connection with the Pension Plan or RHBP, subject in all respects to any CCAA Claims Process and any determination of such claim in accordance with the CCAA Claims Process.

Section 10.3 Post-Filing Agreement

- (1) This Agreement shall constitute a post-filing obligation of Laurentian and not be subject to compromise under any CCAA plan of compromise or arrangement.

ARTICLE 11 CONFIDENTIALITY

Section 11.1 Confidential Information

Except as provided in Section 11.3 below, the terms of this Agreement are confidential and shall not be disclosed to any person (other than the Monitor) without the consent of both Parties.

Section 11.2 Public Communications.

The substance of any communications to the public regarding this Agreement and its subject matter is important to the Parties, and shall be made in a mutually-agreeable and coordinated fashion, each acting reasonably.

Section 11.3 Court Materials.

- (1) Laurentian shall be entitled to disclose this Agreement in connection with Laurentian seeking the Approval Order or as otherwise may be required in connection with the CCAA Proceeding, provided that such disclosure shall be on terms acceptable to both Parties, including sealing of certain terms of this Agreement in a form and manner acceptable to both Parties. For greater certainty, any provisions of this Agreement relating to the amount and terms of consideration paid shall not be publicly disclosed and shall be sealed.
- (2) Any Court or other materials disclosing or addressing this Agreement and its terms or the Disclaimer, including the portion of any court materials and the draft order to be sought in connection with the Approval Order, shall be provided to Huntington in draft form no later than three (3) Business Days in advance of filing or release and shall be in form and substance acceptable to Huntington, acting reasonably.

ARTICLE 12 MISCELLANEOUS

Section 12.1 Notices.

Any notice, direction or other communication given regarding the matters contemplated by this Agreement (each a “**Notice**”) must be in writing, sent by personal delivery, courier, facsimile or email and addressed:

- (a) to Laurentian at:

Laurentian University
935 Ramsey Lake Rd.
Sudbury, Ontario
P3E 2C6

Attention: Dr. Robert Haché
Email: rhpvc@laurentian.ca

- (b) to Huntington at:
Huntington University
935 Ramsey Lake Rd.
Sudbury, Ontario
P3E 2C6

Attention: Dr. Kevin McCormick
Email: kmccormick@huntingtonu.ca

A Notice is deemed to be given and received (i) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day or (ii) if sent by email, when the sender receives an email from the recipient acknowledging receipt, provided that an automatic “read receipt” does not constitute acknowledgment of an email for purposes of this Section 12.1. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party’s address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a Party’s legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a Party.

Section 12.2 Time of the Essence.

Time is of the essence in this Agreement.

Section 12.3 Third Party Beneficiaries.

Each Party hereto intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties hereto and their successors and permitted assigns, and no Person, other than the Parties hereto and their successors and their permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum,

save and except in the event of any action, suit, proceeding, hearing or other forum as it pertains to matters of confidentiality and any particular Representative in connection therewith.

Section 12.4 No Authority to Bind.

Nothing contained in this Agreement shall be deemed or construed to create a joint venture, agency relationship or partnership between the Parties. Neither Party shall have any power to control the activities and/or operations of any other Party and no Party shall have any power or authority to bind or commit any other Party.

Section 12.5 Amendments.

This Agreement may only be amended, supplemented or otherwise modified by written agreement executed by each Party.

Section 12.6 Waiver.

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right it may have.

Section 12.7 Entire Agreement.

This Agreement, including Schedule "A", collectively sets forth the entire understanding of the Parties relating to the subject matter thereof. All prior or contemporaneous understandings, agreements, representations and warranties, whether written or oral, are superseded by this Agreement and its Schedule "A", and all such prior or contemporaneous understandings, agreements, representations and warranties are hereby terminated.

Section 12.8 Further Assurances.

Each Party shall, at the reasonable request of another Party or Parties, take all such action and shall execute and deliver all such documents as is or are reasonably required to carry out the terms, intent and purpose of this Agreement.

Section 12.9 Successors and Assigns.

- (1) This Agreement becomes effective when executed by all of the Parties. After that time, it will be binding upon and enure to the benefit of the Parties and their respective successors, legal representatives and permitted assigns.
- (2) Neither this Agreement nor any of the rights or obligations under this Agreement, including any right to payment or access to services, may be assigned or transferred, in whole or in part, by any Party without the prior written consent of the other Party which consent may be withheld, in the sole discretion of such other Party. Any purported assignment or transfer without such written consent will be null and void and of no effect.

Section 12.10 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable, by an arbitrator or any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 12.11 Governing Law.

- (1) This Agreement is governed by, and will be interpreted and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (2) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Ontario courts situated in the City of Toronto, and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 12.12 Counterparts.

This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this Agreement.

Section 12.13 No Strict Construction

The parties have participated jointly in the negotiation and drafting of this Agreement. In the event any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favouring or disfavours either Party by virtue of authorship of any provision of this Agreement.

[Remainder of page intentionally left blank. Signature pages follow.]

The Parties have executed this Agreement on the date first written above.

**LAURENTIAN UNIVERSITY OF
SUDBURY**

By:  _____
Authorized Signing Officer

HUNTINGTON UNIVERSITY

By: _____

By: _____

The Parties have executed this Agreement on the date first written above.

**LAURENTIAN UNIVERSITY OF
SUDBURY**

By: 
Authorized Signing Officer

HUNTINGTON UNIVERSITY

By: 

By: 

**Schedule “A”
Shared Services**

1 SERVICES

The Service Provider will provide the following services to The Client (**3 year term**):

Department	Service Area	Service Description	Cost
Information Technology (IT)	IT Infrastructure	Internet connectivity and network support services (administration)	██████████
		Internet connectivity and network support services (residence)	██████████
		Data center operations, data backups, email, collaboration and communication infrastructure (Google Workspace)	██████████
		*** Optional service: Research network access (Canarie & Orion)	██████████
		*** Optional service: VOIP telephone and Long distance services	██████████
		*** Optional service: Zoom	██████████
		*** Optional service: Microsoft Office	██████████
	IT Infrastructure	Access point and network equipment refresh (administration) - Capital Expense Required	* ██████████
		Access point and network equipment refresh (residence) - Capital Expense Required	* ██████████
	IT Security	Information security services bundle including - Multi-Factor authentication - Incident response & monitoring	██████████

	- Firewall, intrusion prevention and detection - CISO services	
End-user support	Service Desk and end-user support services for account, software, cybersecurity and hardware support questions and issues. The fee is for 100 support hours per year	
Other considerations	• Recurring monthly fees are based on 10 FTE. Capital expenditures are for the building and not contingent on a FTE count. • Capital expenses related to IT, to meet the minimum requirements for computing (end-user devices) and network services are to be born by the client • The client is responsible for the damages, repairs, upgrades and maintenance of the cabling infrastructure beyond the demarcation point. (Room A005 of the Arts building) • • The monthly cost for Internet connectivity is based on the current consumption and daily averages for the 2019-2021 period and is subject to increases should the bandwidth consumption increase by more than 10% in a given calendar year. • The Client is responsible for acquiring their own <i>cyber insurance</i> commensurate with their risk exposure and cyber risk profile. • • Additional services related to business systems (e.g student registration system (SIS), learning management system (LMS), enterprise resource planning and management system (ERP), intranet	

		services, web hosting etc may be available upon request but require additional discovery and discussions to properly define the costing structure.
--	--	--

Department	Service Area	Service Description	Cost
Facility Services	Infrastructure	Water/Wastewater - Billed directly to the Client from GSU.	
		Electricity - Facility Services reads the meter and provides an invoice to finance. An invoice is sent to the Client via the finance department	
		Natural gas - Enbridge reads meters, and an invoice is sent to the Client via the finance department	
		Road clearing (including snow/sand removal) - Manitou Road from Lot 7 to the client property	
		Sidewalk clearing - Sidewalks along Manitou Road from Lot 7 to the client property	
	Building / Maintenance Services	Fire alarm monitoring	
		Locksmithing	
		Shipping and receiving : Outgoing Purolator parcels are processed at Huntington and picked up by Purolator Outgoing mail is picked up by Shipping and Receiving, processed and billed back to the Client.	

		All incoming mail and parcels are received by Shipping and Receiving, and delivered as per Service Provider Standard	
	Other considerations	Demarcation of services are as follows: Natural Gas - Property Line Water - Property line Wastewater - Property Line Electricity - Dining Assembly Building from client meter Fire alarm cabling - R.D. Parker building 3rd floor fire alarm panel.. - Capital expenses related to any systems within demarcation of services, including client buildings, are to be born by the client [REDACTED] [REDACTED]	

Department	Service Area	Service Description	Cost
Campus Safety	Security Services - Required	Attend emergency calls - police, fire, ambulance.	[REDACTED]
		Crisis response for residence	
		Accessibility escorts (24/7 response)	[REDACTED]
		Wellness checks (residence)	
	Security Services - Optional	Building patrols - 2 patrols in each 24 hour day (24/7 response)	[REDACTED]
		Perform building fire drill - Once/year	[REDACTED]

	Other considerations	[REDACTED] [REDACTED]
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Department	Service Area	Service Description	Cost
Library	Library Services	Library Management System	[REDACTED]
	Other Considerations	[REDACTED]	

2 Requirements of the Service Provider

In order for the Service Provider to be able to deliver on the services in section 1, the following requirements must be met.

	Request	Rationale
Campus Safety	Access to Client owned internal cameras	Allows for campus safety to properly provide enhanced
IT	Network upgrades Camera Upgrades Computer (end-user devices) upgrades	All network equipment (fiber optics, routers, switches and wireless access points) to comply with the University's minimum standard for performance, cybersecurity and vendor support requirements. All end-user devices to comply with the minimum security, operating system and version requirements. E.g Computers unable to operate a supported version of Windows 10 may need to be upgraded at the client's expense before joining the network.
Residence	First year residence applications all done through my.laurentian.ca	Will allow for seamless transition for students on the meal plan
Residence	Residence list inputted into Fusion	Allows for campus services to be delivered more efficiently (ie. security services, student support services, mail delivery)

This is Exhibit "R" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits



lundi, 12 avril 2021

Transmission par courriel

THORNTON GROUT FINNIGAN LLP

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5300 Commerce Court West
199 Bay Street
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Compétence : Ashley Taylor,
Elizabeth Pillon
Ben Muller

**Objet : DANS L'AFFAIRE CONCERNANT UNE TRANSACTION OU UN
ARRANGEMENT VISANT L'UNIVERSITÉ LAURENTIENNE (sous la LACC)
Dossier de la cour n° CV-21-656040-00CL
Demande de l'Université de Sudbury liée à la programmation des cours en
français de l'Université Laurentienne**

Mesdames et Messieurs :



Nous vous avisons que l'Université de Sudbury a l'intention de s'objecter à toutes démarches judiciaires présentes et futures entamées par l'Université Laurentienne (la Laurentienne) qui portent ou pourraient porter atteinte aux droits et acquis de l'Université de Sudbury. Notamment elle s'objecte à l'avis de résiliation que vous nous avez signifié le 1^{er} avril courant.

Comme vous le savez, l'Université de Sudbury a annoncé le vendredi, 12 mars dernier, qu'elle devient une université homogène de langue française. Elle a déjà entamé sa transition en vue de réaliser rapidement cette mission renouvelée.

À cette fin, l'Université de Sudbury réclame l'ensemble des programmes, des cours et des services offerts en français à l'Université Laurentienne, ainsi que des installations et des ressources afférentes. Nous croyons cette avenue non seulement dans le meilleur intérêt des deux universités, mais surtout nécessaire pour éviter les torts irréparables qui sont infligés sur la communauté franco-ontarienne à cause de l'incertitude entourant l'avenir de la Laurentienne, particulièrement en ce qui regarde la continuité de cette programmation si essentielle à la communauté francophone.

Nous avons tous pu observer depuis plus d'une décennie, et surtout dans les dernières semaines, une réduction dans l'intérêt de la Laurentienne, voire un manque de passion, pour les grands efforts dans sa prestation de services en français. Force est de reconnaître que la continuité de tous les services en français est actuellement en péril, et que dire de l'épanouissement de l'offre de programmes pour la communauté? Entre les mains de la Laurentienne le dossier est et demeurera en régression plutôt qu'en progression. Il ne faut surtout pas s'étonner que la communauté franco-ontarienne accorde maintenant à l'Université de Sudbury tout son appui et réclame que lui soit confiée la charge totale de cette filière.

Tout cela dit, la communauté francophone demande à la Laurentienne sa coopération pour assurer un transfert coordonné des programmes et services durant le cours de cette importante transition. Étant donné les présentes circonstances, ceci est le moindre que la Laurentienne puisse faire pour le bien-être de la communauté.

Une possibilité assez directe pour atteindre cet objectif, si la Laurentienne y est intéressée, est d'effectuer cette transition à l'intérieur de l'entente de fédération existante. Le cas échéant, on procéderait à négocier un remaniement complet des contrats.

Nous croyons possible de le faire dans un esprit de collaboration, afin de colmater les torts déjà infligés sur la communauté franco-ontarienne. Ainsi, l'Université de Sudbury invite le Conseil des gouverneurs et le Sénat de l'Université Laurentienne à rencontrer l'Université de Sudbury afin d'établir les modalités d'un tel transfert et d'une collaboration pour bâtir ensemble ce nouvel avenir. Un tel dialogue entre les parties offre une occasion unique permettant à la Laurentienne de s'allier avec l'Université de Sudbury dans le but de donner effet au projet d'une université par et pour les francophones, avec tous les bénéfices que cela engendrera sur le plan financier, et il y aura



assurément des bénéfices financiers importants si la collaboration est au rendez-vous. L'Université de Sudbury considère que cette avenue est dans l'intérêt de toutes les parties concernées : elle favorise à la fois la viabilité financière de la Laurentienne et assure du même coup le respect des droits de la minorité linguistique.

Le projet de l'Université de Sudbury répond à la volonté exprimée de la communauté franco-ontarienne et permettra de mieux desservir ses besoins. Il existe un consensus communautaire selon lequel le développement et l'épanouissement de la communauté de langue minoritaire passent nécessairement par la mise en place d'institutions gérées par et pour les Franco-Ontariennes et Franco-Ontariens; nous en avons déjà la preuve au scolaire (élémentaire et secondaire) et au collégial. Tout en reconnaissant les nombreuses années que la Laurentienne a évolué avec elle, la communauté franco-ontarienne préconise aujourd'hui un modèle d'université unilingue de langue française, qui pourra s'effectuer soit dans le cadre de l'entente de fédération existante ou de façon indépendante.

Il y a ici une opportunité unique qui se présente aux deux institutions de repositionner l'enseignement post-secondaire dans le Moyen-Nord de sorte que ces deux institutions pionnières de Sudbury puissent s'entraider afin de fleurir et accroître l'offre d'enseignement dans un nouveau modèle de fonctionnement qui répondra aux besoins pressants de la communauté franco-ontarienne.

Aussi n'oublions pas la possibilité d'unir les forces de l'Université de Sudbury à celles de la Laurentienne pour continuer à améliorer l'offre de services envers les communautés autochtones dont les liens d'appartenance sont profonds avec les deux institutions universitaires.

Étant donné l'urgence occasionnée par l'insolvabilité de l'Université Laurentienne et la vitesse à laquelle se déroule le processus entamé en vertu de la LACC, nous vous prions de nous confirmer dès midi lundi (demain) votre ouverture à entretenir avec nous des pourparlers à l'amiable sur la possibilité de la mise en œuvre, en partie ou en totalité, de notre proposition.

Dans l'attente d'une réponse favorable, veuillez agréer, Mesdames et Messieurs, nos salutations les meilleures.

Sheppard & Claude

André Claude

c.c. Pierre Riopel, Président du Conseil des régents, Université de Sudbury
John Meehan, Recteur, Université de Sudbury
Ronald F. Caza, Caza Saikaley



Monday, 12 April 2021

Delivery by E-Mail

[UNOFFICIALLY TRANSLATED FROM
THE ORIGINAL FRENCH VERSION]

THORNTON GROUT FINNIGAN LLP
100 Wellington St. West, Suite 3200
TD West Tower, Toronto-Dominion Centre
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Attention: D.J. Miller
Mitchell W. Grossell
Andrew Hanrahan
Derek Harland

ERNST & YOUNG INC.
100 Adelaide Street West
EY Tower
Toronto, ON M5H 0B3

Attention: Sharon Hamilton
Michael Nathaniel

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Attention: Ashley Taylor,
Elizabeth Pillon
Ben Muller

**RE: IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
LAURENTIAN UNIVERSITY OF SUDBURY (under CCAA)
Court File No. CV-21-656040-00CL
Request for Laurentian's French-language Programmes by University of Sudbury**

Dear Madams, Dear Sirs:



This will serve to advise that the University of Sudbury intends to contest any legal proceedings initiated by Laurentian University (Laurentian) that do or may infringe upon the rights and property of the Sudbury University, and more particularly regarding the Notice of Disclaimer that you served upon us on April 1st.

As you know, the University of Sudbury announced on Friday, March 12, that it was becoming a francophone university. It has already begun its transition to achieve this new mission quickly.

To this end, the University of Sudbury is calling for all programs, courses and services offered in French at Laurentian University, as well as facilities and related resources. We believe this avenue not only in the best interest of both universities, but above all necessary to avoid the irreparable harm that is being inflicted on the Franco-Ontarian community because of the current uncertainty surrounding the future of Laurentian, especially with regard to the continuity of the French language services so essential to the Francophone community.

We have witnessed for more than a decade, and over the past few weeks in particular, a lack in interest by Laurentian or even a lack of passion to make greater efforts in its delivery of French-language services. It must be recognized that the continuity of all services in French at Laurentian is currently threatened, to say nothing about the need to expand the programs offered to the community. If left in the hands of Laurentian, the situation will further decline rather than improve. It should come as no surprise that the Franco-Ontarian community is now giving its full support to the University of Sudbury and that it wishes to entrust it with full responsibility over these services.

With this said, the French-speaking community asks Laurentian for its cooperation to ensure a coordinated transfer of programs and services during this important transition. In the present circumstances, this seems like the least that Laurentian can do for the good of the community.

In order to achieve this objective in the most direct way, should Laurentian be willing, is to effect the transition within the existing federation. Thus, we negotiate a complete overhaul of the federated agreements.

We believe it is possible to do so in a spirit of collaboration, in an effort to stop the damage being inflicted on the Franco-Ontarian community. Thus, the University of Sudbury is inviting the Board of Governors and the Senate of Laurentian to meet with the University of Sudbury to establish the terms of such a transfer and to work together to build this new future. A dialogue between the parties offers a unique opportunity for Laurentian to join with the University of Sudbury to give effect to this university project by and for francophones, with all the financial benefits that this can bring to both sides, of which there should be plenty if the parties are willing to collaborate. The University of Sudbury considers this avenue to be in the interest of all parties concerned because



it promotes both the financial viability of Laurentian and at the same time ensures respect for the rights of the linguistic minority.

The plans of the University of Sudbury meet to the expressed wishes of the Franco-Ontarian community and will better serve its needs. There is a community consensus that the development of the minority-language rights necessarily requires the establishment of institutions run by and for Franco-Ontarians; this has already been proven at the elementary and secondary levels of education, and at the college level. While acknowledging the many years that Laurentian has evolved with this community, the Franco-Ontarian community now advocates a unilingual French-language university model; this may be achieved either within the framework of the existing federated agreement or by (other) independent means.

There is a unique opportunity here for both institutions to change post-secondary education in the Near North area so that these two founding Sudbury institutions can help each other grow and develop their post-secondary offerings under a new business model that will also meet the needs of the Franco-Ontarian community.

Let us also seize this opportunity to join forces of the University of Sudbury to Laurentian's in an effort to continue to improve our services to the Indigenous communities whose ties are deep with the two academic institutions.

Given the urgency caused by Laurentian's insolvency and the speed with which the CCAA process is unfolding, please confirm as early as noon on Monday (tomorrow) your willingness to hold amicable discussions with us on the possibility of implementing our proposal in whole or in part.

Pending a favourable response, please accept, ladies and gentlemen, our best greetings.

Sheppard & Claude

A. Claude

Andre Claude

c.c. Pierre Riopel, Chair of the Council of Regents, University of Sudbury
John Meehan, President, University of Sudbury
Ronald Caza, Caza Saikaley

This is Exhibit "S" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

April 12, 2021

VIA EMAIL (aclaude@sheppardclaud.ca)

Sheppard & Claude
202 – 1173 Road Cyrville Road,
Ottawa ON K1J 7S6

Attention: André Claude

Dear Sir:

Re: In the Matter of the *Companies' Creditors Arrangement Act* and In the Matter of a Plan of Compromise or Arrangement of Laurentian University of Sudbury, Court File No.: CV-21-00656040-00CL

We acknowledge receipt of your letter of today's date.

We agree that the restructuring of Laurentian University of Sudbury ("**Laurentian**") ought to proceed with a spirit of collaboration, and Laurentian has every intention of working with the University of Sudbury ("**US**") to that end. In particular, Laurentian remains prepared to engage in meaningful discussions with US as to how to best transition to two separate institutions following: (i) the announcement by US on March 12, 2021 that it intends to become a unilingual Francophone university, and (ii) the issuance of the Notice of Disclaimer of the Federation Agreements by Laurentian on April 1, 2021. Laurentian has made clear that it respects the historic legacy of US, notwithstanding termination of the federation relationship.

Laurentian and US are on different paths in terms of how they intend to deliver French language post-secondary education in Ontario. US has taken a view that it ought to be a French-only institution. Laurentian intends to maintain its commitment to the Franco-Ontario community and to remain a tri-cultural institution that provides strong, comprehensive academic programs in both English and French.

Laurentian's French language programs (serving approximately 2,000 Laurentian students) are at the core of its mandate. As such, Laurentian does not intend to transfer any French language programs or services to US. Laurentian does not agree that transferring its French language programmes and services to US, "... promotes both the financial viability of Laurentian and at the same time ensures respect for the rights of the linguistic minority." To the contrary, Laurentian believes that maintaining French-language programs is critical to its successful restructuring and

its ability to serve both the English and French speaking communities, in addition to its strong commitment to the Indigenous communities of Ontario.

Laurentian is a “government agency” for the purposes of the *French Language Services Act* and O. Reg. 398/93 *Designation of Public Service Agencies* and it intends to continue to comply with its obligations therein.

Notwithstanding the different approaches that Laurentian and US intend to pursue for the delivery of French language post-secondary education in the future, Laurentian confirms its continued willingness to engage in a cooperative dialogue with US as to the best path forward through the necessary transition. In that regard, we have not received a response from US in respect of the transition proposal delivered by Laurentian on March 26, 2021, and we would be pleased to discuss same.

Yours truly,

Thornton Grout Finnigan LLP



D.J. Miller

cc: *Laurentian University of Sudbury*
 Ernst & Young Inc. – Court-appointed Monitor
 Stikeman Elliott LLP – Counsel to the Court-appointed Monitor

This is Exhibit "T" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

**TRANSITION AGREEMENT BETWEEN UNIVERSITY OF SUDBURY (“USUDBURY”)
AND LAURENTIAN UNIVERSITY OF SUDBURY (“LAURENTIAN”) WITH RESPECT TO
TRANSITION POST-DISCLAIMER OF THE FEDERATION AGREEMENT**

I. PURPOSE

This document constitutes a transition agreement (the “**Transition Agreement**”) between USudbury and Laurentian following Laurentian’s disclaimer of the Federation Agreement between USudbury and Laurentian dated September 10, 1960 (the “**Federation Agreement**”) and the Financial Distribution Notice between USudbury and Laurentian dated May 1, 2019 (the “**Financial Distribution Notice**”) pursuant to section 32 of the *Companies’ Creditors Arrangement Act* (the “**CCAA**”). The terms set out herein represent an offer by Laurentian to USudbury which are open for acceptance until the commencement of the motion brought by Laurentian which is returnable on April 29, 2021 before the Ontario Superior Court of Justice (Commercial List). Acceptance of the offer reflected in this Term Sheet is subject to approval of USudbury’s Board of Regents and Laurentian’s Board of Governors.

II. EFFECTIVENESS

1. This Transition Agreement shall become binding on the parties upon signing (subject only to Court approval and approval of Laurentian’s Board of Governors and USudbury’s Board of Regents), with an effective date for implementation of May 1, 2021 or such other date agreed to between USudbury and Laurentian (the “**Effective Date**”).

III. ACADEMIC PROGRAMS AND COURSES

2. Effective on the Effective Date, USudbury shall cease to have the ability or responsibility to deliver academic courses or programs as credit towards Laurentian courses and degrees. As of the Effective Date, Laurentian students will no longer be permitted to register for or take elective courses through USudbury (save and except for the completion of courses in the current term, including marking of any final student work or exams). No credits towards any degree granted by Laurentian will be given for any courses offered by USudbury that may be taken by a Laurentian student, save and except as may be otherwise available to all students through the ordinary process for seeking recognition of courses taken at any other university.
3. On the Effective Date, Laurentian shall transfer in full to USudbury all outstanding tuition and grant funds received by Laurentian for the benefit of USudbury for the period between February 1, 2021 to the Effective Date calculated in accordance with the existing funding formula. Following the Effective Date, neither Laurentian nor USudbury shall be required to transfer any portion of any tuition fees, grants, or other funding received by either of them from any source to the other, except as may be expressly provided in the Transition Agreement.
4. Laurentian shall advise students currently enrolled in USudbury’s current courses and programs (collectively, the “**USudbury Courses and Programs**”) that the USudbury Courses and Programs have been discontinued towards Laurentian degrees by Laurentian and Laurentian will offer all such students enrollment in other courses or programs, as applicable, offered by Laurentian. USudbury shall have no responsibility or liability of any kind to Laurentian, students, or other persons arising from the discontinuance or cancellation of the USudbury Courses and Programs towards Laurentian degrees (including any refund of tuition fees or grant funds received by Laurentian) and USudbury shall not be responsible for any transition of such students to other

Laurentian courses or programs. Notwithstanding anything else herein, USudbury shall provide to Laurentian such information as may be required in order to permit Laurentian to facilitate the transfer of students to programs at Laurentian and the recognition of their credits, grades, and related information.

5. USudbury and Laurentian will work cooperatively through the transition period to ensure that, above all, students are protected with an opportunity to continue their studies towards completion of a degree through courses taught at Laurentian.
6. With that in mind and notwithstanding any other provision herein, USudbury and its faculty shall complete all work and satisfy all obligations in respect of all courses and programs currently being offered by USudbury during the current Winter 2021 academic term, including marking of all final papers, exams, essays, and other course work to enable grades, marks, and credits to be received by existing students in the ordinary course.
7. Subject to any terms as may be agreed to by USudbury and Laurentian for a one-time purchase and transfer of the curriculum and all related materials for the Indigenous Studies program, as described below, USudbury will continue to retain ownership and control of the USudbury Courses and Programs, including all rights to teach, lease, or license the USudbury Courses and Programs and any related intellectual property in the future, regardless of the mode of delivery.
8. Based on a request received by Laurentian from the Laurentian University Native Education Counsel (“LUNEC”), and with ongoing engagement with LUNEC, Laurentian is prepared to immediately engage in discussions with USudbury with respect to the Indigenous Studies program, and is prepared to offer online courses in the Spring term at the specific request of LUNEC. Laurentian will not assume the employment of any USudbury faculty as part of any future arrangements for the Indigenous Studies program, however, the faculty who have taught Indigenous Studies courses at USudbury will have the opportunity to continue teaching at Laurentian as sessionals, subject to the terms of the collective agreement between Laurentian and the Laurentian University Faculty Association.

IV. USUDBURY LEASE AND CONTINUED USE OF FACILITIES

9. Following the Effective Date, the Indenture between USudbury and Laurentian dated April 9, 1965 (the “**USudbury Lease**”) shall remain in full force and effect and shall, subject only to any conforming changes arising from the terms of the Transition Agreement, continue on the existing terms set out therein. For greater certainty, neither the disclaimer/termination of the Federation Agreement nor the Transition Agreement shall trigger Laurentian’s rights under section 6 of the USudbury Lease. USudbury shall remain responsible for all obligations under the USudbury Lease. Nothing contained herein constitutes a waiver or forbearance by Laurentian in any respect for the obligations thereunder, nor shall the non-delivery of a Disclaimer Notice under the USudbury Lease be deemed to constitute any such waiver.
10. USudbury will continue to maintain its building and related facilities (including its residence and parking lot) for its own benefit and use. Following the Effective Date, USudbury will continue to offer residence and parking which will be operated independently of Laurentian.
11. If requested by USudbury, Laurentian will offer USudbury’s residence on its website/student enrollment and marketing materials for Laurentian students. Laurentian’s website/student enrollment and marketing materials will include language specifying that USudbury’s residence is

independently managed and operated by USudbury and not Laurentian. In consideration for including the USudbury residence in Laurentian's website / marketing materials, USudbury will require students residing in USudbury's residence to opt into the Laurentian meal plan. USudbury will ensure that its residence complies with Laurentian's minimum standards to house Laurentian students and USudbury agrees that it will subscribe to Laurentian's security services to ensure the safety of Laurentian students housed in USudbury's residence in accordance with Section V below. This aspect of the Transition Agreement will be for a term of three years, subject to further review and consideration as to any renewal(s) by mutual agreement of the parties.

12. USudbury shall be solely responsible for all buildings it owns and operates on Laurentian's land including all related facilities and activities conducted thereon. USudbury agrees that Laurentian shall not be liable or responsible in any manner whatsoever relating to USudbury's operation or use of its buildings, facilities, or residence, and that USudbury is solely responsible for all aspects of same. USudbury will ensure that its use of premises and activities conducted thereon are consistent with the terms of the USudbury Lease, including ensuring the buildings are kept in a good state of repair and remain compliant with applicable health and safety codes.

V. SEPARATING OPERATIONS

With respect to operating services that are currently provided or managed by Laurentian for USudbury:

13. The parties will prepare a schedule of all such services with the corresponding portion of the cost attributable to USudbury (or, where such portion is not a defined amount, the method of calculating the portion), which schedule shall be developed cooperatively between Laurentian and USudbury.
14. Prior to the Effective Date, USudbury and Laurentian will identify and agree to those services that USudbury will no longer require from Laurentian following the Effective Date and such services shall be discontinued as of the Effective Date.
15. USudbury and Laurentian will work cooperatively to transfer to USudbury complete responsibility and billing of USudbury's portion within three (3) months of the Effective Date where it is possible to do so at minimal cost to either USudbury or Laurentian.
16. For services which cannot be transferred on that basis or which USudbury and Laurentian mutually agree not to transfer, Laurentian will continue to provide the service and shall bill USudbury for USudbury's portion of such service at cost, with no additional fees.
17. In the alternative to the above, Laurentian is willing to consider an arrangement whereby shared services continue to be provided by Laurentian on the current basis and USudbury will pay Laurentian an all-in service fee to administer those services, the amount of which to be mutually agreed upon by USudbury and Laurentian. This option is subject to the parties agreeing on the terms for such an arrangement, including the services to be provided, the fees to be paid by USudbury, and the term length of such an agreement.

VI. BOARD AND SENATE NOMINEES

18. Effective on the Effective Date, USudbury shall cease to have any right to nominate members to the Board of Governors or the Senate of Laurentian.

VII. PENSION AND BENEFITS

19. The terms of any continuation, discontinuation or amendment of USudbury's participation in the Laurentian registered pension plan and retiree health and benefits plan shall be as set out in the Pension Term Sheet, attached hereto as Schedule "A".

VIII. COURT APPROVAL

20. Laurentian will include a copy of this Term Sheet in its motion materials in support of the Order to be sought from the Court on April 29, 2021. If the terms of this offer are accepted by Thorneloe prior to commencement of the motion, Laurentian will seek Court approval of same at that time.

DATED at Sudbury this _____ day of April, 2021

Laurentian University of Sudbury

University of Sudbury

SCHEDULE “A”

SUMMARY OF KEY PENSION AND BENEFIT TERMS BETWEEN THE UNIVERSITY OF SUDBURY (“USUDBURY”) AND LAURENTIAN UNIVERSITY OF SUDBURY (“LAURENTIAN”) WITH RESPECT TO TRANSITION POST-DISCLAIMER OF THE FEDERATION AGREEMENT

I. PURPOSE

1. This document (“**Pension and Benefits Schedule**”) provides a summary overview of the key terms of the Transition Agreement between USudbury and Laurentian with respect to USudbury’s participation in, and obligations with respect to, pension entitlements earned by USudbury’s employees and former employees under the Retirement Plan of Laurentian University of Sudbury and its Federated and Affiliated Universities, Registration No. 0267013 (the “**Registered Pension Plan**”) and the Retiree Health Benefit Plan.
2. Capitalized terms not defined herein have the meaning given to them in the Transition Agreement
3. The contents of this Pension and Benefits Schedule provide a summary overview only. Finalization of this Pension and Benefits Schedule shall be subject to approval of USudbury’s Board of Regents and Laurentian’s Board of Governors.

II. EFFECTIVENESS

4. This Pension and Benefits Schedule forms part of the Transition Agreement and will become effective coincident with, and on the same preconditions as the Transition Agreement except that Laurentian and its DIP Lender also must be satisfied of USudbury’s financial ability to satisfy its obligations to the Registered Pension Plan as set out below.

III. FUTURE SERVICE ACCRUAL UNDER REGISTERED PENSION PLAN

5. USudbury employees who participate in the Registered Pension Plan shall cease to accrue benefits under and cease to make contributions to the Registered Pension Plan effective on a date to be agreed, which shall be no later than June 30, 2021 (the “**Final Accrual Date**”) or on the date of their termination of employment, if earlier.
6. No service or earnings of USudbury employees in respect of the period after the Final Accrual Date shall be taken into account in determining the benefits of USudbury employees under the terms of the Registered Pension Plan.
7. Upon termination of employment with USudbury, members shall be entitled to termination or retirement options in accordance with the *Pension Benefits Act* and terms of the Registered Pension Plan, as amended from time to time including amendments that impact portability rights in respect of past service entitlements.
8. USudbury shall continue to make current service contributions for benefits accruing for USudbury employees and shall continue to make all required special payments in accordance with the *Pension Benefits Act* until the Final Accrual Date.

IV. NOTIONAL SEGREGATION OF USUDBURY ASSETS AND LIABILITIES

9. In its capacity as administrator of the Registered Pension Plan, Laurentian will cause the Actuary for the Registered Pension Plan to calculate (1) the liabilities of USudbury's employees and former employees ("**USudbury Members**") under the Registered Pension Plan ("**USudbury Liabilities**") separate from all other liabilities under the Registered Pension Plan ("**Other Liabilities**") and (2) a proportional share of the assets of the Registered Pension Plan relating to the USudbury Liabilities (the "**USudbury Account**") separate from the proportional share of the assets of the Registered Pension Plan associated with the Other Liabilities.
10. The initial USudbury Liabilities and USudbury Account will be calculated as at January 1, 2020 on a wind-up basis using the assumptions and methodologies set out in the actuarial valuation report for the Registered Pension Plan prepared as at January 1, 2020. To reflect activity for the period January 1, 2020 to the date of calculation, the USudbury Account will be adjusted to reflect current service contributions and special payments made by USudbury and USudbury Members from January 1, 2020 to the date of calculation, which will be credited to the USudbury Account, and to reflect benefit payments made to USudbury Members from January 1, 2020 to the date of calculation which will be debited from the USudbury Account.
11. The USudbury Account shall be a notional recordkeeping account within the pension fund under the Registered Pension Plan. Laurentian is not required to segregate the USudbury Account from other assets held in relation to the Registered Pension Plan.
12. Laurentian will cause investment returns, net of all expenses, earned on the pension fund assets to be credited to the USudbury Account from January 1, 2020 to the date on which all USudbury Liabilities are satisfied in full.

V. FUNDING OF WIND-UP DEFICIT

13. USudbury's portion of the Registered Pension Plan's wind-up determined by the Actuary as of January 1, 2020 is estimated to be \$6,644,000 (the "**Initial Wind-Up Deficit**").
14. In respect of the Initial Wind-up Deficit, the Actuary shall calculate the amount of the monthly payments required to satisfy the deficit by the 15-year anniversary of the Final Accrual Date (the "**Amortization End Date**") based on the solvency (non-indexed) interest rate in effect on January 1, 2020 and USudbury shall make such monthly payments to the pension fund of the Registered Pension Plan.
15. The Actuary shall recalculate the USudbury Liabilities on a wind-up basis each time an actuarial valuation of the Registered Pension Plan is filed with the Financial Services Regulatory Authority of Ontario and the recalculation of the USudbury Liabilities shall reflect actuarial gains and losses to the new valuation date (each a "**Restated Wind-Up Deficit**"). For greater certainty, the USudbury Liabilities in respect of the pensions accrued for the period January 1, 2020 to the Final Accrual Date will be reflected in the first Restated Wind-Up Deficit.
16. In respect of each Restated Wind-Up Deficit, the Actuary shall recalculate the amount of the monthly payments (including retroactive adjustments) required to satisfy the deficit effective from the new valuation date to the Amortization End Date based upon the solvency (non-indexed) interest rate in effect on the valuation date of the new valuation report and USudbury shall make such monthly payments to the pension fund of the Registered Pension Plan.

17. Monthly payments are due to the pension fund of the Registered Pension Plan on the first business day of each month on or after the Final Accrual Date.
18. USudbury may, at its option, make lump-sum pre-payments in respect of the Initial Wind-Up Deficit, or a Restated Wind-Up Deficit, as applicable, and any such pre-payments shall be applied to reduce the amortization period.
19. If any USudbury Member is entitled to, and elects a commuted value option, USudbury shall make payments to the pension fund of the Registered Pension Plan to fund the transfer deficiency within five (5) years of the initial commuted value installment payment.

VI. PURCHASE OF ANNUITIES

20. Laurentian will, subject to having received the payments described above and subject to the requirements of the *Pension Benefits Act*, purchase buy-out annuities and seek a discharge in respect of the USudbury Members as soon as practical following the date on which the assets in the USudbury Account are equal to or in excess of the USudbury Liabilities.
21. USudbury will pay into the pension fund for the Registered Pension Plan the difference between the cost of purchasing annuities for USudbury Members to satisfy all remaining USudbury Liabilities (inclusive of the transactional costs associated with the annuity purchase), and the assets in the USudbury Account.
22. To the extent that there are assets remaining in the USudbury Account following the satisfaction of all USudbury Liabilities after the purchase of buy-out annuities (following any adjustment period) Laurentian will pay an equivalent amount to USudbury and the USudbury Account shall be closed.

VII. RESPONSIBILITY FOR PENSION DEFICIT & REMEDIES

23. USudbury acknowledges and agrees that it is and shall remain solely responsible for the funding of the USudbury Liabilities in accordance with the *Pension Benefits Act* until buy-out annuities are purchased for USudbury Members and a discharge under the *Pension Benefits Act* has been obtained by Laurentian. USudbury shall remain responsible for special payment obligations arising in respect of the USudbury Liabilities on and after the Final Accrual Date to the extent the monthly payments in Section V are insufficient to satisfy the special payment obligations.
24. In the event of a default in making monthly payments, or breach of the Transition Agreement by USudbury which has not been cured, Laurentian may, without prejudice to any other remedies that may be available to it, require USudbury to immediately accelerate all payments hereunder to fully satisfy all USudbury Liabilities.
25. In the event of a default in making monthly payments, a breach of the Transition Agreement by USudbury, USudbury's bankruptcy or insolvency, or the failure of USudbury to satisfy the financial pre-conditions set out in Section II, Laurentian may, without prejudice to any other remedies that may be available to it, take steps to establish a separate pension plan such that the USudbury Liabilities and the USudbury Account are segregated from the remainder of the Registered Pension Plan. Such transaction shall be at USudbury's cost. USudbury shall cooperate with Laurentian to achieve this result.

26. Until the USudbury Liabilities have been satisfied in full, USudbury agrees that it shall not undertake a transfer of or encumber its property or make distributions or gifts of its property without the written consent of Laurentian.

VIII. CALCULATIONS

27. All calculations required to give effect to this Pension and Benefits Schedule will be performed by the Actuary as directed by Laurentian, using interest rates and actuarial assumptions in effect in respect of the Registered Pension Plan from time to time and the cost of preparing such calculations will be borne by the Registered Pension Plan.

IX. ONGOING PLAN ADMINISTRATION, ASSESSMENTS & WIND UP OF THE REGISTERED PENSION PLAN

28. Laurentian shall continue to administer the Registered Pension Plan, including communications, the administration of the Registered Pension Plan in respect of USudbury Members and the investment of the USudbury Account.
29. Laurentian is solely responsible for setting the actuarial assumptions and methodology to be used in actuarial valuations of the Registered Pension Plan.
30. USudbury's participation in the Pension Committee for the Registered Pension Plan will cease on the April 30, 2021.
31. Laurentian shall make available to USudbury such relevant information about the Registered Pension Plan as the parties may agree.
32. USudbury will be responsible for the cost of any additional actuarial assessments or calculations it seeks in connection with the fulfillment of its obligations hereunder.
33. USudbury will remain responsible for its portion of all Pension Benefits Guarantee Fund or other assessments required to be paid in respect of the Registered Pension Plan.
34. Nothing in this Pension and Benefits Schedule limits Laurentian's right to amend, terminate or convert the Registered Pension Plan into another registered pension plan, in its sole discretion.
35. If the Registered Pension Plan is wound-up prior to the discharge of USudbury in respect of the USudbury Liabilities, USudbury's funding obligations will be determined in accordance with the *Pension Benefits Act*. If the Registered Pension Plan is converted into another registered pension plan prior to the discharge of USudbury in respect of the USudbury Liabilities, USudbury's funding obligations will be determined in accordance with the *Pension Benefits Act* and the conversion agreements.

X. RETIREE HEALTH BENEFITS PLAN

36. USudbury's employees and retirees will receive the same treatment as Laurentian employees and retirees in respect of the Retiree Health Benefit Plan ("RHBP"), and claims in respect of the RHBP may be filed in any claims process under the CCAA.
37. The RHBP has, or will be, terminated within the CCAA proceeding. No RHBP claims have or will be processed after February 1, 2021.

38. No USudbury employees will continue to accrue future benefits under the RHBP for any period on or after the Final Accrual Date or the date the RHBP is terminated, if earlier.

This is Exhibit "U" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

A Commissioner for taking affidavits

**TRANSITION AGREEMENT BETWEEN THORNELOE UNIVERSITY (“THORNELOE”)
AND LAURENTIAN UNIVERSITY OF SUDBURY (“LAURENTIAN”) WITH RESPECT TO
TRANSITION POST-DISCLAIMER OF THE FEDERATION AGREEMENT**

I. PURPOSE

This document constitutes a transition agreement (the “**Transition Agreement**”) between Thorneloe and Laurentian following Laurentian’s disclaimer of the Federation Agreement between Thorneloe and Laurentian entered into in 1962 (the “**Federation Agreement**”) and the Financial Distribution Notice between Thorneloe and Laurentian dated May 1, 2019 (the “**Financial Distribution Notice**”) pursuant to section 32 of the *Companies’ Creditors Arrangement Act* (the “**CCAA**”). The terms set out herein represent an offer by Laurentian to Thorneloe which are open for acceptance until the commencement of the motion brought by Laurentian which is returnable on April 29, 2021 before the Ontario Superior Court of Justice (Commercial List). Acceptance of the offer reflected in this Term Sheet is subject to approval of Thorneloe’s Board of Governors and Laurentian’s Board of Governors.

II. EFFECTIVENESS

1. This Transition Agreement shall become binding on the parties upon signing (subject only to Court approval and approval of the Board of Governors of each of Laurentian and Thorneloe), with an effective date for implementation of May 1, 2021 or such other date agreed to between Thorneloe and Laurentian (the “**Effective Date**”).

III. ACADEMIC PROGRAMS AND COURSES

2. Effective on the Effective Date, Thorneloe shall cease to have the ability or responsibility to deliver academic courses or programs as credit towards Laurentian courses and degrees. As of the Effective Date, Laurentian students will no longer be permitted to register for or take elective courses through Thorneloe (save and except for the completion of courses in the current term, including marking of any final student work or exams). No credits towards any degree granted by Laurentian will be given for any courses offered by Thorneloe that may be taken by a Laurentian student, save and except as may be otherwise available to all students through the ordinary process for seeking recognition of courses taken at any other university.
3. On the Effective Date, Laurentian shall transfer in full to Thorneloe all outstanding tuition and grant funds received by Laurentian for the benefit of Thorneloe for the period between February 1, 2021 to the Effective Date calculated in accordance with the existing funding formula. Following the Effective Date, neither Laurentian nor Thorneloe shall be required to transfer any portion of any tuition fees, grants, or other funding received by either of them from any source to the other, except as may be expressly provided in the Transition Agreement.
4. Laurentian shall advise students currently enrolled in Thorneloe’s current courses and programs (collectively, the “**Thorneloe Courses and Programs**”) that the Thorneloe Courses and Programs have been discontinued towards Laurentian degrees by Laurentian and Laurentian will offer all such students enrollment in other courses or programs, as applicable, offered by Laurentian. Thorneloe shall have no responsibility or liability of any kind to Laurentian, students, or other persons arising from the discontinuance or cancellation of the Thorneloe Courses and Programs towards Laurentian degrees (including any refund of tuition fees or grant funds received by Laurentian) and Thorneloe shall not be responsible for any transition of such students to other Laurentian courses or programs. Notwithstanding anything else herein, Thorneloe shall provide to

Laurentian such information as may be required in order to permit Laurentian to facilitate the transfer of students to programs at Laurentian and the recognition of their credits, grades, and related information.

5. Thorneloe and Laurentian will work cooperatively through the transition period to ensure that, above all, students are protected with an opportunity to continue their studies towards completion of a degree through courses taught at Laurentian.
6. With that in mind and notwithstanding any other provision herein, Thorneloe and its faculty shall complete all work and satisfy all obligations in respect of all courses and programs currently being offered by Thorneloe during the current Winter 2021 academic term, including marking of all final papers, exams, essays, and other course work to enable grades, marks, and credits to be received by existing students in the ordinary course.
7. Thorneloe will continue to retain ownership and control of the Thorneloe Courses and Programs, including all rights to teach, lease, or license the Thorneloe Courses and Programs and any related intellectual property in the future, regardless of the mode of delivery.

IV. **THORNELOE LEASE AND CONTINUED USE OF FACILITIES**

8. Following the Effective Date, the Indenture between Thorneloe and Laurentian dated October 26, 1964 (the “**Thorneloe Lease**”) shall remain in full force and effect and shall, subject only to any conforming changes arising from the terms of the Transition Agreement, continue on the existing terms set out therein. For greater certainty, neither the disclaimer/termination of the Federation Agreement nor the Transition Agreement shall trigger Laurentian’s rights under section 6 of the Thorneloe Lease. Thorneloe shall remain responsible for all obligations under the Thorneloe Lease. Nothing contained herein constitutes a waiver or forbearance by Laurentian in any respect for the obligations thereunder, nor shall the non-delivery of a Disclaimer Notice under the Thorneloe Lease be deemed to constitute any such waiver.
9. Thorneloe will continue to maintain its building and related facilities (including its residence and parking lot) for its own benefit and use. Following the Effective Date, Thorneloe will continue to offer residence and parking which will be operated independently of Laurentian.
10. If requested by Thorneloe, Laurentian will offer Thorneloe’s residence on its website/student enrollment and marketing materials for Laurentian students. Laurentian’s website/student enrollment and marketing materials will include language specifying that Thorneloe’s residence is independently managed and operated by Thorneloe and not Laurentian. In consideration for including the Thorneloe residence in Laurentian’s website/marketing materials, Thorneloe will require students residing in Thorneloe’s residence to opt into the Laurentian meal plan. Thorneloe will ensure that its residence complies with Laurentian’s minimum standards to house Laurentian students and Thorneloe agrees that it will subscribe to Laurentian’s security services to ensure the safety of Laurentian students housed in Thorneloe’s residence in accordance with Section V below. This aspect of the Transition Agreement will be for a term of three years, subject to further review and consideration as to any renewal(s) by mutual agreement of the parties.
11. Thorneloe shall be solely responsible for all buildings it owns and operates on Laurentian’s land including all related facilities and activities conducted thereon. Thorneloe agrees that Laurentian shall not be liable or responsible in any manner whatsoever relating to Thorneloe’s operation or use of its buildings, facilities, or residence, and that Thorneloe is solely responsible for all aspects

of same. Thorneloe will ensure that its use of premises and activities conducted thereon are consistent with the terms of the Thorneloe Lease, including ensuring the buildings are kept in a good state of repair and remain compliant with applicable health and safety codes.

V. SEPARATING OPERATIONS

With respect to operating services that are currently provided or managed by Laurentian for Thorneloe:

12. The parties will prepare a schedule of all such services with the corresponding portion of the cost attributable to Thorneloe (or, where such portion is not a defined amount, the method of calculating the portion), which schedule shall be developed cooperatively between Laurentian and Thorneloe.
13. Prior to the Effective Date, Thorneloe and Laurentian will identify and agree to those services that Thorneloe will no longer require from Laurentian following the Effective Date and such services shall be discontinued as of the Effective Date.
14. Thorneloe and Laurentian will work cooperatively to transfer to Thorneloe complete responsibility and billing of Thorneloe's portion within three (3) months of the Effective Date where it is possible to do so at minimal cost to either Thorneloe or Laurentian.
15. For services which cannot be transferred on that basis or which Thorneloe and Laurentian mutually agree not to transfer, Laurentian will continue to provide the service and shall bill Thorneloe for Thorneloe's portion of such service at cost, with no additional fees.
16. In the alternative to the above, Laurentian is willing to consider an arrangement whereby shared services continue to be provided by Laurentian on the current basis and Thorneloe will pay Laurentian an all-in service fee to administer those services, the amount of which to be mutually agreed upon by Thorneloe and Laurentian. This option is subject to the parties agreeing on the terms for such an arrangement, including the services to be provided, the fees to be paid by Thorneloe, and the term length of such an agreement.

VI. BOARD AND SENATE NOMINEES

17. Effective on the Effective Date, Thorneloe shall cease to have any right to nominate members to the Board of Governors or the Senate of Laurentian.

VII. PENSION AND BENEFITS

18. The terms of any continuation, discontinuation or amendment of Thorneloe's participation in the Laurentian registered pension plan and retiree health and benefits plan shall be as set out in the Pension Term Sheet, attached hereto as Schedule "A".

VIII. COURT APPROVAL

19. Laurentian will include a copy of this Term Sheet in its motion materials in support of the Order to be sought from the Court on April 29, 2021. If the terms of this offer are accepted by Thorneloe prior to the commencement of the motion, Laurentian will seek Court approval of same at that time.

DATED at Sudbury this _____ day of April, 2021.

Laurentian University of Sudbury

Thorneloe University

SCHEDULE “A”

SUMMARY OF KEY PENSION AND BENEFIT TERMS BETWEEN THORNELOE UNIVERSITY (“THORNELOE”) AND LAURENTIAN UNIVERSITY OF SUDBURY (“LAURENTIAN”) WITH RESPECT TO TRANSITION POST-DISCLAIMER OF THE FEDERATION AGREEMENT

I. PURPOSE

1. This document (“**Pension and Benefits Schedule**”) provides a summary overview of the key terms of the Transition Agreement between Thorneloe and Laurentian with respect to Thorneloe’s participation in, and obligations with respect to, pension entitlements earned by Thorneloe’s employees and former employees under the Retirement Plan of Laurentian University of Thorneloe and its Federated and Affiliated Universities, Registration No. 0267013 (the “**Registered Pension Plan**”) and the Retiree Health Benefit Plan.
2. Capitalized terms not defined herein have the meaning given to them in the Transition Agreement.
3. The contents of this Pension and Benefits Schedule provide a summary overview only. Finalization of this Pension and Benefits Schedule shall be subject to approval of Thorneloe’s Board of Governors and Laurentian’s Board of Governors.

II. EFFECTIVENESS

4. This Pension and Benefits Schedule forms part of the Transition Agreement and will become effective coincident with, and on the same preconditions as the Transition Agreement except that Laurentian and its DIP Lender also must be satisfied of Thorneloe’s financial ability to satisfy its obligations to the Registered Pension Plan as set out below.

III. FUTURE SERVICE ACCRUAL UNDER REGISTERED PENSION PLAN

5. Thorneloe employees who participate in the Registered Pension Plan shall cease to accrue benefits under and cease to make contributions to the Registered Pension Plan effective on a date to be agreed, which shall be no later than June 30, 2021 (the “**Final Accrual Date**”) or on the date of their termination of employment, if earlier.
6. No service or earnings of Thorneloe employees in respect of the period after the Final Accrual Date shall be taken into account in determining the benefits of Thorneloe employees under the terms of the Registered Pension Plan.
7. Upon termination of employment with Thorneloe, members shall be entitled to termination or retirement options in accordance with the *Pension Benefits Act* and terms of the Registered Pension Plan, as amended from time to time including amendments that impact portability rights in respect of past service entitlements.
8. Thorneloe shall continue to make current service contributions for benefits accruing for Thorneloe employees and shall continue to make all required special payments in accordance with the *Pension Benefits Act* until the Final Accrual Date.

IV. NOTIONAL SEGREGATION OF THORNELOE ASSETS AND LIABILITIES

9. In its capacity as administrator of the Registered Pension Plan, Laurentian will cause the Actuary for the Registered Pension Plan to calculate (1) the liabilities of Thorneloe's employees and former employees ("**Thorneloe Members**") under the Registered Pension Plan ("**Thorneloe Liabilities**") separate from all other liabilities under the Registered Pension Plan ("**Other Liabilities**") and (2) a proportional share of the assets of the Registered Pension Plan relating to the Thorneloe Liabilities (the "**Thorneloe Account**") separate from the proportional share of the assets of the Registered Pension Plan associated with the Other Liabilities.
10. The initial Thorneloe Liabilities and Thorneloe Account will be calculated as at January 1, 2020 on a wind-up basis using the assumptions and methodologies set out in the actuarial valuation report for the Registered Pension Plan prepared as at January 1, 2020. To reflect activity for the period January 1, 2020 to the date of calculation, the Thorneloe Account will be adjusted to reflect current service contributions and special payments made by Thorneloe and Thorneloe Members from January 1, 2020 to the date of calculation, which will be credited to the Thorneloe Account, and to reflect benefit payments made to Thorneloe Members from January 1, 2020 to the date of calculation which will be debited from the Thorneloe Account.
11. The Thorneloe Account shall be a notional recordkeeping account within the pension fund under the Registered Pension Plan. Laurentian is not required to segregate the Thorneloe Account from other assets held in relation to the Registered Pension Plan.
12. Laurentian will cause investment returns, net of all expenses, earned on the pension fund assets to be credited to the Thorneloe Account from January 1, 2020 to the date on which all Thorneloe Liabilities are satisfied in full.

V. FUNDING OF WIND-UP DEFICIT

13. Thorneloe's portion of the Registered Pension Plan's wind-up determined by the Actuary as of January 1, 2020 is estimated to be \$3,797,000 (the "**Initial Wind-Up Deficit**").
14. In respect of the Initial Wind-up Deficit, the Actuary shall calculate the amount of the monthly payments required to satisfy the deficit by the 15-year anniversary of the Final Accrual Date (the "**Amortization End Date**") based on the solvency (non-indexed) interest rate in effect on January 1, 2020 and Thorneloe shall make such monthly payments to the pension fund of the Registered Pension Plan.
15. The Actuary shall recalculate the Thorneloe Liabilities on a wind-up basis each time an actuarial valuation of the Registered Pension Plan is filed with the Financial Services Regulatory Authority of Ontario and the recalculation of the Thorneloe Liabilities shall reflect actuarial gains and losses to the new valuation date (each a "**Restated Wind-Up Deficit**"). For greater certainty, the Thorneloe Liabilities in respect of the pensions accrued for the period January 1, 2020 to the Final Accrual Date will be reflected in the first Restated Wind-Up Deficit.
16. In respect of each Restated Wind-Up Deficit, the Actuary shall recalculate the amount of the monthly payments (including retroactive adjustments) required to satisfy the deficit effective from the new valuation date to the Amortization End Date based upon the solvency (non-indexed) interest rate in effect on the valuation date of the new valuation report and Thorneloe shall make such monthly payments to the pension fund of the Registered Pension Plan.

17. Monthly payments are due to the pension fund of the Registered Pension Plan on the first business day of each month on or after the Final Accrual Date.
18. Thorneloe may, at its option, make lump-sum pre-payments in respect of the Initial Wind-Up Deficit, or a Restated Wind-Up Deficit, as applicable, and any such pre-payments shall be applied to reduce the amortization period.
19. If any Thorneloe Member is entitled to, and elects a commuted value option, Thorneloe shall make payments to the pension fund of the Registered Pension Plan to fund the transfer deficiency within five (5) years of the initial commuted value installment payment.

VI. PURCHASE OF ANNUITIES

20. Laurentian will, subject to having received the payments described above and subject to the requirements of the *Pension Benefits Act*, purchase buy-out annuities and seek a discharge in respect of the Thorneloe Members as soon as practical following the date on which the assets in the Thorneloe Account are equal to or in excess of the Thorneloe Liabilities.
21. Thorneloe will pay into the pension fund for the Registered Pension Plan the difference between the cost of purchasing annuities for Thorneloe Members to satisfy all remaining Thorneloe Liabilities (inclusive of the transactional costs associated with the annuity purchase), and the assets in the Thorneloe Account.
22. To the extent that there are assets remaining in the Thorneloe Account following the satisfaction of all Thorneloe Liabilities after the purchase of buy-out annuities (following any adjustment period) Laurentian will pay an equivalent amount to Thorneloe and the Thorneloe Account shall be closed.

VII. RESPONSIBILITY FOR PENSION DEFICIT & REMEDIES

23. Thorneloe acknowledges and agrees that it is and shall remain solely responsible for the funding of the Thorneloe Liabilities in accordance with the *Pension Benefits Act* until buy-out annuities are purchased for Thorneloe Members and a discharge under the *Pension Benefits Act* has been obtained by Laurentian. Thorneloe shall remain responsible for special payment obligations arising in respect of the Thorneloe Liabilities on and after the Final Accrual Date to the extent the monthly payments in Section V are insufficient to satisfy the special payment obligations.
24. In the event of a default in making monthly payments, or breach of the Transition Agreement by Thorneloe which has not been cured, Laurentian may, without prejudice to any other remedies that may be available to it, require Thorneloe to immediately accelerate all payments hereunder to fully satisfy all Thorneloe Liabilities.
25. In the event of a default in making monthly payments, a breach of the Transition Agreement by Thorneloe, Thorneloe's bankruptcy or insolvency, or the failure of Thorneloe to satisfy the financial pre-conditions set out in Section II, Laurentian may, without prejudice to any other remedies that may be available to it, take steps to establish a separate pension plan such that the Thorneloe Liabilities and the Thorneloe Account are segregated from the remainder of the Registered Pension Plan. Such transaction shall be at Thorneloe's cost. Thorneloe shall cooperate with Laurentian to achieve this result.

26. Until the Thorneloe Liabilities have been satisfied in full, Thorneloe agrees that it shall not undertake a transfer of or encumber its property or make distributions or gifts of its property without the written consent of Laurentian.

VIII. CALCULATIONS

27. All calculations required to give effect to this Pension and Benefits Schedule will be performed by the Actuary as directed by Laurentian, using interest rates and actuarial assumptions in effect in respect of the Registered Pension Plan from time to time and the cost of preparing such calculations will be borne by the Registered Pension Plan.

IX. ONGOING PLAN ADMINISTRATION, ASSESSMENTS & WIND UP OF THE REGISTERED PENSION PLAN

28. Laurentian shall continue to administer the Registered Pension Plan, including communications, the administration of the Registered Pension Plan in respect of Thorneloe Members and the investment of the Thorneloe Account.
29. Laurentian is solely responsible for setting the actuarial assumptions and methodology to be used in actuarial valuations of the Registered Pension Plan.
30. Thorneloe's participation in the Pension Committee for the Registered Pension Plan will cease on the April 30, 2021.
31. Laurentian shall make available to Thorneloe such relevant information about the Registered Pension Plan as the parties may agree.
32. Thorneloe will be responsible for the cost of any additional actuarial assessments or calculations it seeks in connection with the fulfillment of its obligations hereunder.
33. Thorneloe will remain responsible for its portion of all Pension Benefits Guarantee Fund or other assessments required to be paid in respect of the Registered Pension Plan.
34. Nothing in this Pension and Benefits Schedule limits Laurentian's right to amend, terminate or convert the Registered Pension Plan into another registered pension plan, in its sole discretion.
35. If the Registered Pension Plan is wound-up prior to the discharge of Thorneloe in respect of the Thorneloe Liabilities, Thorneloe's funding obligations will be determined in accordance with the *Pension Benefits Act*. If the Registered Pension Plan is converted into another registered pension plan prior to the discharge of Thorneloe in respect of the Thorneloe Liabilities, Thorneloe's funding obligations will be determined in accordance with the *Pension Benefits Act* and the conversion agreements.

X. RETIREE HEALTH BENEFITS PLAN

36. Thorneloe's employees and retirees will receive the same treatment as Laurentian employees and retirees in respect of the Retiree Health Benefit Plan ("RHBP"), and claims in respect of the RHBP may be filed in any claims process under the CCAA.
37. The RHBP has, or will be terminated within the CCAA proceeding. No RHBP claims have or will be processed after February 1, 2021.

38. No Thorneloe employees will continue to accrue future benefits under the RHBP for any period on or after the Final Accrual Date or the date the RHBP is terminated, if earlier.

This is Exhibit "V" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.

A handwritten signature in black ink, consisting of a large, stylized 'e' followed by a series of loops and a final upward stroke.

A Commissioner for taking affidavits



March 18, 2021

Delivered by E-Mail

Dear Member:

Re: Important Information Concerning Your Pension Plan Entitlements

We are writing on behalf of Laurentian University. As you know, Laurentian University is currently operating under the *Companies' Creditors Arrangement Act* ("CCAA") with a view to restructuring its operations.

Further to the Court hearing on Monday March 15, 2021 of which you were provided notice, I am writing to provide a copy of the Order of the Court and Chief Justice Morawetz's Endorsement issued March 17, 2021 which affects the ability of members of the Retirement Plan of Laurentian University of Sudbury and its Federated and Affiliated Universities (the "Pension Plan") to transfer 100% of the commuted value of their entitlements out of the Pension Plan.

We are writing to you because you are one of the Interim CV Applicants referenced in the Order. The balance of this letter provides you with information about your right to make an election or re-election with regard to your pension entitlements under the Pension Plan in light of the Order.

The Order does not change the amount of your monthly pension entitlement under the Pension Plan nor the amount of the commuted value indicated on your original retirement statement or termination statement. However, as a result of the Order, if you elect to transfer your commuted value out of the Pension Plan, the transfer will be made in two installments instead of one. The first installment will be paid at the Pension Plan's transfer ratio, which is 65.8%, with the balance to be paid within 5 years in accordance with applicable pension legislation. The amount of the second installment is 34.2% of the commuted value indicated on your original retirement statement or termination statement, plus interest.

Payment at the Pension Plan's transfer ratio applies to tax-sheltered locked-in amounts and amounts payable in cash. If your commuted value includes both a tax-sheltered locked-in portion and a taxable cash portion, you will receive 65.8% of both portions in your initial installment.

You are being asked to confirm below your intention about your entitlements under the Pension Plan and return this letter within 30 days of its date. **Failure to respond to this request means that you will be deemed to have withdrawn any request for a commuted value transfer, and you will retain your entitlement to a deferred pension payable from the Pension Plan.**

If you retain a right to a deferred pension under the Pension Plan, your entitlements will be determined based on the terms of the Pension Plan, as amended from time to time. If you elect a commuted value payment in the future, the amount will be recalculated using interest rates and actuarial assumptions then in effect, which may result in a higher or lower commuted value.

If you no longer have copies of your retirement or termination statement and need that information to be re-issued, please contact us immediately and this information will be sent to you.

Election or Re-Election

Our records indicate that you have already returned your Application for Termination Benefits or Application for Pension Benefits Form and all related documentation. You may reconsider your pension options and make a fresh election in light of the attached court Order. **You have 30 days from the date of this letter to return a signed copy of this letter to the address below. If you do not return this letter with one of the boxes below checked, you will be deemed to have withdrawn your request for a commuted value transfer and will retain your entitlement to a deferred pension payable from the Pension Plan.**

Please check one of the boxes below:

- ☐ I confirm my original election to receive a transfer of my commuted value entitlement and understand that the first installment will be 65.8% of the lump sum amount included on my retirement or termination statement, plus interest to first day of the month in which payment is made. I understand the second installment will be payable within five years, in accordance with applicable pension legislation. The transfer of the second installment will be made to the same account(s) on the same conditions as the first installment unless I advise otherwise.
- ☐ I confirm my original election to retain my pension entitlements in the Pension Plan and understand that I have the right to receive a deferred pension.
- ☐ I confirm my original election to commence an immediate pension.
- ☐ I wish to change my original election. I hereby elect the following option:
 - ☐ Receive a transfer of my commuted value entitlement in two installments. I understand that the first installment will be 65.8% of the lump sum amount included on my retirement or termination statement, plus interest to first day of the month in which payment is made. I understand the second installment will be payable within five years, in accordance with applicable pension legislation. The transfer of the second installment will be made to the same account(s) on the same conditions as the first installment unless I advise otherwise.
 - ☐ Retain my pension entitlements in the Pension Plan with the right to a deferred pension.
 - ☐ Commence an immediate pension payable from the Pension Plan with a _____ [[please insert pension commencement date] pension commencement date. Note: this option is only available if you received an Application for Pension Benefits and have reached your early retirement date.

I understand that I will be contacted with regard to any additional documentation that is required to be provided given the change to my original election.

Full Member Name

Signature**How to Return Your Election**

A copy of this letter should be returned by either one of the following methods:

Mail: Eckler Ltd.
Attn: Laurentian University Pension Administration
5140 Yonge Street, Suite 1700
Toronto, ON M2N 6L7

Email: laurentianpensions@eckler.ca

If returning your election by email, please ensure that your documents are clearly legible otherwise originals will be required to be submitted by mail. Please ensure that all emailed documents are password protected. Send the password to us in a separate email. If you are not sure how to do that, please contact us and we can assist you in that regard.

If you have any questions, please do not hesitate to contact Mr. Norman Lavallee, Associate Vice-President Financial Services at pension@laurentian.ca.

Please note that all payments under the Laurentian University Supplemental Retirement Plan (SuRP) have been discontinued at this time in accordance with a court Order issued in the CCAA process. This letter relates solely to your entitlements under the Pension Plan.

Laurentian University Pension Administration

Encl.

Court File No. CV-21-00656040-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE CHIEF

)

WEDNESDAY, THE 17th

JUSTICE MORAWETZ

)

DAY OF MARCH, 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

**ORDER
(Re: Pension)**

THIS MOTION, brought by Laurentian University of Sudbury ("LU") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), for an order: (a) applying the Transfer Ratio (as defined below) to commuted value transfer requests from all Interim CV Applicants (as defined below); and (b) confirming that the PBGF Assessment Payment and the Incremental PBGF Assessment Payment (both as defined below) are stayed pursuant to the terms of the Amended and Restated Initial Order, was heard this day by videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the Notice of Motion of LU dated March 8, 2021, the affidavit of Dr. Robert Haché sworn January 30, 2021 and the Exhibits thereto (the "**Initial Haché Affidavit**") that was previously filed in this proceeding, the Affidavit of Bobbie-Jo Brinkman sworn March 8, 2021 and the Exhibits thereto and the Second Report of the Monitor dated March 11, 2021 and on hearing the submissions of counsel in attendance and the following Interim CV Applicants, Caleb Leduc, Brady Zapalski, Ann Pegoraro, William Oxley and Sheila McGillis, with no one appearing for any other person on the service list or the remaining Interim CV Applicants (as defined below),

although duly served as appears from the Affidavit of Service of Derek Harland sworn March 10, 2021,

Service and Definitions

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion is hereby 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 Initial Haché Affidavit.

Application of the Transfer Ratio for Commuted Value Transfers

3. **THIS COURT ORDERS AND DECLARES** that LU, in its capacity as an Applicant herein and as sponsor and administrator of the Pension Plan (as such term is defined in the Initial Haché Affidavit), shall be permitted to transfer commuted values from the Pension Plan based on a transfer ratio equal to 65.8% (the “**Transfer Ratio**”), being the transfer ratio contained in the most recently filed actuarial valuation report for the Pension Plan (effective as of January 1, 2020 and filed with the Financial Services Regulatory Authority of Ontario in December 2020), in accordance with the Ontario *Pension Benefits Act* and the regulations thereto (the “**PBA**”) for any individual who has received a retirement or termination statement and election form from LU indicating that he or she may elect to receive a 100% commuted value transfer from the Pension Plan and for whom such transfers have not yet been made (the “**Interim CV Applicants**”).
4. **THIS COURT DECLARES AND ORDERS** that any Interim CV Applicant who has elected a commuted value transfer shall be given a re-election form, which form must be submitted in writing to LU within 30 days of notice of this Order, to elect to either receive an immediate or deferred pension, as applicable, or a commuted value transfer based on the Transfer Ratio. Each such Interim CV Applicant shall receive a copy of this Order from LU, and be advised of the 30-day period within which such election shall be made in writing to LU. Any such Interim CV Applicant who does not make an election in writing to LU within 30 days of the date upon which notice of this Order is provided to them, shall be deemed to have withdrawn their application for

a transfer of their commuted value and shall retain their entitlement to a deferred pension from the Pension Plan.

5. **THIS COURT ORDERS AND DECLARES** that, notwithstanding anything in this Order, any future adjustments to the applicable Transfer Ratio for the purpose of commuted value transfers shall be established in accordance with the PBA, or by further Order of this Court.

Stay of Pension Benefits Guarantee Fund Assessment Payment

6. **THIS COURT ORDERS AND CONFIRMS** that, for greater certainty, the payment due on March 30, 2021 in the amount of \$842,018.34 in respect of LU's *pro rata* portion of assessment fees payable to the Pension Benefits Guarantee Fund relating to the Pension Plan for the pre-filing period of July 1, 2019 to June 30, 2020, plus any interest and penalties thereon (the "**PBGF Assessment Payment**") and any incremental amount owing by LU in respect of its *pro rata* portion of assessment fees payable to the Pension Benefits Guarantee Fund relating to the Pension Plan for the pre-filing period of July 1, 2018 to June 30, 2019 due to the filing in December 2020 of a new actuarial valuation report for the Pension Plan, plus any interest and penalties thereon (the "**Incremental PBGF Assessment Payment**"), is stayed and suspended in accordance with paragraph 12 of the Amended and Restated Initial Order of this Court dated February 11, 2021.

7. **THIS COURT ORDERS** that none of LU or any of its directors, officers, employees, agents, advisors or consultants shall incur any obligation or liability as a result of the stay and suspension of the PBGF Assessment Payment and the Incremental PBGF Assessment Payment in accordance with the terms of this Order. For greater certainty, nothing in this Order shall preclude the Financial Services Regulatory Authority from asserting a claim against LU in respect of the PBGF Assessment Payment or the Incremental PBGF Assessment Payment.

General

8. **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 of America to give effect to this Order and to assist LU 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 LU and to the Monitor, as an officer of the 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 LU and the Monitor and their respective agents in carrying out the terms of this Order.



CHIEF JUSTICE G.B. MORAWETZ

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-21-00656040-00CL

ONTARIO
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**ORDER
(Pension Order)**

THORNTON GROUT FINNIGAN LLP
3200 – 100 Wellington Street West
TD West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

D.J. Miller (LSO# 344393P)
Email: djmiller@tgf.ca

Mitchell W. Grossell (LSO# 69993I)
Email: mgrossell@tgf.ca

Andrew Hanrahan (LSO# 78003K)
Email: ahanrahan@tgf.ca

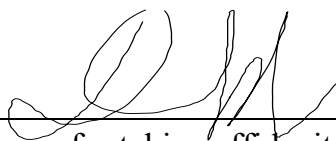
Derek Harland (LSO# 79504N)
Email: dkharland@tgf.ca

Tel: 416-304-1616

Fax: 416-304-1313

Lawyers for the Applicant

This is Exhibit “W” referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.

A handwritten signature in black ink, consisting of a large loop followed by several vertical strokes, positioned above a horizontal line.

A Commissioner for taking affidavits

To: All Faculty via email

From: Marie-Josée Berger, Provost & VP Academic

Date: March 28, 2021

Topic: ***IMPORTANT RETIREMENT INCENTIVE INFORMATION***

RETIREMENT INCENTIVE

Retirement Election

All Faculty Members shall be advised by March 28, 2021 that they may elect, by irrevocable written notice provided on or before April 1, 2021, that they intend to retire (the “**Retiring Faculty Members**”).

The effective termination date of the Retiring Faculty Members for those teaching courses in this academic term shall be May 15, 2021, to allow for marking of final exams, papers and communicating grades. For all Retiring Faculty Members who are not teaching courses in this academic term, the effective termination date shall be April 30, 2021.

Treatment of Retiring Faculty Members	In addition to the rights afforded to retired members under the Collective Agreement and to Emeritus faculty under the University’s Emeritus Policy, Retiring Faculty Members shall be entitled to receive the following: (i) A claim in the CCAA claims process in accordance with their entitlement under the collective agreement and the terms of the CCAA; (ii) Access to office space for up to June 30, 2023. The office provided shall be at the discretion of the Dean, and may be shared office space; (iii) Emeritus Status (as defined in the Collective Agreement), if eligible and alternatively adjunct status if eligible, such determinations to be made on a reasonably expedited basis; (iv) To be added to the sessional roster in the applicable Department/School and be given priority for one three credit course for which no member has establishment, for which they have taught at least once in the past 3 years, to be paid at the overload
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	rate; (v) Continued library privileges; (vi) Until June 30, 2023, the ability to maintain their current status with respect to supervision of students and will be paid when the graduate student completes a thesis in accordance with article 5.40.8; (vii) Their name appearing on the University website for their Department or School as long as they are either engaged as a sessional instructor and/or with respect to supervision of students; (viii) Until June 30, 2023, with 100% of the premium cost to be at the cost of the retiree, the option to maintain Laurentian Health Benefits (Health & Dental) subject to Manulife approval; (ix) Their name included in the next service ceremony for Laurentian. (x) Retiring Members shall be advised that the option to commute the value of their pension at the wind up transfer ratio remains available to them at this time but may not be available in the future.
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This is Exhibit "X" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

March 23, 2021

VIA EMAIL

Quebec Secretariat for Canadian Relations

875, Grande Allée Est
 3rd Floor, office 3.565
 Québec, QC G1R 4Y8
gilbert.charland@mce.gouv.gc.ca

Attention: Gilbert Charland

Re: In the Matter of the *Companies' Creditors Arrangement Act* and In the Matter of a Plan of Compromise or Arrangement of Laurentian University of Sudbury, Court File No.: CV-21-00656040-00CL

Dear Mr. Charland:

We are counsel to Laurentian University of Sudbury ("**Laurentian**"). We refer to your letter to Mr. Normand Lavallee dated March 17, 2021 in which you indicated the Minister for Canadian Relations and the Canadian Francophonie (the "**Minister**") may terminate the Memorandum of Understanding entered into between Laurentian and the Quebec Secretariat for Canadian Relations (the "**Secretariat**"), on behalf of the Minister, in February 2020 (the "**Protocol**"). You also demand that Laurentian repay research grant funding that the Secretariat provided in respect of research to be undertaken by [REDACTED].

As you are aware, on February 1, 2021, Laurentian commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (as amended and restated, the "**Initial Order**"), a copy of which is enclosed. Ernst & Young Inc. (the "**Monitor**") is the Court-appointed Monitor of Laurentian's CCAA Proceedings.

Pursuant to paragraph 21 of the Initial Order, all rights and remedies against or in respect of Laurentian are stayed and suspended except with written consent of Laurentian and the Monitor, or leave of the Court. Accordingly, the Minister is not permitted to terminate the Protocol or otherwise make any demands or take any enforcement steps thereunder.

In response to your concerns about the treatment of research grant funding, please be advised that as part of its CCAA Proceedings, Laurentian, with the assistance of the Monitor, is undertaking a review in respect of all research grants received by Laurentian. However, at this time, Laurentian



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is not able to address any particular funds that may have been received prior to the commencement of its CCAA Proceedings.

The Secretariat's support for Laurentian's research programming is acknowledged and appreciated. As the CCAA Proceedings progress, we anticipate being in a position to provide more information regarding research funds received by Laurentian. At that time, we will engage in discussions with all of Laurentian's grant providers, including the Secretariat.

Please do not hesitate to contact the undersigned should you have any questions.

Yours truly,

Thornton Grout Finnigan LLP

D.J. Miller

Encl.

cc: *Laurentian University of Sudbury*
Ernst & Young Inc., the court-appointed Monitor
Stikemans LLP, counsel for the court-appointed Monitor



Court File No. CV-21-656040-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE CHIEF

)

THURSDAY, THE 11TH

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 7, 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 Angela Maharaj sworn February 9, 2021, the Affidavit of Service of Derek Harland sworn February 4, 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 Applicant's obligation 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, and whether in respect of the Applicant's own employees and former employees or in respect of the employees and former employees of the other employers participating in the

Pension Plan as set out 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, nor does it constitute an acknowledgment of any obligation by the Applicant to make Special Payments relating to employers other than the Applicant.

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 Chief Executive Officer of the Financial Services Regulatory Authority of Ontario, 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, 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 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 45 and 47 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 45 and 47 hereof.

DIP FINANCING

39. **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.

40. **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 Haché Initial Affidavit, subject to such minor amendments as may be acceptable to the Applicant and the DIP Lender and approved by the Monitor.

41. **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.

42. **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” (the “**Real Property**”), 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 45 and 47 hereof.

43. **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.

44. **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

45. **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).

46. **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.

47. **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.

48. **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.

49. **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.

50. **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.

51. **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

52. **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.

53. **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.

54. **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.

55. **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.

56. **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

57. **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

58. **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.

59. **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.

60. **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.

61. **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.

62. **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.

63. **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.

64. **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.

A handwritten signature in black ink, appearing to read 'G.B. Morawetz', written in a cursive style.

CHIEF JUSTICE G.B. MORAWETZ

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
73585-1167	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
73592-0412	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
73592-0426	PCL 30769 SEC SES; LT 3 CON 2 MCKIM SW OF PT 13 & 14 53R9175, E OF PT 15 & 16 53R5371, W OF BETHEL LAKE & N OF LT65581; S/T LT394500, LT891690; 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
73593-0406	PCL 34100 SEC SES AS IN LT264521; PT BROKEN LT 1 CON 1 MCKIM LOCATION 145, PT 1 SR1028; 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-21-656040-00CL

ONTARIO

**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**AMENDED AND RESTATED INITIAL
ORDER**

THORNTON GROUT FINNIGAN LLP

3200 – 100 Wellington Street West
TD West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

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Tel: 416-304-1616

Fax: 416-304-1313

Lawyers for the Applicant

This is Exhibit "Y" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits



Blake, Cassels & Graydon LLP
 Barristers & Solicitors
 Patent & Trademark Agents
 199 Bay Street
 Suite 4000, Commerce Court West
 Toronto ON M5L 1A9 Canada
 Tel: 416-863-2400 Fax: 416-863-2653

Pamela Huff

Partner

Dir: 416-863-2958

pamela.huff@blakes.com

April 21, 2021

VIA E-MAIL

Reference: 22043/889

D.J. Miller
 Thornton Grout Finnigan LLP
 100 Wellington Street West, Suite 3200
 P.O. Box 329
 Toronto, ON M5K 1K7

Re: In the matter of the Companies' Creditors Arrangement Act ("CCAA") Proceedings of Laurentian University of Sudbury ("Laurentian University") (Court File No CV-21-00656040-00CL)

Ms. Miller,

As you are aware, we are counsel to Royal Bank of Canada ("**RBC**"), a significant creditor in the above referenced matter.

Reference is made to the motion that has been scheduled by Laurentian University on April 29, 2021 for, among other things, an extension of the CCAA stay period (the "**April 29 Hearing**"). RBC understands that at the April 29 Hearing, Laurentian University intends to also seek court approval of additional first ranking debtor-in-possession financing ("**Additional DIP Financing**").

Presently, a number of information requests by RBC remain outstanding in respect of the proposed extension of the CCAA stay period, Additional DIP Financing and mediation being conducted within the CCAA proceedings (the "**Mediation**"). In order for RBC to make an informed decision regarding its position on the matters before the Court at the April 29 Hearing, the following minimum information is necessary:

- (i) A timetable for a proposed claims process to be conducted in connection with the CCAA proceedings (the "**Claims Process**");
- (ii) A timetable for a proposed process for the evaluation of opportunities to monetize redundant and/or non-critical assets of Laurentian University (the "**Sale Process**");
- (iii) A timetable of any other activities by Laurentian University or anticipated material steps during the extended stay period, if granted; and
- (iv) An overview and timetable of the proposed next steps in the Mediation, the development of a proposed Plan, the anticipated ongoing role of the Court-appointed mediator and lender engagement in respect thereof, and exit from CCAA in the event of creditor support of a Plan.

RBC expects to be consulted and to have an opportunity to provide meaningful input in respect of any potential Claims Process and any proposed Sale Process, both of which will have a material impact on recoveries for



Page 2

Laurentian University's creditors. In particular and without limitation, (i) the draft Claims Process Order, if and when sought by Laurentian University, should provide that material claims are only to be approved with the consent of RBC and the Monitor and shall otherwise be subject to Mediation and Court approval, and (ii) RBC should be provided with an advance opportunity to review and consent to the proposed Sale Process, including the proposed sale advisor that Laurentian University seeks to engage and the terms of such engagement. To the extent Laurentian University or the Monitor have any issues with the any of the foregoing, we would request to be advised of same at the earliest opportunity and well in advance of the April 29 Hearing.

Yours truly,



Pamela Huff

Cc: Aryo Shalviri, *Blake, Cassels & Graydon LLP, counsel to RBC*

Stuart Brotman & Dylan Chochla, *Fasken Martineau DuMoulin LLP, counsel to TD*

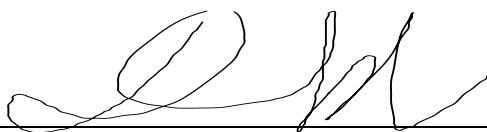
George Benchetrit, *Chaitons LLP, counsel to BMO*

Mitch Grossell, *Thornton Grout Finnigan LLP, counsel to Laurentian University*

Sharon Hamilton, *Ernst & Young Inc., the Monitor*

Ashley Taylor & Elizabeth Pillon, *Stikeman Elliott LLP, counsel to the Monitor*

This is Exhibit "Z" referred to in the
Affidavit of Dr. Robert Haché sworn by video conference by Dr. Robert Haché of the
City of Sudbury, in the Province of Ontario, before me at the City of Toronto, in the
Province of Ontario, on April 21st, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a series of loops and a final upward stroke.

A Commissioner for taking affidavits



Mortgage Banking • Real Estate Capital

163 Cartwright Avenue
 Toronto, Ontario M6A 1V5
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**FIRM CAPITAL CORPORATION, AS TRUSTEE
LOAN AMENDMENT AGREEMENT (the “Amendment”)**

April 19, 2021

Laurentian University of Sudbury
 935 Ramsey Lake Road
 Sudbury, ON P3E 2C6

Attention: Dr. Robert Haché, President and Vice-Chancellor

**Re: Increase to Debtor in Possession Financing for Laurentian University of Sudbury
 (“Laurentian”)**

We wish to confirm that, based upon and subject to the accuracy of the information furnished to us, and subject to our ongoing review of all matters in respect of the motion to be brought by Laurentian before the Court on April 29, 2021 and the determination of such motion, the following amendments and/or additions as set out below shall be in addition to the original terms of the Debtor in Possession Financing Commitment dated January 26, 2021 issued by Firm Capital Corporation (“FCC”) and the DIP Loan Agreement dated February 10, 2021 (the “**DIP Loan Agreement**”) between Laurentian and Firm Capital Mortgage Fund Inc. (the “**DIP Lender**”) (together, the “**Commitment**”). All other terms of the Commitment, unless otherwise stated below, shall remain in effect. The following amendments are subject to all legal matters and documentation being to the complete satisfaction of the DIP Lender, and their solicitors.

DEFINITIONS:

The defined term “Initial Order” as defined in the DIP Loan Agreement and any references thereto shall be amended to reflect the “Amended and Restated Initial Order” dated February 11, 2021.

LOAN AMOUNT: The DIP Facility and DIP Financing as provided in the DIP Loan Agreement shall be amended and increased as follows:

Existing Loan Amount (“ Facility A ”):	\$25,000,000.00
<u>Add: Subject Loan Increase (“Facility B”)</u>	<u>\$10,000,000.00</u>
Revised Loan Amount (the “ Loan ”)	<u>\$35,000,000.00</u>

ADVANCE OF FUNDS: The parties acknowledge that all DIP Advances under Facility A have been advanced to the Borrower. DIP Advances as provided in the DIP Loan Agreement shall be amended to provide for Advances in respect of Facility B as follows:

Upon the Conditions to Funding specified herein being satisfied, Facility B shall be advanced upon five (5) days’ written request by the Borrower in amounts as specified by the Borrower, to be in draws of not less than \$3,000,000.

TERM: Repayment and Maturity Date as provided in the DIP Loan Agreement to be extended to August 31, 2021 (the “**Maturity Date**” or the “**Term**”).

**ADDITIONAL
LOAN SECURITY:**

In addition to the security provided to the Borrower pursuant to the Commitment, this Amendment shall be subject to the Borrower providing the additional security and other documents listed below, in a form and substance satisfactory to the DIP Lender, including, but not limited to:

1. An Order granted by the Court in the CCAA proceeding which provides for an increase in the DIP Lender’s Charge to \$35,000,000 as a valid and perfected super-priority Court-Ordered charge on all of the Property (as defined in the Amended and Restated Initial Order) of the Borrower, ranking subordinate to only the Administration Charge and to a portion of the Directors’ Charge in the amount of \$2,000,000 as set out in the Amended and Restated Initial Order, and to any valid purchase money security interest.
2. An amended Promissory Note and/or Amendment to the DIP Loan Agreement.
3. A first priority assignment of rents registered on all property owned by the Borrower.
4. Such further security and other documentation that the DIP Lender and its solicitor may request and reasonably require.

**CONDITIONS
TO FUNDING:**

In addition to the Conditions Precedent to Advances provided for in section 13 of the DIP Loan Agreement, this Amendment and any advance of funds hereunder is subject to the following conditions being satisfied to the satisfaction of the DIP Lender by the specific dates set out below or, if not otherwise specified, by May 1, 2021:

1. Written acceptance of this Amendment by the Borrower by April 19, 2021 subject only to the Borrower's Board of Governors approval, if applicable, and Court approval.
2. The Term Sheets between the Borrower and each of the Laurentian University Faculty Association ("LUFA") and the Laurentian University Staff Union, including but not limited to the Pension Term Sheets which are a Schedule thereto (together, and collectively, the "**Union Term Sheets**") are each ratified by the members by no later than 9 am on Wednesday, April 14, 2021 and all necessary steps are taken to implement same.
3. An Order is granted in form and substance satisfactory in all respects to the DIP Lender:
 - (i) authorizing the Borrower to execute this Amendment and approving the increase to the Loan created herein;
 - (ii) increasing the DIP Lender's Charge under the Amended and Restated Initial Order to include the additional amount of Facility B and the aggregate Loan contemplated hereunder;
 - (iii) extending all aspects of the stay of proceedings pursuant to the Amended and Restated Initial Order to August 31, 2021;
 - (iv) approving the Union Term Sheets;
 - (v) approving the Transition Services Agreement with Huntington University; and
 - (vi) confirming and extending all rights in favour of the DIP Lender as exist under the Amended and Restated Initial Order;

and in each case authorizing and directing the Borrower to implement same.
4. The Disclaimers of the Borrower's Federation Agreements and Financial Distribution Notices with

each of Huntington University, Thorneloe University and the University of Sudbury (collectively, the **Federated Universities**”) issued on April 1, 2021 shall become effective, binding and final on May 1, 2021.

5. Other than the academic restructuring passed by Senate on April 6, 2021, no further academic restructuring of the Borrower’s programs occurs without the DIP Lender’s consent (which may be withheld in its sole discretion).
6. The Borrower shall have provided a revised cash flow forecast and multi-year financial forecast to the DIP Lender, demonstrating to the DIP Lender, in its sole discretion, that the Borrower will be financially sustainable and achieve operational stability upon emergence from the CCAA Proceeding.
7. No material changes to the Borrower’s governance or senior leadership shall occur that, in the DIP Lender’s sole discretion, creates a situation of increased instability during the Term of the Loan.
8. No Report is filed by the Monitor in the CCAA proceeding which advises of a material adverse event.
9. Other than as may be requested by the Borrower with the consent of the DIP Lender and with the Monitor’s support, no Court Order is issued which affects the Borrower, or any of its Business.
10. The DIP Lender shall not be obligated to advance funds under this Amendment if: (i) the Amended and Restated Initial Order has been vacated, stayed or otherwise caused to become ineffective or is amended in a manner not acceptable to the DIP Lender; or (ii) an Order is granted by the Court at any time which the DIP Lender does not support.
11. The Borrower shall have sought and obtained from the Court, by May 31, 2021 or such later date as the DIP Lender may agree, a Claims Process Order on terms acceptable to the DIP Lender for the commencement of a claims process with respect to all creditor claims.

**AFFIRMATIVE
COVENANTS:**

The Loan is subject to the following conditions that the Borrower must comply with as a condition of any further advance hereunder:

1. The Borrower shall have entered into a negotiated settlement, resolution or determination by binding Arbitration of all of the Grievances referenced in the Order Appointing Mediator dated February 5, 2021, by May 30, 2021. The outcome of those determinations must be acceptable to the DIP Lender to the extent such determinations have any impact on the Borrower's financial sustainability or operational stability.
2. The issues specifically identified in the Term Sheet between the Borrower and LUFA that are to be determined through binding arbitration shall be resolved by June 18, 2021. The outcome of those determinations must be acceptable to the DIP Lender to the extent such determinations have any impact on the Borrower's financial sustainability or operational stability.

LOAN

AMENDMENT FEE: \$200,000.00 payable to FCC.

The \$200,000.00 Loan Amendment Fee shall be deemed to have been fully earned by FCC and payable upon the Court issuing an Order approving this Amendment. In the event the Loan Amendment Fee becomes fully earned and payable and is not paid prior to the advance of funds under this Amendment, the Borrower hereby irrevocably directs the DIP Lender's solicitor to pay the Loan Amendment Fee from the advance under this Amendment.

SCHEDULES ATTACHED:

The following attached schedule(s) form a part of this Amendment:

SCHEDULE "A": Borrower Disclosure Form

AMENDMENT ACCEPTANCE:

The Borrower agrees that FCC's services are rendered at the time this Amendment is accepted by the Borrower, approved by the Borrower's Board of Governors and approved by the Court. If the terms and conditions set out herein are satisfactory and the Borrower is prepared to seek Court approval of same, kindly acknowledge acceptance by initialling each page and signing below. This offer of financing will be open for acceptance by the Borrower until 5 p.m. on April 23, 2021. **The Borrower acknowledges having received and/or executed a Borrower Disclosure Form at least 48 hours prior to signing this Amendment and a copy has been retained by the Borrower.** In case of any inconsistency or conflict between any provisions of this Amendment and any provisions of the security documents for the Loan, the DIP Lender may, in their sole discretion, determine which shall prevail.

[Signature page to follow]

Yours truly,
FIRM CAPITAL CORPORATION, AS TRUSTEE
 PER:



Jonathan Mair
 Senior Vice-President

E. & O. E.

BORROWER ACCEPTANCE:

I hereby acknowledge that I have been advised by Firm Capital Corporation to seek legal advice with respect to the DIP Financing or Loan and have done so prior to signing this Amendment.

Laurentian University of Sudbury hereby accepts the terms and conditions of this Amendment, expressly subject to Court approval of same, and covenants and agrees with FCC and the DIP Lender to duly carry out same terms and conditions, dated this 20th day April, 2021.

BORROWER:

LAURENTIAN UNIVERSITY OF SUDBURY
 PER:



Name: Dr. Robert Haché
 Title: President and Vice-Chancellor

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-656040-00CL

ONTARIO
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

AFFIDAVIT OF DR. ROBERT HACHÉ

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Toronto, ON M5K 1K7

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Andrew Hanrahan (LSO# 78003K)
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Tel: 416-304-1616
Fax: 416-304-1313

Lawyers for the Applicant

Tab 3

Court File No. CV-21-656040-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE CHIEF

)

THURSDAY, THE 29TH

JUSTICE MORAWETZ

)

DAY OF APRIL, 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

ORDER

(Extension of the Stay of Proceedings, Increase to DIP, Approval of Agreements)

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

ON READING the affidavits of Dr. Robert Haché sworn January 30, 2021 (the "**First Haché Affidavit**") and April 21, 2021 (the "**Second Haché Affidavit**") and the Exhibits thereto; the Motion Record of Thorneloe University dated April 15, 2021 and the Supplementary Motion Record of Thorneloe University dated April 19, 2021 (together, the "**Thorneloe Motion**"); the Third Report of Ernst & Young Inc. (the "**Monitor**") dated April 15, 2021; 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 15 sworn April 15, 2021,

AND UPON BEING SATISFIED that the Applicant has acted, and is continuing to act in good faith in accordance with the CCAA;

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that service of the Applicant's Notice of Motion and the Applicant's Motion Record is hereby validated, so that its Motion is properly returnable today.
2. **THIS COURT ORDERS** that capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to them in the Amended and Restated Initial Order dated February 11, 2021 (the "**Amended and Restated Initial Order**").

EXTENSION OF STAY PERIOD

3. **THIS COURT ORDERS** that the stay period as referred to in the Amended and Restated Initial Order is extended until and including August 31, 2021 (the "**Stay Period**").

DIP AMENDMENT

4. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow an additional principal amount of \$10,000,000 under the credit facility (the "**Amended DIP Facility**") provided by Firm Capital Corporation, as assigned to Firm Capital Mortgage Fund Inc. (the "**DIP Lender**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that total borrowings under such credit facility shall not exceed the aggregate principal amount of \$35,000,000, unless permitted by further Order of this Court.
5. **THIS COURT ORDERS** that the Amended DIP Facility shall be on the terms and subject to the conditions set forth in the Loan Amendment agreement between the Applicant and the DIP Lender dated April 20, 2021 (the "**Amended DIP Term Sheet**") attached as Exhibit "Z" to the Second Haché Affidavit, subject to such minor amendments as may be acceptable to the Applicant and the DIP Lender and approved by the Monitor.
6. **THIS COURT ORDERS** that the DIP Lender's Charge granted in the Amended and Restated Initial Order is increased to the maximum amount of \$35,000,000, maintains the same priority as provided for in the Amended and Restated Initial Order, and shall apply to the Amended DIP Term Sheet, the Amended DIP Facility, and all amounts advanced to the Applicant pursuant to the Amended DIP Facility.

7. **THIS COURT ORDERS** that, except as specifically amended herein, paragraphs 31(f) and 41-51 of the Amended and Restated Initial Order shall apply to the Amended DIP Term Sheet, the Amended DIP Facility, and the DIP Lender's Charge, as applicable.

APPROVAL OF RESTRUCTURING AGREEMENTS

8. **THIS COURT ORDERS** that the term sheet entered into between the Applicant and the Laurentian University Faculty Association ("**LUFA**") dated April 7, 2021 and attached as Exhibit "H" to the Second Haché Affidavit (the "**LUFA Term Sheet**"), together with all Schedules thereto, including but not limited to the Pension Term Sheet regarding the Retirement Plan of the Applicant and its Federated and Affiliated Universities, Registration No. 0267013 (the "**Pension Plan**"), is hereby approved *nunc pro tunc* and the Applicant is hereby authorized to take all steps and execute such additional documents as may be necessary or desirable to give effect to the LUFA Term Sheet.

9. **THIS COURT ORDERS** that the term sheet entered into between the Applicant and the Laurentian University Staff Union ("**LUSU**") dated April 5, 2021 and attached as Exhibit "I" to the Second Haché Affidavit (the "**LUSU Term Sheet**"), together with all Schedules thereto, including but not limited to the Pension Term Sheet regarding the Pension Plan, is hereby approved *nunc pro tunc* and the Applicant is hereby authorized to take all steps and execute such additional documents as may be necessary or desirable to give effect to the LUSU Term Sheet.

10. **THIS COURT ORDERS** that the Transition Agreement entered into between the Applicant and Huntington University ("**Huntington**") dated April 16, 2021 and attached as Exhibit "Q" to the Second Haché Affidavit (the "**Huntington Transition Agreement**") is hereby approved, and each of the Applicant and Huntington are hereby authorized to carry out the terms of the Huntington Transition Agreement. The Applicant and Huntington are hereby authorized to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Huntington Transition Agreement and the transactions contemplated therein.

11. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect the Applicant;

the terms of the Huntington Transition Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

DISMISSAL OF DISCLAIMER MOTION

12. **THIS COURT ORDERS** that the Thorneloe Motion is hereby dismissed, and the Applicant is hereby authorized to take all steps necessary to give effect to the Notice of Disclaimer delivered by the Applicant on April 1, 2021 to Thorneloe.

GENERAL

13. **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.

14. **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.

15. **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-21-656040-00CL

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

ORDER
(Extension of the Stay of Proceedings,
Increase to DIP, Approval of Agreements)

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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-21-656040-00CL

ONTARIO
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**MOTION RECORD
(Returnable April 29, 2021)**

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