COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES

MOTION RECORD ERNST & YOUNG LLP FOR FULL STANDING FOR THE REMAING PHASES OF THE INQUIRY

LENCZNER SLAGHT ROYCE SMITH GRIFFIN LLP

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Counsel for Ernst & Young LLP

TO: The Commissioner

AND TO: Commission Counsel

Commission of Inquiry into the Sponsorship Program

and Advertising Activities Guy-Favreau Complex East Tower, P.O. Box 608

220 René-Lévesque Boulevard West

Montreal, Quebec

H2Z 1X4

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- 1. Notice of Motion by Ernst & Young LLP for Standing for the Remaining Phases of the Inquiry dated April 22, 2005.
- 2. Affidavit of Elizabeth Wolfe, dated April 22, 2005.

COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES

NOTICE OF MOTION BY ERNST & YOUNG LLP FOR STANDING FOR THE REMAINING PHASES OF THE INQUIRY

TAKE NOTICE THAT ERNST & YOUNG LLP will make a motion to the Commission in writing under Rule 3 of the Commission's Rules of Procedure and Practice, returnable at a time and date set by the Commissioner.

THE MOTION IS FOR full standing before the Commission for the remaining phases of the Inquiry, with the rights set out in Rule 7 of Commission's Rules of Procedure and Practice and such additional rights as appear just and appropriate.

THE GROUNDS FOR THE MOTION ARE that Ernst & Young LLP is directly and substantially affected by the Inquiry, and has interests and perspectives that should be represented before the Commission. The particulars are as follows:

- 1. Ernst & Young LLP was engaged by Public Works and Government Services

 Canada to conduct a compliance audit of the Advertising and Public Opinion Research

 Sector in 1996.
- 2. In November 1996, Ernst & Young LLP delivered a Compliance Audit of Contracting Processes (the "Report").

- 3. The Report has been the subject of evidence given at the Inquiry from a panel from Ernst & Young LLP. The Report has also formed part of the examination of witnesses who testified subsequently.
- 4. The Report was referred to in early drafts of an internal audit report conducted by Public Works and Government Services Canada in 2000.
- 5. It is the expectation of Ernst & Young LLP that the Report will be referred to in argument by the parties who have standing before the Commission. Further, the possibility exists for the Commissioner to be urged to make findings adverse to Ernst & Young LLP or that the Commissioner, without the benefit of further input from Ernst & Young LLP, might make such findings.
- 6. Accordingly, Ernst & Young LLP could be directly and substantially affected by the Inquiry and has interests and perspectives that should be represented before the Commission.
- 7. Ernst & Young LLP respectfully submits that this is an appropriate case for the Commissioner to exercise his discretion to grant standing after May 31, 2004 pursuant to Rule 3 of the Commission's Rules of Procedure and Practice.
- 8. Ernst & Young LLP respectfully requests that it be granted full standing before the Commission for the remaining phases of the Inquiry.

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

1. The affidavit of Elizabeth Wolfe sworn on April 22, 2005;

2. The name, address, telephone and fax numbers and email address of Ernst & Young which is as follows:

c/o Elizabeth Wolfe Assistant General Counsel General Counsel's Office Ernst & Young LLP Ernst & Young Tower P.O. Box 251 Toronto-Dominion Centre 29th Floor Toronto, Ontario M5K 1J7

Tel: 416-864-1234 Fax: 416-943-3475

Email: elizabeth.wolfe@ca.ey.com

3. The names of the lawyers representing Ernst & Young LLP together with the lawyers' address, telephone and fax numbers and e-mail addresses which are noted immediately below.

4. Such further and other material as counsel may advise and this Honourable

Commission of Inquiry may permit.

April 22, 2005

Per:

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AFFIDAVIT OF ELIZABETH WOLFE

- I, Elizabeth Wolfe, of the City of Toronto, in the Province of Ontario, SWEAR THAT:
- 1. I am Assistant General Counsel of Ernst & Young LLP and therefore have knowledge of the matters to which I depose.
- I have read Ernst & Young LLP's notice of motion to the Commission dated April 22,
 2005, in which it seeks standing before the Commission for the remaining phases of the
 Inquiry. The facts set out in the notice of motion are true.

SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario, on)
April 22, 2005)
Told Demone)
Isla Henrine)
100-00)

Commissioner for taking affidavits

Elizabeth Wolfe

COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES

MOTION RECORD

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