

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

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

**IN THE MATTER OF THE NOTICE OF INTENTION TO  
MAKE A PROPOSAL OF AZURE PUBLISHING INC.  
FILED IN THE CITY OF TORONTO, IN THE PROVINCE  
OF ONTARIO**

**FACTUM OF AZURE PUBLISHING INC.**

(Motion for Initial Proposal Order and SISP Order returnable on October 10, 2025 at 10:00 AM)

October 9, 2025

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**TO: THE SERVICE LIST**

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## PART I – OVERVIEW

1. On September 10, 2025, Azure Publishing Inc. (“**Azure**”) filed a notice of intention to make a proposal (the “**NOI**”) pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the “**BIA**”). Dodick Landau Inc. was named proposal trustee (the “**Proposal Trustee**”) in Azure’s proposal proceeding (the “**Proposal Proceedings**”).
2. Azure with the support of its interim lender and the Proposal Trustee seeks an initial NOI order and SISP order (collectively referred to as the “**Order**”).
3. In the Order, Azure is seeking, among other things, the following:
  - (a) if necessary, abridging the time for service and filing of the notice of motion and the motion record, validating service of the notice of motion and the motion record so that this motion is properly returnable on October 10, 2025, and dispensing with further service thereof;
  - (b) extending the time for Azure to file proposals under section 50.4(9) of the BIA by 45 days to and including November 24, 2025;
  - (c) approving the first report of the Proposal Trustee dated on or about October 9, 2025 to be filed separately with the Court (the “**First Report**”), and the activities of the Proposal Trustee set out therein;
  - (d) authorizing Azure to enter into the Debtor-in-Possession Loan Agreement (the “**DIP Loan Agreement**”) with 1449483 Ontario Ltd. (“**1449483**” or “**DIP Lender**”) as interim lender, and granting super-priority charges over Azure’s property assets and undertakings ranking in the order they appear below:
    - i. a first-ranking priority charge against Azure’s property, assets and undertakings in an amount not to exceed \$100,000 in favour of Azure’s legal counsel, the Proposal Trustee and the Proposal Trustee’s legal counsel as security for the professional fees and disbursements of counsel to Azure, the Proposal Trustee and counsel to the Proposal Trustee (the “**Administration Charge**”);
    - ii. a second-ranking priority charge in an amount not to exceed \$70,000.00 (the “**KERP Charge**”) securing the amounts owing to the key employees under the KERP (defined below); and

- iii. a third-ranking priority charge (the “**DIP Charge**”) in an amount not to exceed \$230,000.00 plus interest, fees and expenses, against Azure’s property, assets and undertakings as security for all of Azure’s obligations to 1449483 under the DIP Loan Agreement;
- (e) approving the key employee retention plan (the “**KERP**”) in respect of the Azure’s employees, and payments to the key employees detailed therein;
- (f) authorizing Azure to pay certain pre-filing arrears to vendors whose products and/or services are essential to Azure’s ongoing operations and/or may be critical to implementing the contemplated sale or other restructuring alternatives in these Proposal Proceedings (the “**Critical Vendors**”), which payments (a) shall not exceed an aggregate amount of \$88,500.00, being the amount forecast in the Cash Flow (as defined below) and (b) shall be subject to the prior approval of the Proposal Trustee; and
- (g) approving the sale and investment solicitation process (the “**SISP**”) attached as an appendix to the First Report and authorizing the Proposal Trustee to implement the SISP.

## PART II - FACTS

### A. Background

4. Azure is a privately-held corporation, incorporated pursuant to the laws of Ontario with its headquarters located in Toronto, Ontario.<sup>1</sup>
5. Azure is an award-winning international magazine with a focus on contemporary architecture and design. It produces a print magazine six (6) times per year and also organizes the ‘AZ Awards’ which is an annual international competition featuring the best works and projects in the industry. In addition, Azure organizes an annual conference on climate change mitigation in our industry called and ‘Human/Nature’. Designlines, which is Azure’s online sister publication, is focused on local residential interiors and provides

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<sup>1</sup> Affidavit of Sergio Sgaramella affirmed on October 8, 2025 at para 2 (“**Sgaramella Affidavit**”), Azure’s Motion Record (“**MR**”), Tab 2.

inspiration and ideas on contemporary interior design. The ‘Best of Design Awards’ is Designlines’ annual competition open to local designers and architects operating in the GTA.<sup>2</sup>

6. Azure is currently insolvent with a total indebtedness estimated at approximately \$850,000. It has initiated this Proposal Proceeding with the support of its ultimate shareholders in order to stabilize the business enterprise, protect the viability of the business, implement a sales process to maximize returns to stakeholders, and develop a proposal to distribute the proceeds thereof to its creditors.<sup>3</sup>
7. The primary cause of Azure’s financial difficulties has been its inability to fund operations without financing by 1449483 and 1449483’s inability to continue the same. In addition, the media industry has undergone dramatic changes in the past decade, and print media is no longer profitable. While Azure has been successful in diversifying its platform with the introduction of the ‘AZ Awards’ competition, ‘Human/Nature Conference’, and other industry events, it has not been able to fully compensate the diminishing print revenues with these new initiatives. In order to retain its valuable team, Azure has had to gradually but substantially increase its payroll, which now amounts to over 50% of its total expenditures, making Azure unprofitable since 2023.<sup>4</sup>

### **The Six Main Heads of Relief**

- (i) *Authorization of the DIP Loan Agreement and DIP Charge*

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<sup>2</sup> Sgaramella Affidavit at para 6, MR, Tab 2.

<sup>3</sup> Sgaramella Affidavit at para 5, MR, Tab 2.

<sup>4</sup> Sgaramella Affidavit at para 17, MR, Tab 2.

8. As required by the BIA, Azure prepared a cash flow and the Proposal Trustee prepared a report on same and it was duly filed within the 10 days provided by the BIA (the “**Cash Flow**”), a copy of which is attached to the First Report.<sup>5</sup>
9. The Cash Flow provides that Azure will not be able to operate through the restructuring process without interim funding. To back stop the cash flow requirements of Azure during the Proposal Process, 1449483, in its capacity as the proposed lender under the DIP Loan Agreement has offered to make available to Azure interim funding pursuant to the terms of the DIP Loan Agreement to fund operations and the cash shortfall anticipated in the Extended Cash Flow.<sup>6</sup>
10. The terms of the DIP Loan Agreement are reasonable and in line with prevailing insolvency practices, and the proposed borrowings thereunder are appropriate in the circumstances and sufficient to fund Azure’s cash flow needs through to the end of the extension period sought on the within motion.<sup>7</sup>

(ii) *Granting of the Administration Charge*

11. Azure requests the granting of a first-ranking Administration Charge in the amount of \$100,000 to ensure payment of the fees and expenses of each of Azure’s legal counsel, the Proposal Trustee and the Proposal Trustee’s legal counsel. Azure seeks the Administration

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<sup>5</sup> First Report of Proposal Trustee dated October 9, 2025 (“**First Report**”).

<sup>6</sup> Ex. J, Sgaramella Affidavit, MR, Tab 2.

<sup>7</sup> Sgaramella Affidavit at para 23, MR, Tab 2.

Charge, which is to rank in priority to all security, trusts (whether statutory or otherwise), encumbrances and claims on the property assets and undertakings of Azure.<sup>8</sup>

12. The Administration Charge is reasonable in the circumstances. The continued services of the professionals are critical to the progress and success of these Proposal Proceedings and the SISP and, without such charge, the foregoing professionals are unlikely to continue in their capacities in support of these Proposal Proceedings.<sup>9</sup>

*(iii) Approving the KERP and Granting of KERP Charge*

13. Azure seeks this Court's approval of the KERP which is designed to retain and incentivize the KERP employees (the "**KERP Participants**") who are part of the management and operations of Azure. The KERP Participants perform important management or business functions, and the institutional knowledge and skills possessed by them are irreplaceable, making their continued engagement vital to Azure's operations during these Proposal Proceedings.<sup>10</sup>

14. The KERP was developed by Azure with the assistance of the Proposal Trustee and takes into consideration the KERP Participants' existing compensation packages and the circumstances of these Proposal Proceeding. The aggregate amount which may become payable to the KERP Participants under the KERP is approximately \$70,000.00. In order to secure the payment owed to the KERP Participants, Azure seeks an Order granting to

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<sup>8</sup> Sgaramella Affidavit at para 24, MR, Tab 2.

<sup>9</sup> Sgaramella Affidavit at para 24, MR, Tab 2.

<sup>10</sup> Sgaramella Affidavit at para 25, MR, Tab 2.

the KERP Participants a KERP Charge in the maximum amount of \$70,000.00, ranking ahead of the DIP Charge but behind the Administration Charge.<sup>11</sup>

15. The KERP Charge is reasonable in the circumstances. The KERP Participants perform important functions and the knowledge and skills possessed by them are irreplaceable, making their continued engagement vital both to Azure's operations during the Proposal Proceedings as well as Azure's appeal as a going concern business.<sup>12</sup>

*(iv) Approval of Payments to the Critical Vendors*

16. Azure also seeks the authority to pay certain pre-filing arrears to certain Critical Vendors limited to a maximum aggregate amount of \$88,500.00. The proposed Order provides that the Proposal Trustee will oversee any payments of pre-filing amounts made to the Critical Vendors. Payments will only be made with the express consent of the Proposal Trustee and the DIP Lender, and only to Critical Vendors that the Proposal Trustee agrees are essential to Azure's business operations and such payments are provided for in the Cash Flow Forecast.<sup>13</sup>

*(v) Approval of the SISP*

17. The following is a summary of the SISP<sup>14</sup>:
- (a) the Proposal Trustee will administer the SISP and will commence the process by no later than October 17, 2025;

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<sup>11</sup> Sgaramella Affidavit at para 26 and 27, MR, Tab 2.

<sup>12</sup> Sgaramella Affidavit at para 28, MR, Tab 2.

<sup>13</sup> Sgaramella Affidavit at pars 36-39, MR, Tab 2.

<sup>14</sup> Ex. L, Sgaramella Affidavit, MR, Tab 2.

- (b) as soon as reasonably practicable, the Proposal Trustee will prepare a list of potentially interested parties for participation in the SISP and will provide them with a ‘teaser’ to participate in the SISP;
  - (c) all participants will be required to execute a non-disclosure agreement and disclose indirect and direct principals of the participant;
  - (d) any party executing a non-disclosure and confidentiality agreement will be invited to review a virtual data room including the salient details of the business and assets of Azure and to submit non-binding expressions of interest;
  - (e) the Proposal Trustee will review the expressions of interest and invite select parties to submit binding letters of intent in the form of a completed agreement of purchase and sale;
  - (f) all offers must be, and all transactions will proceed, on an “as is, where is” basis and will not be conditional on diligence or financing;
  - (g) the final bid (or bids) will be selected and executed;
  - (h) Azure will then seek Court approval of the selected transaction (or transactions); and
  - (i) the transaction(s) shall close forthwith after Court approval but by no later than eleven (11) days after the issuance of the Approval Order.
- (vi) *Extension of Time to File a Proposal*
18. The stay of proceedings imposed on the filing of Azure’s NOI will expire on October 10, 2025.<sup>15</sup>
19. In order to commence and advance the SISP, Azure is seeking an extension of time to file a proposal for 45 days to and including November 24, 2025. In order to allow enough time for the transaction to close after the selection of a successful bidder, Azure anticipates seeking an additional extension of the time to file a proposal.<sup>16</sup>

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<sup>15</sup> Sgaramella Affidavit at para 40, MR, Tab 2.

<sup>16</sup> Sgaramella Affidavit at para 41, MR, Tab 2.

20. Without the present requested extension, Azure will not be in a position to carry out the SISP or to make a viable proposal to creditors, and will become automatically bankrupt after the expiry of the current stay on October 10, 2025. That would worsen the position of the stakeholders as a sale in a sale process conducted in a going concern context is likely to produce better results than a sale in a liquidating bankruptcy.<sup>17</sup>
21. Azure does not consider that any creditor will be materially prejudiced if the stay extension is granted. The extension is supported by Azure, its shareholders, its DIP Lender, and the Proposal Trustee.<sup>18</sup>
22. If the extension sought is granted, and the SISP process is successful in sourcing bidders for the business or parts thereof who close their transactions, Azure would be able to make a viable proposal to its creditors for the distribution of the proceeds.<sup>19</sup>

### **PART III - ISSUES**

23. The issues on this motion are whether to grant the Order, including more particularly as follows:
- (a) Whether to authorize the DIP Loan Agreement and grant the DIP Charge;
  - (b) Whether to grant the Administration Charge;
  - (c) Whether to approve the KERP and grant the KERP Charge;
  - (d) Whether to approve payments to the Critical Vendors;
  - (e) Whether to the approve the SISP; and
  - (f) Whether to grant the extension of time to file a proposal.

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<sup>17</sup> Sgaramella Affidavit at para 42, MR, Tab 2.

<sup>18</sup> Sgaramella Affidavit at para 43, MR, Tab 2.

<sup>19</sup> Sgaramella Affidavit at para 44, MR, Tab 2.

## PART IV - LAW AND ARGUMENT

### A. The DIP Loan Agreement and DIP Charge Should be Approved

24. The Court has authority under section 50.6(1) of the BIA to authorize the DIP Loan Agreement and DIP Charge, subject to a consideration of the factors in section 50.6(5) of the BIA.<sup>20</sup>

25. Having regard to those factors, the DIP Loan Agreement and the DIP Charge should be approved for the following reasons:

- (a) The Cash Flow provides that Azure will not be able to operate through the restructuring process without interim funding;
- (b) The DIP Loan Agreement is conditional on the Court granting an order, on terms acceptable to the DIP Lender, which, among other things, grants the DIP Charge on the property assets and undertaking of Azure, which shall rank in priority to all other security, trusts (whether Statutory or otherwise), encumbrances and claims on the property assets and undertaking of Azure; and
- (c) The terms of the DIP Loan Agreement is reasonable and in line with prevailing insolvency practices, and the proposed borrowings thereunder are appropriate in the circumstances and sufficient to fund Azure's cash flow needs through to the end of the extension period sought on the within motion.

### B. The Administration Charge Should be Granted

26. Section 64.2 of the BIA provides jurisdiction to grant a super-priority charge for the purpose of securing the fees and expenses of a trustee, its legal advisors and Azure's legal advisors. The Administration Charge should be granted for the following reasons:

- (a) the proposed services by the beneficiaries of the Administration Charge are essential both to a successful proceeding under the BIA as well as for the conduct of the SISP; and

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<sup>20</sup> BIA, ss. 50.6(1) and (5); *Colossus Minerals Inc. (Re)*, 2014 ONSC 514 at [para 3](#).

- (b) the quantum of the proposed charge is appropriate given the complexity of the applicant's business and of the SISP, both of which will require the supervision of the Proposal Trustee.

### **C. The SISP Should be Approved**

- 27. The SISP was developed by Azure with the assistance of the Proposal Trustee and with input from 1449483.
- 28. The Court has the authority to approve any proposed sale under s. 65.13(1) of the BIA subject to consideration of the factors in s. 65.13(4).
- 29. At this time, Azure seeks approval of the proposed SISP. The SISP should be approved for the following reasons:
  - (a) the SISP is necessary to determine whether a sale or investment transaction is available that would be more advantageous to Azure and its stakeholders compared to other alternatives. In these circumstances, a sales process is not only reasonable but also necessary;
  - (b) as set out in paragraph 34 of the draft Order, the Court is not approving any bid at this time. The successful bid will require court approval, and the proposed draft Order is expressly made without prejudice to any interested person's ability to oppose the approval of a successful bid; and
  - (c) the Proposal Trustee supports the proposed SISP.
- 30. In *Colossus Minerals Inc. (Re)*, Wilton-Siegel J. approved a SISP in a proposal proceeding under the BIA, citing similar considerations as those noted above.<sup>21</sup>

### **D. The KERP Should be Approved and the KERP Charge Should be Granted**

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<sup>21</sup> [\*Colossus Minerals Inc. \(Re\)\*](#), 2014 ONSC 514 at para 22; see also Endorsement of Justice Kaufman at Appendix A in In the Matter of the Notice of Intention to Make a Proposal of OEM Automotive Solutions Inc. et al, court file no. BK-33-03025642.

31. KERPs have been approved time and time again in proposal proceedings under the BIA.<sup>22</sup> The KERP should be approved because the KERP is designed to retain and incentivize the KERP Participants who perform important functions. The knowledge and skills possessed by them are irreplaceable, making their continued engagement vital both to Azure's operations during these Proposal Proceedings as well as Azure's appeal as a going concern business following the SISP.<sup>23</sup>

#### **E. The Payment to the Critical Vendors Should be Permitted**

32. This Court has allowed debtor companies to pay-prefiling obligations where appropriate, particularly where failure to do so could frustrate the debtor company's ongoing operations.<sup>24</sup> In this case, the products and/or services offered by the Critical Vendors are essential to Azure's ongoing operations and/or may be critical to implementing the contemplated sale or other restructuring alternatives in these Proposal Proceedings.

#### **F. Extension of Time for Azure to File a Proposal Should be Granted**

33. The Court has authority to grant such relief under section 50.4(9) of the BIA. Azure's request for an extension of the stay until November 24, 2025 to file a proposal should be granted for the following reasons:

- (a) Azure is acting in good faith and with due diligence, with a view to maximizing value for the stakeholders, in seeking authorization for the SISP;
- (b) the extension of the stay is necessary for Azure to undertake the SISP;

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<sup>22</sup> See In the Matter of *The Body Shop Canada Limited*, 2024 ONSC 3882 [para 24](#); *Danier Leather Inc. (Re)*, 2016 ONSC 1044 at [paras 72-78](#).

<sup>23</sup> Sgaramella Affidavit at para 25, MR, Tab 2.

<sup>24</sup> [McEwan Enterprises Inc., 2021 ONSC 6453](#) at paras [32-33](#); [Clover Leaf Holdings Company, Re., 2019 ONSC 6966](#) at para [25](#); [Index Energy Mills Road Corporation \(Re\), 2017 ONSC 4944](#) at para [31](#); [JTI-Macdonald Corp., Re.](#) 2019 ONSC 1625 at paras [24-25](#).

- (c) There is no material prejudice likely to result to creditors from the extension of the stay;
- (d) Azure's cash flows, with the support of the loan under the DIP Loan Agreement, will enable Azure to meet their financial obligations; and
- (e) the Proposal Trustee supports the requested relief.

**PART V - ORDER REQUESTED**

34. For the reasons set out above, Azure respectfully requests that the Court grant the requested Order.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED**



Date: October 9, 2025

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**S. Michael Citak**  
**GARDINER ROBERTS LLP**

**SCHEDULE “A”**

**LIST OF AUTHORITIES**

1. *Colossus Minerals Inc. (Re)*, 2014 ONSC 514
2. Endorsement of Justice Kaufman at Appendix A in *In the Matter of the Notice of Intention to Make a Proposal of OEM Automotive Solutions Inc. et al.*, Court File No. BK-33-03025642
3. *In the Matter of The Body Shop Canada Limited*, 2024 ONSC 3882
4. *Danier Leather Inc. (Re)*, 2016 ONSC 1044
5. *McEwan Enterprises Inc.*, 2021 ONSC 6453
6. *Clover Leaf Holdings Company, Re.*, 2019 ONSC 6966
7. *Index Energy Mills Road Corporation (Re)*, 2017 ONSC 4944
8. *JTI-Macdonald Corp., Re*, 2019 ONSC 1625

**SCHEDULE “B”**  
**RELEVANT STATUTES**

***Bankruptcy and Insolvency Act, RSC 1985, c B-3***

**Extension of time for filing proposal**

**50.4 (9)** The insolvent person may, before the expiry of the 30-day period referred to in subsection (8) or of any extension granted under this subsection, apply to the court for an extension, or further extension, as the case may be, of that period, and the court, on notice to any interested persons that the court may direct, may grant the extensions, not exceeding 45 days for any individual extension and not exceeding in the aggregate five months after the expiry of the 30-day period referred to in subsection (8), if satisfied on each application that

- (a) the insolvent person has acted, and is acting, in good faith and with due diligence;
- (b) the insolvent person would likely be able to make a viable proposal if the extension being applied for were granted; and
- (c) no creditor would be materially prejudiced if the extension being applied for were granted.

**Order — interim financing**

**50.6 (1)** On application by a debtor in respect of whom a notice of intention was filed under section 50.4 or a proposal was filed under subsection 62(1) and on notice to the secured creditors who are likely to be affected by the security or charge, a court may make an order declaring that all or part of the debtor’s property is subject to a security or charge — in an amount that the court considers appropriate — in favour of a person specified in the order who agrees to lend to the debtor an amount approved by the court as being required by the debtor, having regard to the debtor’s cash-flow statement referred to in paragraph 50(6)(a) or 50.4(2)(a), as the case may be. The security or charge may not secure an obligation that exists before the order is made.

**Factors to be considered**

**50.6 (5)** In deciding whether to make an order, the court is to consider, among other things,

- (a) the period during which the debtor is expected to be subject to proceedings under this Act;
- (b) how the debtor's business and financial affairs are to be managed during the proceedings;
- (c) whether the debtor's management has the confidence of its major creditors;
- (d) whether the loan would enhance the prospects of a viable proposal being made in respect of the debtor;
- (e) the nature and value of the debtor's property;
- (f) whether any creditor would be materially prejudiced as a result of the security or charge; and
- (g) the trustee's report referred to in paragraph 50(6)(b) or 50.4(2)(b), as the case may be.

### **Security or charge relating to director's indemnification**

64.1 (1) On application by a person in respect of whom a notice of intention is filed under section 50.4 or a proposal is filed under subsection 62(1) and on notice to the secured creditors who are likely to be affected by the security or charge, a court may make an order declaring that all or part of the property of the person is subject to a security or charge — in an amount that the court considers appropriate — in favour of any director or officer of the person to indemnify the director or officer against obligations and liabilities that they may incur as a director or officer after the filing of the notice of intention or the proposal, as the case may be.

### **Priority**

64.1 (2) The court may order that the security or charge rank in priority over the claim of any secured creditor of the person.

### **Restriction — indemnification insurance**

64.1 (3) The court may not make the order if in its opinion the person could obtain adequate indemnification insurance for the director or officer at a reasonable cost.

### **Negligence, misconduct or fault**

64.1 (4) The court shall make an order declaring that the security or charge does not apply in respect of a specific obligation or liability incurred by a director or officer if in its opinion the obligation or liability was incurred as a result of the director's or officer's gross

negligence or wilful misconduct or, in Quebec, the director's or officer's gross or intentional fault.

### **Court may order security or charge to cover certain costs**

64.2 (1) On notice to the secured creditors who are likely to be affected by the security or charge, the court may make an order declaring that all or part of the property of a person in respect of whom a notice of intention is filed under section 50.4 or a proposal is filed under subsection 62(1) is subject to a security or charge, in an amount that the court considers appropriate, in respect of the fees and expenses of

- (a) the trustee, including the fees and expenses of any financial, legal or other experts engaged by the trustee in the performance of the trustee's duties;
- (b) any financial, legal or other experts engaged by the person for the purpose of proceedings under this Division; and
- (c) any financial, legal or other experts engaged by any other interested person if the court is satisfied that the security or charge is necessary for the effective participation of that person in proceedings under this Division.

### **Priority**

64.2 (2) The court may order that the security or charge rank in priority over the claim of any secured creditor of the person.

### **Individual**

64.2 (3) In the case of an individual,

- (a) the court may not make the order unless the individual is carrying on a business; and
- (b) only property acquired for or used in relation to the business may be subject to a security or charge.

### **Restriction on disposition of assets**

65.13 (1) An insolvent person in respect of whom a notice of intention is filed under section 50.4 or a proposal is filed under subsection 62(1) may not sell or otherwise dispose of assets outside the ordinary course of business unless authorized to do so by a court. Despite any requirement for shareholder approval, including one under federal or

provincial law, the court may authorize the sale or disposition even if shareholder approval was not obtained.

### **Factors to be considered**

65.13 (4) In deciding whether to grant the authorization, the court is to consider, among other things,

- (a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;
- (b) whether the trustee approved the process leading to the proposed sale or disposition;
- (c) whether the trustee filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;
- (d) the extent to which the creditors were consulted;
- (e) the effects of the proposed sale or disposition on the creditors and other interested parties; and
- (f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.

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

PROCEEDING COMMENCED AT  
TORONTO

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**FACTUM OF AZURE PUBLISHING INC.**

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