

14 MAY 2008

Court File No. 07-CL-7109

Mr. A. Ilichenko
May 14/08.

for BDO Dunwoody - Interim Rec.

Mr. K. Page
By Counsel to
Interim Receiver.

Mr. A. Gagnon for Applicant
and Interim Rec.

Es. Mr. Stelbrink advised that the
above interim claim arose in the
Graphic Arts had been reviewed
and that Graphic Arts would not be
pursuing the matter and further
that counsel to Graphic Arts
was agreeable to a clause
in the order that

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced at Toronto

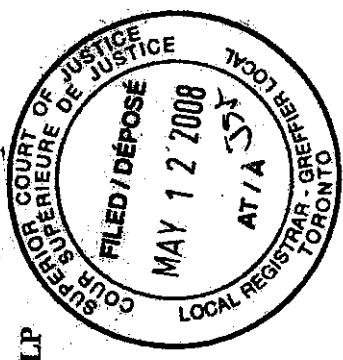
MOTION RECORD

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Solicitors for the Monitor and Interim
Receiver BDO DUNWOODY LIMITED



would declare the Prouty Interest Clause
to be unenforceable as, & violates s 8
of the Interest Act.

The Order is to include a provision
that the Prouty Interest Clause is
unenforceable.

As a result the Interest Review is
in a position to release \$236,250 from
the reserve account.

The report supports the relief
has requested in this matter.

Dr. H. H. White has advised that
no adverse comment has been

received in respect of the activities
and the activities of the BDO
as Interest Review and that two
as described in the 7th & 8th

Reports. The 7th Report was
circulated some time ago and

the 8th Report was served

May 21/08

I am satisfied that the order
shall include a clause approving
the activities of BDO as described
in both reports.

The distribution as described in
paragraph 5 of the draft order
~~is~~ approved, as are the
fees of \$300, France 1.1.1. and
Page 1.1.1.

Order to go to the form of
the draft submitted, as
amended.

It was noted that the Applicant
still intends to file a modest Plea of
Arraignment. The timing will depend on the
resolution of certain claims.

