

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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 NELSON EDUCATION LTD.
AND NELSON EDUCATION HOLDINGS LTD.

Applicants

NOTICE OF MOTION
(Re: Replacement of the Monitor)
(returnable on May 29, 2015)

To the extent it is necessary to proceed by way of a Notice of Motion, Royal Bank of Canada (“**RBC**”) will make a motion before a Judge of the Ontario Superior Court of Justice (Commercial List) on Friday, May 29, 2015 at 10:00 o’clock in the morning, or as soon after that time as the motion can be heard, at 330 University Avenue, in the City of Toronto.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. If necessary, an Order abridging the time for and validating service of the Notice of Motion and the Motion Record herein and dispensing with further service thereof;
2. In the event the Court continues these CCAA Proceedings, an Order replacing Alvarez & Marsal Canada Inc. (“**A&M**”) as Monitor; and

3. Such further and other relief as counsel may request and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. The Applicants sought protection under the *Companies' Creditors Arrangement Act*, RSC. 1985 c. C-36 ("CCAA") and obtained the Initial Order of Justice Newbould dated May 12, 2015;
2. The Initial Order set a Comeback Date of May 29, 2015;
3. A&M was appointed Monitor under the Initial Order, pending the Comeback Hearing;
4. The Monitor as an Officer of the Court owes a duty to all parties in a CCAA proceeding and should be an independent and neutral party;
5. A&M has been retained by the Applicants as their financial advisor since March, 2013 and is not a neutral, disinterested party;
6. Paragraph 36 of the Initial Order of Justice Newbould dated May 12, 2015;
7. Section 11.7 of the CCAA and the inherent and equitable jurisdiction of this Court;
8. Rules 1.04, 2.03, 3.02, 16.08 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
9. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

10. The Affidavit of Greg Nordal sworn on May 11, 2015;
11. The Pre-Filing Report of the Proposed Monitor, A&M, dated May 11, 2015;
12. The Affidavit of Annette Fournier and the exhibits attached thereto sworn on May 20, 2015;
13. Answers to written questions posed to Mr. Nordal;
14. Answers to written questions posed to A&M;
15. The Consent of the Proposed Replacement Monitor, to be filed with the Court prior to the Comeback Hearing;
16. Such further and other material as counsel may advise and this Honourable Court may permit.

May 20, 2015

Thornton Grout Finnigan LLP
Barristers & Solicitors
Suite 3200, TD West Tower
100 Wellington Street West
P.O. Box 329, Toronto-Dominion Centre
Toronto, ON M5K 1K7

D.J. Miller (LSUC# 34393P)
djmiller@tgf.ca
Tel: (416) 304-0559

Kyla E. M. Mahar (LSUC# 44182G)
kmahar@tgf.ca
Tel: (416) 304-0594
Fax: (416) 304-1313

Lawyers for Royal Bank of Canada

TO: THIS HONOURABLE COURT
AND TO: THE ATTACHED SERVICE LIST

**NELSON EDUCATION LTD.
EMAIL SERVICE LIST**

TO:	<p>GOODMANS LLP Bay Adelaide Centre 333 Bay Street, Suite 3400 Toronto ON, M5H 2S7</p> <p>Robert J. Chadwick Tel: (416) 597-4285 Fax: (416) 979-1234 Email: rchadwick@goodmans.ca</p> <p>Caroline Descours Tel: (416) 597-6275 Fax: (416) 979-1234 Email: cdescours@goodmans.ca</p> <p>Sydney Young Tel: (416) 849.6965 Fax: (416) 979-1234 Email: syoung@goodmans.ca</p> <p>Lawyers for the Applicants</p>
AND TO:	<p>DAVIES WARD PHILLIPS & VINEBERG LLP 155 Wellington Street West Toronto ON M5V 3J7</p> <p>Jay Swartz Tel: (416) 863-5520 Fax: (416) 863-0871 Email: jswartz@dwpv.com</p> <p>Robin Schwill Tel: (416) 863-5502 Fax: (416) 863-0871 Email: rschwill@dwpv.com</p> <p>Lawyers for the Monitor</p>

AND TO:	<p>ALVAREZ & MARSAL CANADA INC. Royal Bank Plaza, South Tower 200 Bay Street, Suite 2900 Toronto, ON M5J 2J1</p> <p>Alan Hutchens Tel: (416) 847-5159 Fax: (416) 847-5201 Email: ahutchens@alvarezandmarsal.com</p> <p>Andrea Yandreski Tel: (416) 847-5153 Fax: (416) 847-5201 Email: ayandreski@alvarezandmarsal.com</p> <p>Greg Karpel Tel: (416) 847-5170 Fax: (416) 847-5201 Email: gkarpel@alvarezandmarsal.com</p> <p>Monitor</p>
AND TO:	<p>THORNTON GROUT FINNIGAN LLP Barristers & Solicitors Suite 3200, TD West Tower 100 Wellington Street West P.O. Box 329, Toronto-Dominion Centre Toronto, ON M5K 1K7</p> <p>D.J. Miller Tel: (416) 304-0559 Fax: (416) 304-1313 Email: djmiller@tgf.ca</p> <p>Kyla E. M. Mahar Tel: (416) 304-0594 Fax: (416) 304-1313 Email: kmahar@tgf.ca</p> <p>Lawyers for Royal Bank of Canada, as the Second Lien Agent</p>

AND TO:	<p>BENNETT JONES LLP 3400 One First Canadian Place P.O. Box 130 Toronto, ON M5X 1A4</p> <p>Kevin Zych Tel: (416) 777-5738 Fax: (416) 863-1716 Email: zychk@bennettjones.com</p> <p>Sean Zweig Tel: (416) 777-6254 Fax: (416) 863-1716 Email: zweigs@bennettjones.com</p> <p>Lawyers for Wilmington Trust, National Association, as the First Lien Agent, Cortland Capital Market Services LLC, as the Supplemental Agent, and the First Lien Steering Committee</p>
----------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

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 NELSON EDUCATION LTD.
 AND NELSON EDUCATION HOLDINGS LTD. (collectively, the "APPLICANTS")

Court File No.: CV15-10961-CL

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

Proceedings commenced at **Toronto**

**NOTICE OF MOTION
 (RETURNABLE ON MAY 29, 2015)**

Thornton Grout Finnigan LLP

Barristers & Solicitors
 Suite 3200, TD West Tower
 100 Wellington Street West
 P.O. Box 329, Toronto-Dominion Centre
 Toronto, ON M5K 1K7

D.J. Miller (LSUC# 34393P)

djmiller@tgf.ca

Tel: (416) 304-0559

Kyla E. M. Mahar (LSUC# 44182G)

kmahar@tgf.ca

Tel: (416) 304-0594

Fax: (416) 304-1313

Lawyers for Royal Bank of Canada