

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATION ACT*, R.S.C. 1985, c. C-44

AND

IN THE MATTER OF PAKIT INC.

PETITIONER

**APPLICATION RESPONSE**

**Application response of: Fairfax Financial Holdings Ltd.** (the "Application Respondent")

THIS IS A RESPONSE TO the notice of application of Pakit Inc. dated August 30, 2011.

**Part 1: ORDER CONSENTED TO**

The application respondent consents to the granting of the orders set out in the following paragraphs of Part 1 of the notice of application on the following terms: NIL

**Part 2: ORDERS OPPOSED**

The application respondent opposes the granting of the orders set out in paragraph 1 of Part 1 of the notice of application.

**Part 3: ORDERS ON WHICH NO POSITION IS TAKEN**

The application respondent takes no position on the granting of the orders set out in paragraphs NIL of Part 1 of the notice of application.

**Part 4: FACTUAL BASIS**

1. Circumstances do not exist which make a continuation of the CCAA stay, granted on July 28, 2011, appropriate.

**Part 5: LEGAL BASIS**

1. The Application Respondent will rely upon section 11.02 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and the inherent jurisdiction of the court.

**Part 6: MATERIAL TO BE RELIED ON**

1. Affidavit #1 of Hoa Ung, made August 24, 2011;
2. Affidavit #1 of Paula Sawyers, made August 24, 2011;
3. The First Report of the Monitor dated August 24, 2011;
4. The Second Report of the Monitor dated August 30, 2011; and
5. The pleadings and affidavits filed in support of S.C.B.C. Action #S-114513, Vancouver Registry.

The application respondent estimates that the application will take 2 hours.

[ ] The application respondent has filed in this proceeding a document that contains the application respondent's address for service.

[X] The application respondent has not filed in this proceeding a document that contains an address for service. The application respondent's ADDRESS FOR SERVICE is:

595 Burrard Street, P.O. Box 49314  
Suite 2600, Three Bentall Centre  
Vancouver, BC V7X 1L3

Date: August 31, 2011



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Signature of

[ ] application respondent

[X] lawyer for application respondent

Peter L. Rubin