

May 29, 2009

IN THE MATTER OF THE COMPANIES' CREDITORS' ARRANGEMENT ACT, S.C. 1985 c.C - 36, as amended

Court File No. 08-CL-7925

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF KOREX DON VALLEY ULC

May 29/09

- S. Friedman for applicant
- S. Mitra for Monitor
- En. Hall & H. Meredith for Unlover
- S. Mavroule for Comenica
- J. Kugler for CEP Union, local 132-0

The applicant seeks a stay of 60 days. It has, however, left the issue of ensuring payments of the fees of the Monitor and its counsel to remain but standing until this morning. There is an ongoing concern otherwise for ensuring that payment arrangements remain satisfactory. The treatment of this matter suggests more generally advised that continued funding of that said recording may become an issue. There are several factors that can be

debated on the likelihood of success of the draft plan. This includes the uncertainty around the proposed business plan, particularly in respect of the business to be conducted out of the co-housing facilities, and the related need for certainty regarding the proposed use case as far as it regards the consent of Unlover or a determination of the court. The issues here the question of whether there is an economically viable business that can be established within the reasonable term of the


ONTARIO  
 SUPERIOR COURT OF JUSTICE  
 (COMMERCIAL LIST)  
 Proceedings Commenced at Toronto

MOTION RECORD OF KOREX DON VALLEY ULC  
 (Returnable May 29, 2009)

DAVIS LLP  
 1 First Canadian Place, Suite 5600  
 100 King Street West  
 Toronto, ON M5X 1E2

Susan E. Friedman (LSUC #24991U)  
 Tel: 416.365.3503  
 Fax: 416.777.7415  
 Email: [sfriedman@davis.ca](mailto:sfriedman@davis.ca)

Lawyers for the Applicant, Korex Don Valley ULC

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under the CETA that cannot justify other to the stakeholders.  
 It is also a number of issues pertaining to the proposed plan  
 that was the question of whether the things plan would be  
 subject to the guidance majority of students. This includes  
 the relatively small number of students in the draft plan  
 and the unrepresented, but significant union claim.

Moreover, I think at this stage the board cannot  
 conclude that the things plan is fair. In their circumstances,  
 it must be seen that the things plan is a success  
 in experience against the possible benefits of a successful  
 organization. In the short-term, the guidance to unions  
 is not material - it has been put into account due under the  
 law. On the other hand, the possibility of renewed employment  
 for the unemployed employees under a proposed infrastructure  
 business is potentially significant to those employees.

Accordingly, I think the appropriate course of  
 action is to extend the stay until June 30/09 and the  
 matter should be subject to the approval making  
 a decision for a claim procedure to commence in mid-June  
 and for information of a claim of re-employment to the  
 stakeholders on or about July 15/09. In the circumstances,  
 the Council motion is also adjourned to that date.

Wilson-H.M.J.

June 30/09.