

# Heenan Blaikie

## Of Counsel

The Right Honourable Pierre Elliott Trudeau, P.C., C.C., C.H., Q.C., FRSC (1984-2000)  
The Right Honourable Jean Chrétien, P.C., Q.C.  
The Honourable Donald J. Johnston, P.C., Q.C.  
Pierre Marc Johnson, FRSC  
The Honourable Michel Bastarache  
The Honourable John W. Morden  
Peter M. Blaikie, Q.C.  
André Bureau, O.C.

**VIA EMAIL**

October 31, 2008

Robin B. Schwill  
Davies Ward Phillips & Vineberg LLP  
1 First Canadian Place  
Toronto, ON  
M5X 1B1

Dear Sir:

Our Reference: 052319-0001

**Re: Ryan v. 6356095 Canada Inc.**

We acknowledge receipt yesterday morning of the Supplement to the First Report to the Court of XMT Liquidations Inc.

Our client has reviewed the Supplement and the background to this matter and while it continues to have concerns with the proposed amendments to the sale agreement, we have been instructed not to pursue opposition to Court approval.

In the circumstances I believe it is appropriate that we advise Madam Justice Pepall and as such I attach a proposed letter to her. Please confirm by return email that this letter is satisfactory and I will immediately forward it to her assistant.

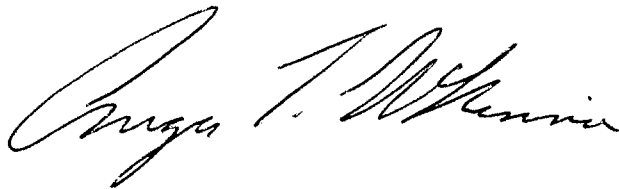
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Toronto, Ontario  
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Yours truly,



Angus T. McKinnon

ATM/mc  
Encl.

cc: Joseph Bellissimo, Cassels Brock & Blackwell LLP  
John Birch, Cassels Brock & Blackwell LLP  
Max Starnino, Paliare Roland Rosenberg Rothstein LLP  
Client

HBdocs - 5399029v120785

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André Bureau, O.C.

**BY FACSIMILE** (416-327-5417)

October 31, 2008

The Honourable Madam Justice Pepall  
Ontario Superior Court of Justice – Commercial List  
361 University Avenue  
Toronto, Ontario  
M5G 1T3

Dear Madam Justice Pepall:

Our Reference: 052319-0001

**Re: Ryan v. 6356095 Canada Inc.**

**Court File No. 06-CL-6752**

**Hearing Scheduled for Monday, November 3, 2008**

You will recall that we were retained by SC Fundamental LLC in respect to the above matter. We are writing to you at this time to advise that we will not be pursuing our client's opposition to the Court approval and have so advised the other counsel involved. As such we do not propose appearing at the hearing scheduled for Monday, November 3, 2008.

Angus T. McKinnon

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Canada M5J 2J4

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We would like to thank you for your assistance in this matter.

Yours truly,

Angus T. McKinnon

ATM/mc

cc: Joseph Bellissimo, Cassels Brock & Blackwell LLP  
John Birch, Cassels Brock & Blackwell LLP  
Max Starnino, Paliare Roland Rosenberg Rothstein LLP  
Client

HBdocs - 5399147v1