

District of Ontario
Division No. 9 – Toronto
Court File No: BK-23-31-2986886
Estate No: 31-2986886

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
(IN BANKRUPTCY AND INSOLVENCY)**

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS
AMENDED

IN THE MATTER OF THE PROPOSAL OF
METROLAND MEDIA GROUP LTD.
in the City of Toronto,
in the Province of Ontario

AMENDED PROPOSAL
Date: November 3, 2023

Capitalised terms used herein have the meanings ascribed to them in Section 1.1 below.

Recitals

- A. **WHEREAS** on September 15, 2023, Metroland Media Group Ltd. (the “**Company**”) initiated proceedings under the *Bankruptcy and Insolvency Act (Canada)* by filing a notice of intention to make a proposal pursuant to s. 50.4 of the BIA (the “**NOI**”);
- B. **AND WHEREAS** Grant Thornton Limited was named as the licensed insolvency trustee under the NOI (in such capacity, the “**Proposal Trustee**”);
- C. **AND WHEREAS** pursuant to an Order made by the Ontario Superior Court of Justice (Commercial List) dated October 13, 2023, Koskie Minsky LLP was appointed as Representative Counsel (as defined below) to certain former employees of the Company (the “**Representative Counsel Order**”);
- D. **AND WHEREAS** the Company wishes to continue as a going concern and to provide its creditors with the most economically advantageous outcome in connection with its ongoing restructuring, including providing its Unsecured Creditors with a recovery that is superior than that which would be available for distribution to them if the Company becomes bankrupt;
- E. **NOW THEREFORE** the Company hereby submits the following Amended Proposal (as defined below) to its creditors pursuant to Part III of the BIA.

ARTICLE 1 **DEFINITIONS**

1.1 Definitions

In this Proposal, capitalized terms have the meanings set out below:

- (a) “**Administrative Fees and Expenses**” means:
- (i) the proper fees and expenses of the Proposal Trustee, including its legal fees and disbursements;
 - (ii) the legal fees and disbursements of the Company incurred on or incidental to negotiations in connection with these proposal proceedings, the preparation of the Proposal and the transactions and agreements contemplated hereby;
 - (iii) the legal fees of Representative Counsel, up to the maximum sum of \$100,000, plus applicable taxes and disbursements; and
 - (iv) the legal fees of counsel to the Union Employees, up to the maximum sum of \$20,000, plus applicable taxes and disbursements.

For the purpose of this Proposal, the amounts identified in (i) and (ii) shall be capped at \$500,000 inclusive of taxes and disbursements. For greater certainty, any amounts in excess of this sum will not detract from the amounts to be distributed hereunder.

- (b) “**Affiliates**” means Torstar Corporation and its direct and indirect subsidiaries, successors, affiliates and associated entities, including Toronto Star Newspapers Limited, NordStar Capital LP and its general partner, NordStar Capital Inc., but excluding the Company;
- (c) “**Amended Proposal**” means this proposal dated November 3, 2023 (hereinafter described as the “**Proposal**”), as is amended from the proposal filed on October 16, 2023, and as may be further amended or supplemented from time to time in accordance with its terms;
- (d) “**Amendment**” is defined in Section 9.1;
- (e) “**Approval**” means:
- (i) acceptance of this Proposal by the statutory majority of Creditors entitled to vote thereon in accordance with the relevant provisions of the BIA; and
 - (ii) the approval of this Proposal by the Court by the granting of the Proposal Approval Order;
- (f) “**BIA**” or the “**Act**” means the *Bankruptcy and Insolvency Act* (Canada);
- (g) “**Business Day**” means a day other than a Saturday, Sunday, statutory or civic holiday in Toronto, Ontario;

- (h) “**Canada Pension Plan**” means the *Canada Pension Plan* (Canada);
- (i) “**Claim**” means all Preferred Claims, all Unsecured Claims, and any right of any Person against the Company or any of the Affiliates in connection with any indebtedness, liability or obligation of any kind owed by the Company or any of its Directors in their capacity as Directors of the Company before and on the Filing Date, and any interest accrued thereon or costs payable in respect thereof, whether liquidated, unliquidated, fixed, contingent, matured, not matured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including, without limitation, the right or ability of any Person to advance a claim of contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, and any indebtedness, liability or obligation of any kind arising out of the repudiation, restructuring or termination of any contract, lease, license, equipment lease, employment relationship or other agreement after the Filing Date, or any claims that may arise under any contract, lease, license, equipment lease, employment relationship or other agreement which may arise as a result of the insolvency of the Company, including, without limitation, any other indebtedness, liability or obligation of any kind that, if unsecured, would be a debt provable in bankruptcy within the meaning of the Act, and “**Claims**” means all of them;
- (j) “**Court**” means the Ontario Superior Court of Justice (Commercial List);
- (k) “**Court Approval Date**” means the date of the Proposal Approval Order;
- (l) “**Creditor**” means any Person having a Claim, and, if the context requires, may mean a trustee, receiver, receiver-manager or similar officer acting on behalf or in the name of such Person;
- (m) “**Creditor Meeting**” means the meeting of Unsecured Creditors held to consider and vote on this Proposal, and any adjournment of such meeting;
- (n) “**Crown Claims**” means all amounts owing to Canada Revenue Agency that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* or under any substantially similar provision of provincial legislation as at the Filing Date;
- (o) “**Director**” means any Person who, as at the Effective Date, is a director or officer of the Company pursuant to the OBCA or who by applicable law is deemed to be or is treated similarly to a director or officer of the Company or who currently manages or supervises the management of the business and affairs of the Company;
- (p) “**Disputed Claim**” means any Claim which has been received by the Proposal Trustee in accordance with the terms of this Proposal and the BIA but is being disputed in whole or in part by the Proposal Trustee and has not been resolved by agreement or by Order of this Court;
- (q) “**Effective Date**” means 12:01 A.M. (Toronto time) on one Business Day after the Court Approval Date, or such later date as the Company requests and the Proposal Trustee approves;

- (r) “**Employment Insurance Act**” means the *Employment Insurance Act* (Canada);
- (s) “**Filing Date**” means September 15, 2023;
- (t) “**Former Employee**” means a person that was formerly employed by the Company and is no longer employed by the Company as of 5pm on the date prior to the Creditors Meeting and who is owed wages, commission, statutory severance pay, statutory termination pay, common law reasonable notice (or pay in lieu thereof) vacation pay, contribution to or payment of insured employment benefits, or other amounts pursuant to their prior employment with the Company;
- (u) “**Former Employee Claim**” means the claim of a Former Employee, comprising both the Former Employee WEPP Claims and the Former Employee Non WEPP Claims;
- (v) “**Former Employee Non WEPP Claims**” means the amounts owed to Former Employees above and beyond the Former Employee WEPP Claims;
- (w) “**Former Employee WEPP Claim**” means a claim of a Former Employee for the WEPP Amount;
- (x) “**Income Tax Act**” means the *Income Tax Act* (Canada);
- (y) “**Landlord Claim**” means any claim of a landlord arising from a disclaimer of the landlord’s lease by the Company;
- (z) “**OBCA**” means the *Business Corporations Act* (Ontario);
- (aa) “**Official Receiver**” means the officer appointed pursuant to subsection 12(2) of the BIA in the City of Toronto, Ontario, to perform the duties and responsibilities more fully set out in the BIA;
- (bb) “**Order**” means any order of the Court made in connection with this BIA proceeding;
- (cc) “**Person**” is to be broadly interpreted and means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government, or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;
- (dd) “**Preferred Claim**” means any Unsecured Claim or portion thereof that is required by the BIA to be paid in priority to other Unsecured Claims under a proposal as set out in section 136 of the BIA;
- (ee) “**Proof of Claim**” shall mean the proof of claim required to be filed prior to the Creditor Meeting;
- (ff) “**Proposal Approval Order**” means the Order of the Court approving this Proposal, in form and content satisfactory to the Company and the Proposal Trustee;
- (gg) “**Proposal Funds**” means the aggregate amount, as of the Effective Date, required:
 - (i) to pay the Administrative Fees and Expenses (as estimated by the Proposal Trustee);

- (ii) to pay the Superintendent's Levy; and
- (iii) to make the payments to Creditors as detailed herein;

to be paid by the Company to the Proposal Trustee on or before the Effective Date or that might be paid to the Proposal Trustee pursuant to the WEPP Application, if any;

- (hh) "**Proposal Trustee**" has the meaning set out in the Recitals;
- (ii) "**Proposal Trustee's Website**" means www.GrantThornton.ca/Metroland;
- (jj) "**Proven Claim**" means the amount of the Claim of any Creditor finally determined in accordance with the provisions of the BIA;
- (kk) "**Representative Counsel**" means Koskie Minsky LLP in its capacity as legal counsel to certain non-unionized Former Employees of the Company in accordance with the Representative Counsel Order;
- (ll) "**Repudiation Claim**" means any Claim that arises as a result of a disclaimer or repudiation of a contract, arrangement, agreement, lease (other than a lease of real property) or indenture by the Company in accordance with section 65.11 of the BIA;
- (mm) "**Required Majority**" means an affirmative vote of a majority in number and two-thirds in value of all Proven Claims in the requisite class entitled to vote, who are present and voting at the Creditor Meeting (whether in person, by proxy or by voting letter) in accordance with the voting procedures established by this Proposal and the BIA;
- (nn) "**Residual Unsecured Claims**" means the Unsecured Claims that are not Former Employee WEPP Claims, and includes, for greater certainty, the Former Employee Non WEPP Claims and all other Unsecured Claims against the Company, including Repudiation Claims and Landlord Claims;
- (oo) "**Secured Claim**" means any Claim to the extent that it is secured by a valid encumbrance that is duly and properly registered or otherwise perfected in accordance with applicable law in the appropriate jurisdiction as of the Filing Date or thereafter to the extent permitted by the BIA;
- (pp) "**Secured Creditor**" means a Creditor with a Secured Claim, including Canadian Imperial Bank of Commerce;
- (qq) "**Superintendent's Levy**" means the levy payable in respect of amounts distributed by the Proposal Trustee under this Proposal in accordance with section 147 of the BIA;
- (rr) "**Union Employee**" means a current or Former Employee of the Company for whom Unifor Local 87-M acts as a bargaining agent pursuant to a collective bargaining agreement;

- (ss) “**Unsecured Claim**” means any Claim against the Company that is not a Secured Claim, and, for greater certainty, shall include all Former Employee WEPP Claims, Former Employee Non WEPP Claims and every other creditor of the Company that has an Unsecured Claim, including Repudiation Claims and Landlord Claims;
- (tt) “**Unsecured Creditor**” means a Creditor with an Unsecured Claim;
- (uu) “**WEPP Amount**” means any amount that Former Employees would be entitled to claim under the WEPPA if the WEPPA would be available to the Former Employees;
- (vv) “**WEPP Application**” means an application to Court or otherwise, pursuant to the WEPPA, for the benefit of those Former Employees who hold Former Employees WEPP Claims, but shall not include any appeal from the determination made by the Judge hearing the WEPP Application; and
- (ww) “**WEPPA**” means the *Wage Earner Protection Program Act (Canada)*.

1.2 Interpretation Matters

For the purposes of this Proposal:

- (a) any reference in this Proposal to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions;
- (b) any reference in this Proposal to an order, an existing agreement, or an agreement to be made or registration means such order, or agreement or registration as it may have been or may be amended, modified, joined by additional parties or supplemented (in accordance with its terms or this Proposal, if applicable);
- (c) unless otherwise specified, all references to currency are in Canadian dollars;
- (d) the division of this Proposal into “Articles” and “Sections” and the insertion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of this Proposal, nor are the descriptive headings of “Articles” and “Sections” intended as complete or accurate descriptions of the content thereof;
- (e) the use of words in the singular or plural, or with a particular gender, including a definition, will not limit the scope or exclude the application of any provision of this Proposal to such Person (or Persons) or circumstances as the context otherwise permits;
- (f) the words “includes” and “including” and similar terms of inclusion will not, unless expressly modified by the words “only” or “solely”, be construed as terms of limitation, but rather will mean “includes but is not limited to” and “including but not limited to”, so that references to included matters will be regarded as illustrative without being either characterizing or exhaustive;
- (g) unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Toronto, Ontario and any reference to an event

occurring on a Business Day means prior to 5:00 p.m. (Toronto time) on such Business Day;

- (h) unless otherwise specified, time periods within or following which any payment is to be made or act is to be done will be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day;
- (i) unless otherwise provided, any reference to a statute or other enactment of parliament or a legislature includes all regulations made thereunder, all amendments to or re enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation; and
- (j) references to a specified "Article" or "Section" will, unless something in the subject matter or context is inconsistent therewith, be construed as references to that specified article or section of this Proposal, whereas the terms "this Proposal", "hereof", "herein", "hereto", "hereunder" and similar expressions will be deemed to refer generally to this Proposal and not to any particular article, section or other portion of this Proposal and includes any documents supplemental hereto.

1.3 Successor and Assigns

The Proposal will be binding on and will enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of the Creditors and any other Person named or referred to in the Proposal.

1.4 Statutory References

Any reference in this Proposal to a statute includes all regulations made thereunder and all amendments to such statutes or regulations in force from time to time.

1.5 Governing Law and Jurisdiction

This Proposal will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. All questions as to the interpretation of or application of this Proposal and all proceedings taken in connection with the Proposal and its provisions will be subject to the exclusive jurisdiction of the Court.

1.6 Corporate Approvals

The execution, delivery, implementation and consummation of all matters contemplated under the Proposal involving corporate action of the Company, including pursuant to any provision of the OBCA, will be deemed to be authorized and approved under this Proposal and by the Court as part of the Proposal Approval Order in all respects and for all purposes without any requirement of further action by any Person.

ARTICLE 2

CLASSIFICATION AND TREATMENT OF CLAIMS

2.1 Purpose of Proposal

The purpose of this Proposal is designed to allow the Company to distribute funds to Persons with Proven Claims in the expectation that they will derive greater benefit from this Proposal than they would otherwise receive from a bankruptcy of the Company and to allow the Company to continue as a going concern.

2.2 Class of Unsecured Creditors

This Proposal is made to the Unsecured Creditors as a single class.

2.3 Treatment of Claims

As of the Effective Date, Creditors holding the following Unsecured Claims will be entitled to receive the following treatment in respect of, and in full satisfaction of, their Unsecured Claims:

- (a) Professional Fees: Administrative Fees and Expenses shall be paid in full by the Company in accordance with Section 2.5 herewith.
- (b) Post-Filing Claims: Post-Filing Claims shall be paid in full by the Company in the ordinary course of business, and on regular trade terms.
- (c) Crown Claims: Any Crown Claims, without interest, will be paid in full by the Company within six (6) months after issuance of the Proposal Approval Order. For greater certainty, the Company calculates Crown Claims at \$0 as at the Filing Date.
- (d) Claims Under Section 60(1.5) of the BIA: Any amounts required to be paid under section 60(1.5) of the BIA, and which have not already been paid, will be paid in full by the Company in accordance with the priority contemplated by the BIA as soon as practical following the Effective Date, in accordance with Section 2.5.
- (e) Preferred Claims: Preferred Claims that are Proven Claims will be paid in priority to Unsecured Claims. However, all Former Employee wages have been paid by the Company, and accordingly, the Company calculates the value of the Preferred Claims to be zero. For the purpose of this Proposal, the amount distributable in respect of Former Employee Claims is addressed in Section 2.3(e), which provides for a distributable amount significantly greater than what the Former Employee Claims would be entitled to pursuant to section 136 of the BIA.
- (f) Unsecured Claims:
 - (i) Former Employee WEPP Claims: The Company shall remit to the Proposal Trustee the WEPP Amount within five (5) Business Days following the Proposal Approval Order becoming final, which sum is estimated to be \$4,453,216.92 (the "**Employee Basket**"). This amount shall not be distributed to the Former Employees with Former Employee WEPP Claims until the WEPP Application has been determined and the Order of the Court in respect of same is final, unless the Company and the Proposal Trustee

mutually consent to an earlier release of such funds (the “**Holdback**”). To the extent the WEPP Application is successful and any amount is paid to the Proposal Trustee pursuant thereto, the amounts comprising the Employee Basket in excess of that required to satisfy the WEPP Amount, shall be paid for the benefit of the Residual Unsecured Claims and shall be added to the Unsecured Basket Amount, as defined below (the “**Dropdown Amount**”);

- (ii) Residual Unsecured Claims: The Company shall remit to the Proposal Trustee the sum of \$3,846,783.08 (the “**Unsecured Basket Amount**”) within five (5) Business Days following the Proposal Approval Order becoming final, such that each Proven Claim in this category shall receive a pro rata share of the balance of the Unsecured Basket Amount, and any Dropdown Amount from the Employee Basket, without interest;
- (iii) Post-Retirement Benefits Claims: Each Former Employee or current employee of the Company who was a participant in the post-retirement benefits program with Sun Life Financial, which program was terminated effective September 30, 2023, shall be deemed to have an Unsecured Claim, in addition to any other Claim such Former Employee or current employee may have, for \$1,000 in respect of the termination of such post-retirement benefits (the “**Post-Retirement Benefits Claim**”); and
- (iv) Landlord Claims: Claims pursuant to Section 65.2(4) will be calculated based on the following formula:
 - An amount equal to the lesser of (i) or (ii):
 - (i) the aggregate of
 - (A) the rent provided for in the lease for the first year of the lease following the date on which the disclaimer or resiliation becomes effective, and
 - (B) fifteen per cent of the rent for the remainder of the term of the lease after that year, and
 - (ii) three years’ rent.

For greater certainty, the landlords will be required to file a Claim in the Proposal, and will be entitled to a proportionate distribution from the Unsecured Basket Amount.

- (g) Superintendent’s Levy: The levy payable shall be deducted from all amounts payable under the Employee Basket and the Unsecured Basket Amount.

The Company, with the cooperation and assistance of Representative Counsel and the Proposal Trustee, will bring the WEPP Application. To the extent that the WEPP Application is successful, any amount paid thereunder for the benefit of Former Employees who have Former Employee WEPP Claims, shall be paid to the benefit of those claimants in 2.3(e)(i), in which case any amount that the Company would have otherwise contributed under this Proposal to those Former Employees who have Former Employee WEPP Claims shall instead be paid for the benefit of the Residual Unsecured Claims and shall be added to the Unsecured Basket Amount.

2.4 **Affiliates**

Affiliates that hold Unsecured Claims will not file a Proof of Claim or vote at the Creditor Meeting with respect to such Unsecured Claims.

2.5 **Distributions**

Distributions pursuant to Section 2.3 will be effected as soon as practical following the Effective Date, in accordance with the timelines set out in 2.3. The Proposal Trustee will follow the procedure set out at section 152(1) of the *BIA* for the preparation and approval of the final statement of receipts and disbursements, and the distribution of the Employee Basket, and the Unsecured Basket Amount.

To be eligible to receive a distribution under Section 2.3, a Creditor must have filed a Proof of Claim in accordance with the sections later detailed herein, excepting Former Employee Claims, in which case Section 6.2 will apply.

2.6 **Secured Creditors**

This Proposal does not affect the Secured Claims of Secured Creditors. The Claims of the Secured Creditors will be addressed pursuant to the terms agreed to between the Company and the applicable Secured Creditors.

2.7 **Different Capacities**

Persons may be affected by this Proposal in more than one capacity. Unless expressly provided herein to the contrary, a Person is entitled to participate hereunder in each such capacity. Any action taken by a Person in one capacity will not affect such Person in any other capacity, unless expressly agreed by the Person in writing or unless its Claims overlap or are otherwise duplicative. For greater certainty, any Person who has a Claim in more than one capacity shall, for the purpose of this Proposal, be entitled to a single vote.

2.8 **Undeliverable Distributions**

If any distribution to be made under this Proposal is returned as undeliverable or said cheque remains uncashed (an "**Undeliverable Distribution**"), no other crediting or delivery will be required unless notice is given to the Proposal Trustee of an updated address of the Person entitled to receive the Undeliverable Distribution. The obligations to said Person with respect to an Undeliverable Distribution will expire six (6) months following the date of mailing of the cheque, after which date the Undeliverable Distribution will be remitted by the Proposal Trustee to the Office of the Superintendent of Bankruptcy.

2.9 **Set Off**

The law of set-off shall be applied to all Claims.

ARTICLE 3 **CONDITIONS PRECEDENT**

3.1 Conditions Precedent

The performance of this Proposal by the Company is conditional upon the fulfillment or satisfaction of the following conditions:

- (a) this Proposal has been accepted by the Required Majority of the Unsecured Creditors under the BIA;
- (b) the Proposal Approval Order has been issued in form and substance satisfactory to the Company, and has not been appealed, set aside, varied or stayed;
- (c) the Company has, on or before the date of the Creditor Meeting, received the requisite financing in order to administer the terms of the Proposal; and
- (d) all other actions, documents and agreements necessary to implement the Proposal as required herein shall have been effected and executed, in each case, in form and substance satisfactory to the Company and the Proposal Trustee.

ARTICLE 4 **RELEASE OF CLAIMS AND SECTIONS 95-101 OF THE BIA**

4.1 Consents

On the Effective Date, all Persons holding a Claim will be deemed to have consented to and agreed to all of the provisions of this Proposal in its entirety.

4.2 Releases

On the Effective Date,

- (a) the Company, the Affiliates, and their respective employees, contractors, Directors, officers, heirs and assigns;
- (b) the Proposal Trustee, the Proposal Trustee's counsel, and their respective heirs and assigns; and
- (c) counsel to the Company and their respective heirs and assigns

(each of the Persons named in (a) to (c) above in this section, in their capacity as such, being herein referred to individually as a "**Released Party**" and all referred to collectively as "**Released Parties**") shall be released and discharged from all Claims, any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, executions, encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature, including claims for contribution or indemnity which any Creditor or other Person may be entitled to assert against the Released Parties, including claims that are liquidated, unliquidated, fixed, contingent, matured, unmatured, legal, equitable, present, future, known, unknown, disputed, undisputed or whether by guarantee, by surety, by

subrogation or otherwise incurred and whether or not such a right is executory in nature, shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, all to the fullest extent permitted by governing law, provided that nothing herein will waive, discharge, release, cancel or bar the right to enforce the Company's obligations under the Proposal.

Should the Company successfully bring the WEPP Application, each Director of the Company shall be released from any and all liability to Service Canada, including, without limitation, any liability to Service Canada pursuant to its subrogated claim under the WEPPA.

4.3 Exceptions to the Releases

Notwithstanding the above section, nothing in this Proposal will:

- (a) release or discharge any of the Directors from the exceptions set out in section 50(14) of the BIA; or
- (b) release the Affiliates from liabilities arising out of contractual obligations pursuant to contracts to which one or more of the Affiliates is a party, except any Former Employee Claim, as at the Effective Date.

4.4 Sections 95 to 101 of the BIA – Non-Applicability

Sections 95 to 101 of the BIA and any provincial statute relating to preferences, settlements, fraudulent conveyances, transfers at undervalue or similar impeachable transactions do not apply to any transactions or other dealings by the Company during the period prior to the Filing Date. The releases contemplated in Section 4.2 includes a release of all claims, actions and remedies available pursuant to sections 95 to 101 of the BIA and any provincial statute relating to preferences, settlements, fraudulent conveyances, transfers at undervalue or similar impeachable transactions.

ARTICLE 5 **PROPOSAL TRUSTEE**

5.1 Role and Responsibility

Grant Thornton Limited will be the Proposal Trustee under this Proposal.

The Company will pay the Administrative Fees and Expenses by including in the Proposal Funds the amount estimated by the Proposal Trustee prior to the Effective Date to be sufficient to pay such fees and expenses. The Proposal Trustee will use such funds to pay such fees and expenses on behalf of the Company as contemplated herein and if there is any surplus from the

Proposal Funds after payment of the Administrative Fees and Expenses, Creditor distributions, and the levy in full, such surplus will be paid to the Company as necessary.

Any payments made by the Proposal Trustee to the Creditors hereunder shall be made by the Proposal Trustee net of any levies payable or due under the BIA.

5.2 **Disclaimer**

The Proposal Trustee is acting in its capacity as Proposal Trustee and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee will incur any obligations or liabilities in connection with this Proposal or in respect of the business activities or liabilities of the Company.

Without limitation to Section 5.2, the Proposal Trustee will have no liability whatsoever for any Claims or other obligations of the Company arising before, on or after the Filing Date.

ARTICLE 6 **CLAIMS PROCESS, VALUATION OF CLAIMS AND RELATED MATTERS**

6.1 **Claims Process**

In order to be eligible to vote at the Creditor Meeting, each impacted Creditor, other than Creditors holding Former Employee Claims, shall file a Proof of Claim with the Proposal Trustee in accordance with the applicable provisions of the Act, which further must be filed with the Proposal Trustee at least 24 hours in advance of the Creditor Meeting, and shall specify every Claim it asserts against the Company and/or the Directors, as applicable. Thereafter, pursuant to section 135 of the Act, the Proposal Trustee shall examine every Proof of Claim and determine whether such Claims are Proven Claims or Disputed Claims.

In accordance with section 149 of the Act, the Proposal Trustee shall give notice by mail to every Person with a Claim of which the Proposal Trustee has notice or actual knowledge but who did not file a Proof of Claim.

6.2 **Claims Process – Former Employee Claims (Negative Notice Procedure)**

The Proposal Trustee will prepare, in consultation with the Company and based on the Company's books and records, a notice of Former Employee Claim setting out any accrued and unpaid vacation pay, statutory termination and/or severance pay, wages, commissions or other remuneration, and/or termination of employment benefits, arising as a result of each Former Employee's respective employment, all calculated based upon statutory entitlements of such party in the Province of Ontario (the "**Notice of Former Employee Claim**").

The Proposal Trustee will deliver to each Former Employee a Notice of Former Employee Claim, along with a claims package containing a notice of dispute (the "**Dispute Notice**", and together with the Notice of Former Employee Claim, the "**Claims Package**"), as soon as reasonably practicable and not later than ten days following the date of this Proposal.

Notwithstanding the foregoing, each Claims Package prepared for a Former Employee represented by Representative Counsel (the "**Represented Former Employees**") may be sent to Representative Counsel only as soon as reasonably practicable and not later than ten days following the date of this Proposal. Representative Counsel shall be provided with the requisite

information used by the Proposal Trustee and the Company to determine the amount of each Represented Former Employee Claim. Representative Counsel, once satisfied with the calculation of each Represented Former Employee Claim, shall distribute the Claims Package to each of the Represented Former Employees and shall submit any Dispute Notices to the Proposal Trustee on behalf of the Represented Former Employees.

The Union (as defined below) or legal counsel for the Union shall have the right to file a Proof of Claim for each Former Employee who was a Union Employee.

Thereafter, pursuant to section 135 of the Act, the Proposal Trustee shall examine every Dispute Notice and determine whether such Claims are Proven Claims or Disputed Claims.

Any Former Employee for which a Dispute Notice is not received by the Proposal Trustee in accordance with Article 6 herein, either in their own name or through Representative Counsel, shall be deemed to accept as final and binding the amount of its Claim as set out in the Notice of Former Employee Claim and will be forever barred, estopped and enjoined from disputing the classification, nature and/or amount of the Former Employee Claim set forth in the Notice of Former Employee Claim, and any other claims that such Person may have in respect of, arising from or related to such Person's employment or former employment with the Company shall be forever barred and extinguished without any further act or notification.

6.3 Union Employee Claims

A portion of the Company's employees, both former and current, are unionized employees that work or worked for the Company pursuant to and under the terms of various collective bargaining agreements (collectively, the "CBAs"). Unifor Local 87-M (the "Union") is the bargaining agent under the CBAs.

Certain Union Employees and the Union have been notified by the Company of the termination of certain Union Employees. Pursuant to the applicable CBA, such Union Employees may have the option to accept their termination of employment or retain their employment with the Company by displacing another Union Employee with lower seniority who occupies a position that is not subject to the reorganization ("**Bumping Rights**") and the process by which such rights are exercised, the "**Bumping Rights Process**").

To the extent that the completion of the Bumping Rights Process extends beyond the date of the Creditor Meeting, and a Union Employee who is ultimately terminated as a result of Bumping Rights (an "**Ultimately Terminated Union Employee**") was not a Union Employee who received the original notice of termination (an "**Initially Terminated Union Employee**"), the termination of an Initially Terminated Union Employee shall transfer to an Ultimately Terminated Union Employee whose claim shall be the subject of compromise under the terms of the Proposal. In light of the ongoing Bumping Rights, any amount payable to a terminated Union Employee may be withheld pending the completion of the Bumping Rights Process, which Bumping Rights Process shall be completed by no later than December 31, 2023.

For greater certainty, the distribution of any payment to any terminated Union Employee pursuant to the claims process, and regardless of the application of Bumping Rights, shall:

- (a) not constitute an impeachable transaction or contravene sections 95 to 101 of the BIA in any way;

- (b) be subject to the Holdback as defined in Section 2.3(f)(i); and
- (c) be governed by the same terms, conditions, and procedures as set out under Section 6.2 hereof, as applicable.

6.4 Post-Retirement Benefits Claims

Former Employees and current employees of the Company who have a Post-Retirement Benefits Claim will have a deemed Unsecured Claim for \$1,000 and are not required to file a Proof of Claim or an amended Proof of Claim in respect of post-retirement benefits for the purpose of asserting such a claim.

6.5 Landlord Claims

In the case of any lease of real property disclaimed by the Company pursuant to section 65.2 of the BIA, the landlord affected by the disclaimer may file a Proof of Claim for an amount equal to the lesser of the amounts described in subsections 65.2(4)(b)(i) and (ii) of the BIA. A Landlord Claim shall be treated as an Unsecured Claim under this Proposal.

6.6 Repudiation Claims

The Company may repudiate or give notice of disclaimer of any contract or agreement to which it is a party pursuant to section 65.11 of the BIA and provided such notice of disclaimer is given at least ten days prior to the Creditors Meeting, and the Repudiation Claim of such Person resulting therewith shall be an Unsecured Claim for the purposes of the Proposal, even if the effective date of the disclaimer is after the Creditors Meeting and even if the Person affected objects, in which case such Person may file a Proof of Claim on a contingent basis.

6.7 Disputed Claims

Any Creditor with a Disputed Claim shall not be entitled to receive any distribution hereunder with respect to such Disputed Claim unless and until such Claim becomes a Proven Claim.

6.8 Filing of Claims

Unsecured Creditors (other than those with Former Employee Claims) are required to file a Proof of Claim with the Proposal Trustee on or before the time allotted for the Creditors Meeting in order to vote on the Proposal.

Any Person who does not file a Proof of Claim on this timeline shall be forever barred, estopped and enjoined from making a Claim against the Company, and their Claim shall be forever barred and extinguished without any further act or notification.

6.9 Allowance or Disallowance of Claims

Upon receipt of a completed Proof of Claim or Dispute Notice, the Proposal Trustee shall examine the materials and deal with each in accordance with the provisions of the BIA. The procedure for valuing Claims of the Unsecured Creditors and resolving disputes with respect to such Claims shall be as set forth in the BIA.

6.10 **Effect of Proposal on Claims**

The effect of this Proposal shall be to fully satisfy, release and extinguish all Claims (including all interest accruing or accrued thereon) of all Unsecured Creditors after Approval of this Proposal by the Court, subject to the conditions precedent and other terms set out herein.

ARTICLE 7 **CREDITORS' MEETING**

7.1 **Creditor Meeting**

The Creditor Meeting shall be held via video link, which information will be specified in the Report of the Proposal Trustee.

The only Persons entitled to attend and speak at the Creditor Meeting are representatives of the Company and their respective legal counsel and advisors, the Proposal Trustee and its legal counsel and advisors, and all other Persons entitled to vote at the Creditor Meeting and their respective legal counsel and advisors, including Representative Counsel. Any other Person may be admitted to the Creditor Meeting with the consent of the Proposal Trustee, or the Chairperson of the meeting, in the event the Creditor Meeting is not chaired by the Proposal Trustee.

Persons in attendance at the Creditor Meeting who are eligible to vote shall cast their vote in the manner prescribed by the Proposal Trustee. All votes will be recorded and tabulated by the Proposal Trustee, who may seek the assistance of the Court with respect to any dispute arising from or out of the tabulation of votes. For greater certainty, the Secured Creditors shall not be entitled to vote the value of their Claims.

A quorum shall be constituted for the Creditor Meeting or any adjournment thereof if there is one Creditor, entitled to vote, present in person or by proxy or if one Creditor, entitled to vote, has submitted a voting letter in accordance with the provisions of the Act and this Proposal. If the requisite quorum is not present at the Creditor Meeting or if the Creditors Meeting has to be postponed for any reason, then the Creditor Meeting shall be adjourned by the Proposal Trustee to such date, time and place as determined by the Proposal Trustee.

7.2 **Proxies**

Proxies, as provided for in the BIA indicating a Person authorized to act on behalf of a Creditor, may be submitted to the Proposal Trustee at, or any time prior to, the commencement of the vote on the Proposal at the Creditor Meeting.

7.3 **Voting Letters**

Voting letters as provided for in the BIA submitted to the Proposal Trustee prior to the Creditor Meeting must indicate whether the Creditor wishes to cast its vote in favour of or against the Proposal. Voting letters that do not indicate either preference will be deemed to indicate a vote in favour of the Proposal.

7.4 **Voting by Creditors**

A Proof of Claim or Dispute Notice must have been filed appropriately with the Proposal Trustee in accordance with the terms of this Proposal in order for a Person to be entitled to vote.

Representative Counsel shall be authorized to vote the Former Employee Claims for those Former Employees that Representative Counsel represents.

7.5 Approval

In order to be approved, the Proposal must receive the affirmative vote of the Required Majority in accordance with the provisions of the BIA.

ARTICLE 8 FULL PERFORMANCE OF PROPOSAL

8.1 Binding Effect

All obligations of the Company under this Proposal will commence as of the Effective Date. This Proposal will be fully performed by the Company after it has paid the Proposal Funds to the Proposal Trustee.

8.2 Full Performance

When the Proposal has been fully performed by the Company, the Proposal Trustee will issue to the Company and the Official Receiver the Certificate of Full Performance as provided for in section 65.3 of the BIA.

8.3 Company Will Not Amalgamate

During the currency of this Proposal and until the Certificate of Full Performance referred is issued by the Proposal Trustee, the Company will not amalgamate or otherwise change or reorganize its corporate structure without the approval of the Proposal Trustee, unless the new or successor entity agrees to be bound by all terms and conditions of this Proposal.

8.4 Notices

Any notices or communication to be made or given hereunder shall be in writing and shall refer to this Proposal and may, subject as hereinafter provided, be made or given by personal delivery, by prepaid mail or by receipted email (except for Proofs of Claim which may only be sent by personal delivery, receipted email or registered mail) addressed to the respective parties as follows:¹

If to an Unsecured Creditor:

To the address or email address for such Unsecured Creditor specified in the Proof of Claim filed by such Unsecured Creditor or, if no Proof of Claim has been filed, to such other address or telecopier number at which the notifying party may reasonably believe that the Unsecured Creditor may be contacted.

¹ Or to such other address or email address as any party may from time to time notify the others in accordance with this section.

If to the Company:

c/o Aird & Berlis LLP
Brookfield Place
181 Bay St., #1800
Toronto, ON M5J 2T9

Attention: Steven Graff and Samantha Hans
Email: sgraff@airdberlis.com and shans@airdberlis.com

If to Representative Counsel:

Koskie Minsky LLP
20 Queen Street West
Suite 900, Box 52
Toronto, Ontario M5H 3R3

Attention: Metroland Media Group Ltd. Employee Representative Counsel
Email: metrolandemployees@kmlaw.ca

If to the Proposal Trustee:

Grant Thornton Limited
11th Floor, 200 King St. West
Toronto, ON M5H 3T4

Attention: Jonathan Krieger and David Collins
Email: Jonathan.krieger@ca.gt.com and david.collins@ca.gt.com

In the event of any strike, lock-out or other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be given or made by personal delivery or by telecopier and any notice or other communication given or made by prepaid mail within the five (5) Business Day period immediately preceding the commencement of such interruption will be deemed to have been received, in the case of notice by telecopier, by delivery or email prior to 5:00 PM (local time) on a Business Day, when received or if received after 5:00 PM (local time) on a Business Day or at any time on a non-Business Day, or the next following Business Day and in the case of notice mailed as aforesaid, on the fifth (5th) Business Day following the date on which such notice or other communication is mailed. The unintentional failure to give a notice contemplated hereunder to any particular Creditor will not invalidate this Proposal or any action taken pursuant to this Proposal.

ARTICLE 9
AMENDMENT OF PROPOSAL

9.1 At any time and from time to time prior to or at the Creditor Meeting, the Company may vary, amend, restate, modify or supplement this Proposal (in each case, an

“**Amendment**”) with the consent of the Proposal Trustee. If any such Amendment is made:

- (a) the Company or the Proposal Trustee will communicate the details of the Amendment to Creditors and other Persons present at the Creditor Meeting prior to any vote being taken at the Creditor Meeting;
- (b) the Company will provide notice to the service list of the Amendment and file a copy thereof with the Court without delay and in any event prior to the hearing in respect of the Proposal Approval Order; and
- (c) the Proposal Trustee will post an electronic copy of the Amendment on the Proposal Trustee’s Website without delay and in any event prior to the hearing in respect of the Proposal Approval Order.

9.2 At any time and from time to time after the Creditor Meeting, the Company may make an Amendment with the consent of the Proposal Trustee and approval of the Court. If any such Amendment is made:

- (a) the Company will provide notice to the service list of the Amendment and file a copy thereof with the Court without delay; and
- (b) the Proposal Trustee will post an electronic copy of the Amendment on the Proposal Trustee’s Website without delay.

9.3 Without limitation to Section 9.2, at any time and from time to time after the Creditor Meeting, the Company may vary, amend, restate, modify or supplement this Proposal with the consent of the Proposal Trustee and without Court approval, provided that such Amendment concerns a matter that is of an administrative nature and is required to better give effect to the implementation of this Proposal and is not adverse to the financial interests of the Creditors. If any such Amendment is made:

- (a) the Company will provide notice to the service list of the Amendment and file a copy thereof with the Court without delay; and
- (b) the Proposal Trustee will post an electronic copy of the Amendment on the Proposal Trustee’s Website without delay.

Dated this 3rd day of November, 2023.

METROLAND MEDIA GROUP LTD.



**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED
AND IN THE MATTER OF THE PROPOSAL OF METROLAND MEDIA GROUP LTD. IN THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO**

District of Ontario
Division No. 9 – Toronto
Court File No: BK-23-31-2986886
Estate No: 31-2986886

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
(IN BANKRUPTCY AND INSOLVENCY)**

PROPOSAL

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