

**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  
CANWEST PUBLISHING INC./PUBLICATIONS CANWEST INC., CANWEST  
BOOKS INC. and CANWEST (CANADA) INC.

**MOTION RECORD**  
**of the CanWest Salaried Employees and Retirees (CSER) Group**

Date: January 31, 2010

**NELLIGAN O'BRIEN PAYNE LLP**  
Barristers and Solicitors  
50 O'Connor, Suite 1500  
Ottawa, Ontario  
K1P 6L2

**Janice B. Payne** (LSUC No. 16307P)  
Tel: 613-231-8245  
Fax: 613-788-3655  
Email: [janice.payne@nelligan.ca](mailto:janice.payne@nelligan.ca)

**Steven Levitt** (LSUC No. 46358C)  
Tel: 613-231-8283  
Fax: 613-788-2369  
Email: [steven.levitt@nelligan.ca](mailto:steven.levitt@nelligan.ca)

**Christopher Rootham** (LSUC No. 46225T)  
Tel: 613-231-8311  
Fax: 613-788-3667  
Email: [christopher.rootham@nelligan.ca](mailto:christopher.rootham@nelligan.ca)

**SHIBLEY RIGHTON LLP**

Barristers and Solicitors  
700-250 University Avenue  
Toronto, Ontario  
M5H 3E5

**Arthur O. Jacques** (LSUC No. 12437M)

Tel: 416-214-5213

Fax: 416-214-5413

Email: [arthur.jacques@shibleyrighton.com](mailto:arthur.jacques@shibleyrighton.com)

**Thomas McRae** (LSUC No. 32375U)

Tel: 416-214-5206

Fax: 416-214-5400

Email: [thomas.mcrae@shibleyrighton.com](mailto:thomas.mcrae@shibleyrighton.com)

Co-Counsel for the CanWest Salaried  
Employees and Retirees (CSER) Group

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**TAB 1**

**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  
CANWEST PUBLISHING INC./PUBLICATIONS CANWEST INC., CANWEST  
BOOKS INC. AND CANWEST (CANADA)

**NOTICE OF MOTION  
(returnable February 8, 2010)**

Russell Mills, Blair MacKenzie, Rejean Saumure and Les Bale (collectively, the  
“Representatives”) on behalf of the Former Salaried Employees and Retirees of Canwest  
Publishing Inc./Publications Canwest Inc., Canwest Books Inc., Canwest (Canada) and  
Canwest Limited Partnership and the Canwest Global Canadian newspaper entities  
(collectively “Canwest” or the “LP Entities”) or any person claiming an interest under or  
on behalf of such Salaried Employee, Retiree including beneficiaries and surviving  
spouses will make a motion to a judge of the Commercial List at the courthouse at 330  
University Avenue, Toronto, Ontario on a date to be set by judge of the Commercial List  
at a chambers appointment on February 8, 2010 at 10:00 a.m. or as soon thereafter as the  
motion can be heard.

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

**THE MOTION IS FOR:**

1. An Order abridging the time for service of this Notice of Motion and dispensing with service on any person other than those served;
  
2. An Order appointing Russell Mills, Blair MacKenzie, Rejean Saumure and Les Bales as Representatives (the "Representatives") of the former Salaried Employees and Retirees (including surviving spouses of Retirees and employees) of Canwest Publishing Inc., Canwest Books Inc., Canwest (Canada) Inc. and Canwest Limited Partnership (collectively referred to as "Canwest") in this proceeding under the *Companies' Creditors Arrangement Act* (Canada) ("CCAA"), any proceeding under the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") or in any other proceeding which has been or may be brought before this Honourable Court (the "Proceedings").
  
3. An Order that Representatives may determine, advance and compromise any and all Salaried Employees and Retirees' (including claims of surviving spouses of retirees and employees) claims which now have arisen or may arise at law or equity or under federal or provincial legislation, including but not limited to actual or deemed trust claims, secured or unsecured claims under the BIA, contractual claims, and any claims arising under pension legislation which may be made against Canwest or its estate, as the case may be, relating to or arising out of the Salaried Employees and Retirees' entitlements including to the Pension Plan or other retirement related benefits (the "Claims").

4. An Order that Nelligan O'Brien Payne LLP and Shibley Righton LLP be appointed in these proceedings to represent the Canwest' Salaried Employees and Retirees for all matters relating to the Claims and any issues affecting the Salaried Employees and Retirees in the Proceedings.

5. An Order that Canwest shall forthwith provide to the Representatives and their counsel, without charge:

- a. the names, last known addresses and last known phone numbers and email addresses (if any) of all the Salaried Employees and Retirees, whom they represent, as well as applicable data regarding their entitlements, subject to a confidentiality agreement and the information to only be used for the purposes of the Proceedings;
- b. all documents and data, including generally those pertaining to the various employment, pension, retiree benefits and supplementary pension including up-to-date financial information regarding the funding and investments of any of these arrangements and any associated actuarial valuation and reports; and
- c. any other documents relevant to the Claims.

6. An Order that all reasonable legal, actuarial and financial expert and advisory fees and all other incidental fees and disbursements, as may have been or shall be incurred by the Representatives and their counsel, shall be paid by Canwest on a bi-weekly basis, forthwith upon the rendering of accounts to the Monitor.

7. An Order that notice of the granting of this Order be provided to the Salaried Employees and Retirees by advertisement in local newspapers in such form and under such terms and conditions to be set by this Honourable Court.

8. An Order that the Representatives, or their counsel on their behalf, are authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including dealing with any Court, regulatory body and other government ministry, department or agency, and to take all such steps as are necessary or incidental thereto.

9. An Order that any individual Salaried Employee or Retiree who does not wish to be bound by this Order and all other Orders which may subsequently be made in these proceedings shall, within 30 days of receiving notice of this Order, notify the Monitor, Canwest and Nelligan O'Brien Payne LLP in writing, and shall thereafter represent themselves as an independent individual party to these proceedings.

10. An Order that Salaried Employees and Retirees bound by this order excludes any unionized and former unionized employees who are being represented by their union and that the Representatives have no obligation to represent such persons to the extent that their former union chooses and does represent their interests.

11. An Order that the Representatives and Nelligan O'Brien Payne LLP and Shibley Righton LLP shall have no liability as a result of their respective appointment or the fulfillment of their duties in carrying out the provisions of this Order save and except for any gross negligence or unlawful misconduct on their part.

12. An Order that the Representatives shall be at liberty and are authorized at any time to apply to this Honourable Court for advice and directions in the discharge or variation of their powers and duties.

13. Such further and other relief as this Honourable Court deems just.

**THE GROUNDS FOR THE MOTION ARE:**

**Canwest has unpaid and underfunded obligations to Retirees and Employees**

(a) On January 8, 2010, Canwest obtained an order for protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1986, c. C-36, as amended (the "CCAA") staying all proceedings and claims against them (the "Stay Order");

(b) Canwest is insolvent, and suffers from severe financial difficulties;

(c) Canwest's cashflow projections do not contemplate the continued payment of certain post employment and post retirement benefits to former employees of Canwest who are not represented by a union;

(d) Canwest has ceased making payments under all of the following programs which has seriously effected salaried Employees and Retirees:

- i. All pensions which were paid from sources other than a registered Pension Plan, including but not limited to payments in respect of the Canwest Southam Executive Retirement Arrangements (SERA), which is a supplemental pension plan and Retirement Compensation Arrangement (RCA).
- ii. Employees who were terminated by Canwest prior to the CCAA filing have had their severance packages terminated.

iii. such other unsecured claims against Canwest which any Salaried Employees and Retiree may have.

(e) In addition, the loss of SERA payments for some Salaried Retirees has meant a substantial reduction of their monthly income, drastically impacting their quality of life. These retirees planned their retirement based on the knowledge that they would be receiving a certain fixed income. They are therefore, particularly vulnerable in these proceedings;

(f) Former employees have had their severance entitlements abruptly terminated, therefore have no income and are vulnerable creditors who on their own will not be able to pursue claims against Canwest;

(g) There are approximately 7 Salaried Retirees from across Canada and approximately over 45 former non-unionized employees, all of whom are particularly vulnerable to any changes to their fixed income, that have so far been negatively impacted by the Canwest seeking CCAA protection;

(h) Nelligan O'Brien Payne LLP and Shibley Righton LLP currently represent more than 10 former employees and 7 retirees of Canwest;

(i) Salaried Employees and Retirees should be represented as a group as they are all affected by Canwest' insolvency proceedings. This vulnerable group's interests are not being protected and their input in these proceedings is crucial. To the extent that the Unionized Employees and Retirees are being represented by their unions, their interests are already being protected. However, should their union elect not to speak on their behalf, the group could include Unionized Employees and Retirees;

(j) In addition, the proposed credit acquisition involves an acquisition by an entity capitalized by the Secured Creditors and described as AcquireCo. AcquireCo. may acquire substantially all of the assets of the LP Entities (including the shares in National Post Inc.) and assume certain of the liabilities of the LP Entities. While it is contemplated that AcquireCo. would offer employment to substantially all of the employees of the LP Entities and would assume most of the LP Entities' existing pension plans and existing post-retirement and post-employment benefit plans, not all employee and retiree benefits are being assumed and the contemplated agreement includes a right by AcquireCo. to exclude liabilities. As consequence, it is not entirely clear to what additional extent salaried employees and retirees may be adversely affected by the CCAA and representation is required to represent their interests and assist them through the process;

(k) Salaried employees and retirees will also have significant claims against the Directors of Canwest that will be pursued through the CCAA process.

**The Representatives**

(l) The Representatives are the Steering Committee of the Canwest' Salaried Employees and Retirees Group ("CSER"), a volunteer group created in response to the CCAA filing and the Stay Order with a mandate to defend and protect the severance entitlements, pensions, retirement payments and other benefits and interests of Salaried Employees and Retirees;

(m) CSER currently has members 18 members all of whom have retained Nelligan O'Brien Payne LLP and Shibley Righton LLP;

(n) Included in the Steering Committee are Salaried Employees and Retirees with the full range of specific claims outlined in subparagraph (d) above;

(o) The appointment of Nelligan O'Brien Payne LLP and Shibley Righton LLP will benefit the salaried employees and retirees by, *inter alia*, providing expert representation in a cost effective and timely, manner;

(p) It is desirable that the rights of the Salaried Employees and Retirees are dealt with in a fair, independent, cost-effective and orderly way, and that they be represented by counsel.

(q) Claims of Salaried Employees and Retirees in particular are complex and varied, requiring legal, actuarial and accounting advice in order to be properly ascertained and filed;

(r) Representative counsel have been appointed to act on behalf of former employees of Canwest in the CMI CCAA proceedings;

(s) The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;

(t) Rules 3 and 10 of the Rules of Civil Procedure;

(u) Section 131(1) of the Courts of Justice Act;

(v) Section 197(1) of the BIA;

(w) Section 11(1) of the CCAA; and

(x) Such further and other grounds as counsel may advise and this Honourable Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be read in support of this motion:

- (a) The Affidavit of Russell Mills, sworn January 28, 2010
- (b) The Affidavit of Rejean Saumure sworn January 28, 2010
- (c) The Affidavit of Blair MacKenzie sworn January 28, 2010
- (d) The Affidavit of Steven Levitt sworn January 28, 2010
- (e) Such further and other material as counsel may advise and this Honourable Court permit

Date: January 28, 2010

**NELLIGAN O'BRIEN PAYNE LLP**  
 Barristers and Solicitors  
 50 O'Connor, Suite 1500  
 Ottawa, ON K1P 6L2

**Janice B. Payne** (LSUC #16307P)  
 Tel: (613) 231-8245  
 Fax: (613) 788-3655  
 e-mail: [janice.payne@nelligan.ca](mailto:janice.payne@nelligan.ca)

**Steven Levitt** (LSUC #46358C)  
 Tel: (613) 231-8283  
 Fax: (613) 788-2369  
 e-mail: [steven.levitt@nelligan.ca](mailto:steven.levitt@nelligan.ca)

**SHIBLEY RIGHTON LLP**  
250 University Avenue, Suite 700  
Toronto, ON, M5H 3E5

**Arthur O. Jacques** (LSUC #12437M)  
Tel: 416-214-5213  
Fax: 416-214-5413  
e-mail: [arthur.jacques@shibleyrighton.com](mailto:arthur.jacques@shibleyrighton.com)

**Thomas McRae** (LSUC #32375U)  
Tel: 416-214-5206  
Fax: 416-214-5400  
e-mail: [thomas.mcrae@shibleyrighton.com](mailto:thomas.mcrae@shibleyrighton.com)

Co-Counsel for the Canwest Salaried  
Employees and Retirees (CSER) Group

TO: THE ATTACHED SERVICE LIST

Court File No. CV-10-8533-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(Commercial List)**

BETWEEN:

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 CANWEST PUBLISHING  
INC./PUBLICATIONS CANWEST INC., CANWEST BOOKS  
INC., AND CANWEST (CANADA) INC.

Applicants

**SERVICE LIST**

|  |  |
|--|--|
| <p>FTI CONSULTING CANADA INC.<br/>TD Canada Trust Tower<br/>79 Wellington Street West<br/>Suite 2010, P.O. Box 104<br/>Toronto, ON M5K 1G8</p> <p>Tel: 416.649.8053<br/>Fax: 416.649.8101</p> <p>Court-Appointed Monitor</p> | <p>Paul Bishop<br/>Email: paul.bishop@fticonsulting.com</p> <p>Steve Bissell<br/>Email: steven.bissell@fticonsulting.com</p> <p>Jodi Porepa<br/>Email: jodi.porepa@fticonsulting.com</p>   |
| <p>STIKEMAN ELLIOTT LLP<br/>5300 Commerce Court West<br/>199 Bay Street<br/>Toronto, ON M5L 1B9</p> <p>Tel: 416.869.5500<br/>Fax: 416.947.0866</p> <p>Lawyers for the Court-Appointed Monitor</p>                            | <p>David Byers<br/>Email: dbyers@stikeman.com</p> <p>Daphne MacKenzie<br/>Email: dmackenzie@stikeman.com</p> <p>Ashley Taylor<br/>Email ataylor@stikeman.com</p> <p>Maria Konyukhova<br/>Email: mkonyukhova@stikeman.com</p> <p>Sarah Clarke<br/>Email: sclarke@stikeman.com</p> |

|   |  |
|---|--|
| <p>OSLER HOSKIN &amp; HARCOURT LLP<br/> 100 King Street West<br/> 1 First Canadian Place<br/> Suite 6100, P.O. Box 50<br/> Toronto, ON M5X 1B8</p> <p>Tel: 416.362.2111<br/> Fax: 416.862.6666</p> <p>Lawyers for the Applicants</p>  | <p>Lyndon Barnes<br/> Email: lbarnes@osler.com</p> <p>Edward Sellers<br/> Email: esellers@osler.com</p> <p>Alex Cobb<br/> Email: acobb@osler.com</p> <p>Marc Wasserman<br/> Email: mwasserman@osler.com</p> <p>Elizabeth Putnam<br/> Email: eputham@osler.com</p> <p>Duncan Ault<br/> Email: dault@osler.com</p> |
| <p>CRS Inc.<br/> 541 Arrowhead Road<br/> Mississauga, ON L5H 1V5</p> <p>Tel: 905.274.0012<br/> Fax: 905.891.7036</p> <p>Chief Restructuring Advisor</p>   | <p>Gary Colter<br/> President<br/> Email: colter@crsgfc.ca</p>   |
| <p>RBC Capital Markets<br/> 5th Floor, South Tower<br/> Royal Bank Plaza, 200 Bay St.,<br/> P.O. Box 50<br/> Toronto, ON M5J 2W7</p> <p>Phone: 416.842.5676<br/> Fax: 416.842.7700</p>  | <p>Richard Grudzinski<br/> Managing Director and Head of Financial<br/> Restructuring<br/> Email: richard.grudzinski@rbccm.com</p>   |
| <p>MCMILLAN LLP<br/> Brookfield Place, Suite 4400<br/> Bay Wellington Tower<br/> 181 Bay Street<br/> Toronto, ON M5J 2T3</p> <p>Tel: 416.865.7000<br/> Fax: 416.865.7048</p> <p>Lawyers for the Bank of Nova Scotia in its<br/> capacity as Administrative Agent for<br/> certain secured lenders</p> | <p>Andrew Kent<br/> Email: andrew.kent@mcmillan.ca</p> <p>Hilary Clarke<br/> Email: hilary.clarke@mcmillan.ca</p> <p>Barbara Whyte<br/> Email: Barbara.whyte@mcmillan.ca</p>   |
| <p>LENCZNER SLAGHT LLP</p>  | <p>Peter Griffin</p>   |

|   |   |
|---|---|
| <p>130 Adelaide Street West<br/>Suite 2600<br/>Toronto, ON M5H 3P5</p> <p>Tel: 416.865.9500<br/>Fax: 416.865.9010</p> <p>Lawyers for the Management Directors<br/>and RBC Capital Markets</p>   | <p>Email: pgriffin@litigate.com</p> <p>Peter Osborne<br/>Email: posborne@litigate.com</p>                                 |
| <p>OGILVY RENAULT LLP<br/>Royal Bank Plaza, South Tower<br/>Suite 3800, P.O. Box 84<br/>200 Bay Street<br/>Toronto, ON M5J 2Z4</p> <p>Tel: 416.216.4000<br/>Fax: 416.216.3930</p> <p>Lawyers for the Special Committee</p>              | <p>Mario Forte<br/>Email: mforte@ogilvyrenault.com</p> <p>Alan Merskey<br/>Email: amerskey@ogilvyrenault.com</p>          |
| <p>GOODMANS LLP<br/>Bay Adelaide Centre<br/>3400-333 Bay Street<br/>Toronto, ON M5H 2S7</p> <p>Tel: 416.979.2211<br/>Fax: 416.979.1234</p> <p>Lawyers for the Ad Hoc Committee of 8%<br/>Senior Subordinated Noteholders</p>            | <p>Benjamin Zarnett<br/>Email: bzarnett@goodmans.ca</p> <p>Robert Chadwick<br/>Email: rchadwick@goodmans.ca</p>           |
| <p>CAVALLUZZO HAYES SHILTON<br/>MCINTYRE &amp; CORNISH LLP<br/>474 Bathurst Street<br/>Suite 300<br/>Toronto, ON M5T 2S6</p> <p>Tel: 416.964.1115<br/>Fax: 416.964.5895</p> <p>Lawyers for the Communication Workers<br/>of America</p> | <p>Hugh O'Reilly<br/>Email: ho'reilly@cavalluzzo.com</p>  |
| <p>FINANCIAL SERVICES COMMISSION<br/>OF ONTARIO<br/>Legal Services Branch<br/>5160 Yonge Street, 17<sup>th</sup> Floor<br/>Toronto, ON M2N 6L9</p>  | <p>Deborah McPhail<br/>Email: deborah.mcphail@fSCO.gov.on.ca</p> <p>Mark Bailey<br/>Email: mark.bailey@fSCO.gov.on.ca</p> |

- 4 -

|   |   |
|---|---|
| <p>Tel: 416.226.7758<br/>Fax: 416.590.7556</p> <p>Superintendent of Financial Services</p>  | <p>Alena Thouin<br/>Email: <a href="mailto:alena.thouin@fscs.gov.on.ca">alena.thouin@fscs.gov.on.ca</a></p>   |
| <p>CAW-CANADA<br/>Legal Department<br/>205 Placer Court<br/>Toronto, ON M2H 2M5</p> <p>Tel: 416.495.3750<br/>Fax: 416.495.3786</p> <p>Lawyers for National Automobile,<br/>Aerospace, Transportation and General<br/>Workers Union of Canada (CAW-Canada)</p> | <p>Anthony Dale<br/>Email: <a href="mailto:afdale@kaw.ca">afdale@kaw.ca</a></p> <p>Barry Wadsworth<br/>Email: <a href="mailto:barry.wadsworth@kaw.ca">barry.wadsworth@kaw.ca</a></p>  |
| <p>CALEYWRAY<br/>Labour/Employment Lawyers<br/>1600-65 Queen Street West<br/>Toronto, ON M5H 2M5</p> <p>Tel: 416.366.3763<br/>Fax: 416.366.3293</p> <p>Lawyers for Communications, Energy and<br/>Paperworkers Union of Canada</p>                            | <p>Douglas Wray<br/>Email: <a href="mailto:wrayd@calewray.com">wrayd@calewray.com</a></p> <p>Jesse Kugler<br/>Email: <a href="mailto:kuglerj@calewray.com">kuglerj@calewray.com</a></p>   |
| <p>LAX O'SULLIVAN SCOTT LLP<br/>Suite 1920, 145 King Street West<br/>Toronto, ON M5H 1J8</p> <p>Tel: 416.598.1744<br/>Fax: 416.598.3730</p> <p>Lawyers for CRS Inc.</p>   | <p>Terrence O'Sullivan<br/>Email: <a href="mailto:tosullivan@counsel-toronto.com">tosullivan@counsel-toronto.com</a></p> <p>Shaun Laubman<br/>Email: <a href="mailto:slaubman@counsel-toronto.com">slaubman@counsel-toronto.com</a></p> |

|  |   |
|--|---|
| <p>NELLIGAN O'BRIEN PAYNE LLP<br/>50 O'Connor, Suite 1500<br/>Ottawa, ON K1P 6L2</p> <p>Tel: 613.238.8080<br/>Fax: 613.238.2090</p><br><p>SHIBLEY RIGHTON LLP<br/>250 University Avenue, Suite 700<br/>Toronto, ON M5H 3E5</p> <p>Tel: 416.214.5200<br/>Fax: 416.214.5400</p> <p>Lawyers for Russel Mills, Blair McKenzie,<br/>Rejean Saumure and Les Bale, on behalf<br/>of the Canwest Salaried Employees and<br/>Retirees (CSER) Group and themselves</p> | <p>Janice B. Payne<br/>Email: <a href="mailto:Janice.payne@nelligan.ca">Janice.payne@nelligan.ca</a></p> <p>Steven Levitt<br/>Email: <a href="mailto:steven.levitt@nelligan.ca">steven.levitt@nelligan.ca</a></p> <p>Christopher Rootham<br/>Email: <a href="mailto:christopher.rootham@nelligan.ca">christopher.rootham@nelligan.ca</a></p><br><p>Arthur Jacques<br/>Email: <a href="mailto:arthur.jacques@shibleyrighton.com">arthur.jacques@shibleyrighton.com</a></p> <p>Thomas McRae<br/>Email: <a href="mailto:thomas.mcrae@shibleyrighton.com">thomas.mcrae@shibleyrighton.com</a></p> |
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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended

Court File No. CV-10-8533-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANWEST PUBLISHING INC./PUBLICATIONS CANWEST INC., CANWEST BOOKS INC., and CANWEST (CANADA) INC.

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

Proceeding commenced at Toronto

**NOTICE OF MOTION**

**SHIBLEY RIGHTON LLP**  
Barristers & Solicitors  
700-250 University Avenue  
Toronto, Ontario  
M5H 3E5

**Thomas McRae**  
LSUC No. 32375U  
Tel: 416-214-5206  
Fax: 416-214-5400

Lawyers for the Canwest Salaried  
Employees and Retirees Group

**TAB 2**

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

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.  
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CANWEST PUBLISHING INC./PUBLICATIONS CANWEST INC., CANWEST  
BOOKS INC. AND CANWEST (CANADA)

**AFFIDAVIT OF RUSSELL MILLS  
(Sworn January 28, 2010)**

I, Russell Mills, of the City of OTTAWA , in the Province of Ontario, MAKE  
OATH AND SAY AS FOLLOWS:

1. I am the former publisher of the Ottawa Citizen and employee of Canwest Publishing Inc. ("CPI"). In my affidavit, Canwest Publishing Inc./Publications Canwest Inc., Canwest Books inc., Canwest (Canada) and Canwest Limited Partnership and the Canwest Global Canadian newspaper entities are collectively referred to as "Canwest" or the "LP entities". I swear this affidavit in support of the motion by myself, Blair Mackenzie, Rejean Saumure and Les Bale for a representative and funding order on behalf former salaried employees and retirees of Canwest and for the appointment of Nelligan O'Brien Payne LLP and Shibley Righton LLP as representative counsel.

2. As a former employee and retiree of Canwest, I have knowledge of the matters to which I hereinafter depose except where stated to be based upon information and belief. Where I rely on information and belief, I verily believe it to be true.

### **Background**

3. While in university, I began working for the London Free Press. I subsequently joined the Oshawa Times as a reporter in 1970 and shortly thereafter became City Editor. In 1971, I joined the Ottawa Citizen as a Copy Editor. After a series of promotions in 1977, I became the Editor of the newspaper. In 1984, I was appointed the General Manager. In 1986, I became the Publisher of the Ottawa Citizen.
4. Subsequently, in 1989 I became the President of the Southam Newspaper Group and at that time was responsible for all of Southam's daily and weekly newspapers. After my tenure as President, I returned to my position as Publisher of the Ottawa Citizen in 1992. I remained in that position until June of 2002 when my employment at Canwest was terminated. After a 30 months salary continuance period, I proceeded to retire on December 16, 2004 and began receiving my accrued pension and supplementary pension entitlements at that time.

### **Corporate History**

5. During my employment, the corporate ownership structure of the Ottawa Citizen and the other newspapers now owned by Canwest went through a number of

changes. In 1992, Southam Inc., which owned the Ottawa Citizen and other daily and weekly newspapers across Canada, was acquired by Hollinger Inc.

6. In 2000, Hollinger Inc. agreed to sell the Southam Newspaper business to Canwest. As part of the transaction, the newspaper assets were transferred to a company called Southam Publishing Inc., which assumed liability for employees and post-employment and post-retirement benefits and entitlements.
7. Subsequently, Southam Publishing Inc. changed its name to Canwest Publishing Inc., which was a wholly owned subsidiary of Canwest Global Communications Corp. In 2005, Canwest Publishing Inc. transferred some of its community newspapers to Canwest Limited Partnership.

#### **Pension and SERA Entitlements**

8. As a former employee and retiree of Canwest and its predecessor companies, I am entitled to and receive a pension benefit from the Southam Retirement Pension Plan, specifically the Canwest Southam Publications Inc. Retirement Plan. Attached as Exhibit "A" is a copy of the Pension Plan.
9. I am also entitled to pension payments from the Southam Executive Retirement Arrangements (SERA). The SERA is a non-registered plan used to provide supplemental pension benefits to former executives of Canwest and its predecessors in excess of those earned under the Pension Plan and in excess of those permitted

under the *Income Tax Act*. The SERA payments I received on a monthly basis post-retirement represent a significant portion of the retirement benefits that I am entitled to be paid by Canwest. Attached as Exhibit "B" is a copy of the SERA Agreement I signed on July 13, 1990.

**Canwest's CCAA Protection and Impact**

- 10. On January 8, 2010, Canwest obtained an order pursuant to the CCAA staying all proceedings and claims against them (the "Initial Order"). Pursuant to the Initial Order, Canwest is entitled but not required to make payments to the employee and retiree benefits plans. In addition, the Initial Order specifically excluded SERA from the authorization to Canwest to continue employee and retiree payments.
- 11. On January 8, 2010, I received a phone call from Grace Palombo, Senior Vice President of Human Resources advising me that my SERA payments would cease effective immediately. She also advised that the registered pension plan was not affected and that I would receive two letters, one from Leonard Asper describing what had happened and a second outlining the CCAA process.
- 12. On January 11, 2010, I received a letter from Leonard Asper, President and CEO of Canwest Global Communications Corporation, advising that certain the Canwest LP entities had filed for and were granted protection under the CCAA and that in

conjunction with the filing the SERA had been terminated. Attached as Exhibit "C" is a copy of the January 11, 2010 letter.

13. As a consequence of the CCAA filing, I no longer receive payment of my SERA benefits. This loss has had a significant impact on my income and I cannot replace it. Furthermore, the loss of my SERA payments has severely impacted my retirement, which I had planned for based on the receipt of the SERA payments. I understand from the pre-filing report of the Monitor, that in total seven (7) retirees and two (2) current employees have seen their entitlements under the SERA unilaterally terminated.
14. When I elected to commence receiving my pension and SERA entitlements, I chose a 100% joint survivorship option that reduced my immediate SERA and pension entitlements to ensure that should I predecease my spouse, she would receive a lifetime pension. I am concerned that my wife will no longer receive this benefit as a result of the CCAA filing.
15. I also understand from the materials filed by Canwest and from discussions with former employees that Canwest has ceased making payments to former employees who were terminated prior to the Initial Order being granted.

16. As a retiree of Canwest, I am entitled to certain retiree benefits, which are funded by Canwest. Given the CCAA filing, I am concerned that Canwest or any successor company will not be able to pay these benefits in the future.
  
17. As a retiree now drawing a pension from the Pension Plan, entitled to SERA payments and accessing the Health Plan, I have a direct interest in the outcome of Canwest' CCAA restructuring, particularly since my income has been significantly reduced by the termination of the SERA and since my Pension entitlements as well as my retiree medical benefits are all at risk.

#### **Development of CSER and Concerns**

18. In the fall of 2009, after hearing media reports, I became concerned with Canwest's financial situation and its continued ability to pay for my SERA and pension entitlements. As a consequence, I along with other retirees entitled to SERA payments formed a group in order to allow us to better understand and share information regarding our rights and entitlements.
  
19. Since shortly after January 8, 2009 and the CCAA filing, I have been engaged in efforts to advance and protect the interests of salaried employees and retirees through the formation of the Canwest Salaried Employees and Retirees ("CSER") group and my involvement with its Steering Committee. CSER consists of both former employees who have had their severance packages terminated and retirees who have had their SERA entitlements terminated. CSER has been formed to

protect the interests of former employees of Canwest and to ensure that former employees are kept informed of developments. To that effect, we have been making efforts to try and locate former employees and retirees across Canada that have been affected by Canwest's CCAA filing.

20. We have also recently formed a Steering Committee consisting of Blair Mackenzie, Rejean Saumure, Les Bale and myself. The Steering Committee is diverse and includes retirees and former employees. As a member of the Steering Committee of CSER, I am able to say that we plan to continue the protection of such interests throughout Canwest's CCAA proceedings.
21. This past few months have been very difficult for me on many levels. I provided Canwest and its predecessors with over 30 years of service in various positions of responsibility. Moreover, many of the former employees have had a career spanning decades of dedicated service. I am extremely disturbed by the precarious financial situation of Canwest and am very concerned with the effects of such financial distress on its former employees. I am not confident in the solvency of the Pension Plan and the payment of other benefits to which I am entitled and for which I, as well as many others, have contributed significant portions of our salaries during our working career.
22. I am very concerned that my SERA payments have ceased to be paid since they account for most of my retirement income from Canwest. I trusted that Canwest,

would continue to pay my SERA entitlements for the rest of my life and took such funds into consideration when planning my retirement. I rely on these payments to continue my retirement as planned and am upset that I no longer receive the full retirements payments promised to me. I am further concerned about the underfunded status of the Pension Plan which could cause an additional reduction to my retirement income in the future.

23. As a retiree, I depend upon the medical supplemental benefits provided by Canwest. I am concerned that my supplemental medical benefits could be discontinued and I will be forced to try to obtain personal medical coverage or to try to cover my medical expenses on my own. Either way, the possible reduction or elimination of supplemental medical benefits would create significant additional expenses for me. Retirees rely on supplemental medical benefits to cover their increasing medical costs. Any reduction or elimination would severely impact their incomes and quality of life.
24. I understand from Canwest's filings that there is a proposed credit acquisition that involves an acquisition by an entity capitalized by the Secured Creditors ("Acquire Co"). AcquireCo may acquire substantially all of the assets of the LP Entities (including the shares in National Post Inc.) and assume certain of the liabilities of the LP Entities. It is contemplated that AcquireCo would offer employment to substantially all of the employees of the LP Entities and would assume most of the LP Entities' existing pension plans and existing post-retirement and post-

employment benefit plans. Not all employee and retiree benefits are being assumed however and the contemplated agreement includes a right by AcquireCo to exclude liabilities. As consequence, it is not clear to what additional extent employees and retirees may be adversely affected by these proceedings and representation is required to assist them through the process.

25. Furthermore, both retirees and former employees may have claims against the Directors of Canwest that needed to be explored and ultimately pursued in the CCAA proceedings. Without the assistance of counsel, retirees and former employees will not be able to identify and pursue such claims.

#### **Benefits of Appointing the Representatives**

26. Having the Steering Committee members and Nelligan O'Brien Payne LLP along with Shibley Righton LLP (NOP/SR) appointed as counsel for the Salaried Retirees provides a reliable source for information about the process. We can speak on behalf of the Salaried Employees and Retirees to Canwest and other stakeholders and report back through our contacts or the Nelligan O'Brien Payne website to the affected salaried retirees and employees. CSER and NOP/SR can advocate on behalf of the Salaried Employees and Retirees in the negotiation of a Plan under the CCAA and can address with the Court issues that may affect their interests.
27. Employees and Retirees are a vulnerable group of creditors in an insolvency matter because they have little means to pursue claims or representation in complex CCAA

proceedings or other related insolvency proceedings. Former employees and retirees of Canwest would therefore benefit from an order appointing representative counsel in this proceeding. This order would not only assist former employees and retirees to advance their claims but would also allow us to have a reliable source for information about the process through our representative counsel. The appointment of representative counsel would have the benefit of streamlining our concerns and our claims and would introduce efficiency to the process for all the parties involved in the proceedings.

28. I am advised by Steven Levitt of Nelligan O'Brien Payne and verily believe that the firm has set up a website link and dedicated email address on their firm website to provide detailed information to the former employees and retirees of Canwest about the CCAA proceedings.
  
29. I am advised by Steven Levitt of Nelligan O'Brien Payne and verily believe that if there are claims to be filed on behalf of the Salaried Employees and Retirees in the CCAA or in a bankruptcy, the Monitor or Trustee will not necessarily prepare and calculate their claims but will simply wait for us to calculate and submit claims on our own. Many Retirees and former employees may not submit claims because they do not understand the process and what needs to be done to advance their claims. Further, claims pertaining to the calculation of unpaid future SERA entitlements requires the assistance of an actuary with access to relevant data in order to provide an accurate calculation. This is not available to individual retirees. This can result in

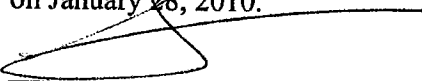
such salaried employees and retirees not receiving any dividends whatsoever in respect of their unpaid benefits.


30. I am concerned that many former employees will have difficulties with the claims process without the assistance of a lawyer. Both the services of a lawyer and of an actuary are not available without great expense and would be out of reach for individual retirees and for former employees whose income has been substantially reduced. Without assistance, many retirees and former employees may be reluctant to make claims or to further participate in the process due to its onerous and confusing nature.
31. In addition, the Court has ordered in Canwest's CMI proceedings that former employees and retirees be provided with representation funded by Canwest. It would only be fair that former employees of the LP entities be similarly provided with paid representation.
32. As a retiree, I continue to be concerned about the impact that the Canwest' CCAA restructuring will have on my pension and other retiree benefits, and ultimately on my way of life as a retiree. It is due to these concerns, and the interests of all of the non-unionized former employees, that the Steering Committee seeks an order appointing Nelligan O'Brien Payne LLP and Shibley Righton LLP to ensure that former employees' interests are represented. In addition, should we be advised that any Unions are not representing the interests of their former employees in these

proceedings, the Steering Committee is willing and able to represent their interests as well. Additional members would be added to the Steering Committee to reflect the full diversity of former employees and to be responsive to their concerns.

33. I make this affidavit in good faith and in support of this motion to appoint the CSER Steering Committee as representatives to all salaried former employees and retirees of Canwest and Nelligan O'Brien Payne and Shibley Righton as representative counsel for this group and for no improper purpose.

SWORN BEFORE ME at  
the City of Ottawa  
in the Province of Ontario,  
on January 28, 2010.

  
Commissioner of Oaths, etc.

  
Russell Mills

**TAB A**

**This is Exhibit A referred to in the affidavit of  
Russell Mills  
sworn before me,  
this 28<sup>th</sup> day of January, 2010.**

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

**A Commissioner, etc.**

**CanWest Southern  
Publications Inc.  
Retirement Plan**

Effective  
November 16, 2000

Restated  
as at June 30, 2002

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| <b>Introduction</b> |
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1. The CanWest Southam Publications Inc. Retirement Plan (the "Plan") is maintained by Southam Publications Inc. for certain eligible employees.
2. This Plan is a spin-off from the Southam Retirement Plan maintained by Southam Inc. under Registration Number 0526947 (the "Prior Plan").

Effective November 16, 2000, the Company offered employment to certain employees of Southam Inc., as contemplated under an Asset Purchase Agreement between Southam Inc. and CanWest Global Communications Corporation. These employees are:

- (a) active employees of Employers who participate in this Plan; and
  - (b) employees on temporary leave of absence, including lay-off, who return to active employment with an Employer in this Plan not later than November 15, 2001.
3. Assets and liabilities in respect of benefits accrued under the Prior Plan by Employees transferring to this Plan will be transferred from the Prior Plan to this Plan in accordance with Section 3.2.
  4. Employees who have benefit entitlements under the Sterling Newspapers Limited and Associated Companies Pension Plan (the "Sterling Plan") who became Participants on the Effective Date shall have their benefit entitlements under this Plan reduced by the benefits payable under the Sterling Plan. No assets and liabilities shall be transferred from the Sterling Plan to the Plan.
  5. Unless stated otherwise, the terms of the Plan as established shall apply to Participants who retire, terminate employment or membership, or die on or after the Effective Date.

|                           |
|---------------------------|
| <b>I      DEFINITIONS</b> |
|---------------------------|

Masculine or feminine pronouns used herein shall refer to men or women or both and nouns and pronouns when stated in the singular shall include the plural and when stated in the plural shall include the singular, whenever appropriate.

- 1.1 **"Actuarial Equivalent"** means an actuarial equal value computed at the rate of interest and using actuarial tables which do not discriminate on the basis of sex adopted by the Company on the recommendation of the Actuary for purposes of the Plan, subject to any requirements of the Pension Benefits Act and the Income Tax Act.
- 1.2 **"Actuary"** means an independent actuary, selected by the Company, who is a Fellow of the Canadian Institute of Actuaries, or a firm of independent actuaries selected by the Company at least one of whose actuaries is a Fellow of the Canadian Institute of Actuaries.
- 1.3 **"Affiliated Company"** means a company that is affiliated with the Company because one of the companies is a subsidiary, an associated company, a division or an affiliate of the other or both are subsidiaries, associated companies, divisions or an affiliate of another company, or each of them is controlled by the same person all as defined in the *Ontario Business Corporations Act, R.S.O., 1990, c. B.16*, as amended.
- 1.4 **"Audit/Pension Committee"** means the committee which is appointed in accordance with Section 13.3. The Audit/Pension Committee shall be comprised of such members as may be appointed by the Board of Directors of the Company to carry out such administrative duties as the Company may direct in accordance with Section 13.3 herein.
- 1.5 **"Average YMPE"**, for the purposes of calculating a retirement income under the Plan as of a date at which a determination is required, means the average of the YMPE applicable during the 5 calendar years ending on December 31 of the immediately preceding calendar year in which the determination is required. For a Participant accruing Credited Service while suffering Total Disability, the Average YMPE shall be determined at the Participant's date of disability and the Average YMPE during the 5 calendar years prior to the date of disability must remain constant throughout the period of Total Disability.
- 1.6 **"Beneficiary"** shall automatically mean the Participant's Spouse unless (i) the Employer receives evidence in writing that the Participant and his Spouse are

living separate and apart on the date on which a determination is required or (ii) where permitted by the Pension Benefits Act, the Spouse has waived all rights to pre-retirement or post-retirement benefits subject to the requirements of the Pension Benefits Act and in such manner as may be prescribed by the Pension Benefits Act. In that event or in the event that the Participant has no Spouse, the Beneficiary shall be the person or persons designated by a Participant in accordance with Article IX. Notwithstanding clause (i) above, if the Pension Benefits Act applicable to the Participant treats a person who is living separate and apart to be a "Spouse", then paragraph (i) shall not apply.

- 1.7 **"Commuted Value"** means the lump sum actuarial present value determined on a basis as established by the Company, and as of a fixed date, of a pension, a deferred pension, a pension benefit or an ancillary benefit, subject to the provisions of the Pension Benefits Act, and the Income Tax Act.
- 1.8 **"Company"** means Southam Publications Inc., a company incorporated under the laws of Canada or any successor thereof. Reference in the Plan to any action to be taken, consent, approval or opinion to be given or decision to be made, shall refer to Southam Publications Inc. acting through its Board of Directors or any person or persons authorized by the Board of Directors for purposes of the Plan. Any reference herein to the Board of Directors shall mean the Board of Directors of Southam Publications Inc.
- 1.9 **"Continuous Employment"** means service with an Employer prior to retirement or to termination as defined in Section 3.8 hereof, without regard to periods of temporary suspension of employment, membership or service and without regard to periods of lay-off from employment and any period that was treated as a period of Continuous Employment under the Prior Plan as of November 15, 2000.
- 1.10 **"Credited Interest"** means:
- (a) For employee contributions made under a Predecessor Plan, such amount for interest as is provided for by such Predecessor Plan up to December 31, 1965 together with interest thereon at the applicable rate herein specified compounded annually from January 1, 1966 to the beginning of the calendar month, the first day of which coincides with or next precedes the date of commencement of the retirement income, death before retirement, termination of service, or withdrawal of employee contributions, as may be applicable in the individual case.

- (b) For employee contributions made in respect of service after December 31, 1965 and prior to December 31, 1978, interest at the applicable rate herein specified shall be compounded annually from the December 31 next succeeding or coinciding with the day when the contribution is made to the beginning of the calendar month, the first day of which coincides with or next precedes the date of commencement of the retirement income, death before retirement, termination of service, or withdrawal of employee contributions, as may be applicable in the individual case.

For employee contributions made in respect of service after December 31, 1978, interest shall be credited from the actual day each contribution is made, on the assumption that such contributions are made continuously and evenly throughout the complete months of the calendar year during which the participant made contributions, to the beginning of the calendar month, the first day of which coincides with or next precedes the date of commencement of the retirement income, termination of service, or withdrawal of employee contributions, as may be applicable in the individual case. Credited Interest shall be calculated each year or part thereof as the average yield on 5-year personal fixed term chartered bank deposit rates as published in the Bank of Canada Banking and Financial Statistics as CANSIM Series B14045 for the immediately preceding calendar year.

- (c) The rate, if any, at which interest shall be compounded in respect of any period of time prior to January 1, 1966 shall be as specified in the applicable Predecessor Plan and the rate at which interest shall be compounded in respect of any period of time after January 1, 1966 shall not be less than 3-1/2% per annum with respect to regular employee contributions and with respect to voluntary employee contributions shall be the fund rate of return as is declared by the Company for such year. However, in no event shall interest as to employee contributions be less than the rate of interest and allocated in a manner as may be prescribed from time to time by the Pension Benefits Act.
- (d) Effective January 1, 2001, the rate of return of the Retirement Fund with respect to all employee contributions made by Quebec Participants. This subsection applies to employee contributions accumulated with interest on December 31, 2000 and to the same contributions made on and after January 1, 2001.
- (e) For the payment of a Commuted Value out of the Retirement Fund, interest shall be credited at the same rate that was used to determine the

Commuted Value from the date at which the Commuted Value was determined to the beginning of the calendar month in which the payment is made.

*For Quebec Participants*

Notwithstanding the foregoing paragraphs of this Section, Credited Interest shall be calculated to the date of payment.

- 1.11 **"Credited Service"** is determined in Article III herein.
- 1.12 **"Earnings"** means basic salaries and wages of a Participant, including if and to the extent that in the judgement of the Employer such payment should be included, overtime, commissions and bonuses, all as determined by the Employer under its normal practices.

For a Participant who is employed on a less than full-time basis or for less than a complete calendar year, the Participant's earnings for the year (excluding bonus) are multiplied by the ratio of the hours regularly scheduled to be worked by full-time Employees in the Plan Year to the Employee's actual hours worked (other than overtime hours) during the Plan Year.

Earnings shall include, where applicable, an amount determined by the Company such that a Participant's Earnings for a Plan Year under Section 3.3 are not less than his Earnings for the preceding Plan Year, subject to rules on prescribed compensation in the Income Tax Act.

For the purpose of the accrual of Credited Service and benefits during periods of disability, the Participant's Earnings are deemed to be equal to the rate of Earnings (excluding payments for overtime or bonuses on and after January 1, 1997) received by the Participant immediately before the commencement of his disability.

- 1.13 **"Effective Date"** means, for purposes of the date at which this Plan was established, November 16, 2000. Where the context so requires with respect to a Participant and his particular Employer, references to "Effective Date" shall be the date specified in Schedule A at which the Employer joined the Plan.
- 1.14 **"Eligible Employee"** means an Employee of an Employer, but excluding an Employee for whose benefit, or in respect of whom the said Employer makes contributions to any non-government pension or retirement plan other than this Plan, as determined by such Employer under its normal practices.

1.15 "Employee" means, subject to Article II, any person who is an employee or officer or salesperson paid on a commission basis by an Employer, or an employee of an Employer who is represented by a collective bargaining agent which does not sponsor a pension plan for its membership.

The term Employee shall include an inactive Employee, otherwise eligible, whose service shall not have terminated as defined in Section 3.8 hereof.

1.16 "Employer" means the Company or an Affiliated Company or an operating division of the Company, or an Affiliated Company that has been designated by the Company as an Employer for Plan purposes and which Employer has agreed to participate in the Plan. Employers and divisions of Employers are listed in Schedule A of this Plan.

1.17 "Excess Contributions" means an amount determined under Section 7.4.

1.18 "Final-Average Earnings" means the highest annual amount determined as follows:

- (a) The average Earnings of the Participant during those 5 full calendar years chosen from the last 10 consecutive complete calendar years, prior to his normal, postponed or early retirement date or date of termination of his employment or date of disability, whichever shall occur first, for which the highest average is attained; or
- (b) The average Earnings less overtime earnings of the Participant during those 5 full calendar years chosen from the last 10 consecutive complete calendar years, prior to his normal, postponed or early retirement date or date of termination of his employment or date of disability, whichever shall occur first, for which the highest average is attained, plus the average overtime earnings of the Participant for the years after 1975 during which he was a member of the Plan and the Prior Plan; or
- (c) The average Earnings of the Participant during the 60 months immediately preceding his normal, postponed or early retirement date or the date of termination of his employment or date of disability, whichever shall occur first.

For Participants who participated in the Prior Plan, the determination of Final Average Earnings shall take into account any "Earnings" as defined under the terms of the Prior Plan immediately prior to the date the Participant joined this Plan.

In any case where the rate of Earnings of a Participant is permanently reduced prior to or during the final 60 months of Credited Service, the Employer may authorize the previous higher rate or an intermediate rate of Earnings to be deemed to have been paid to the Participant subsequent to such reduction for the purpose of determining his Final-Average Earnings, subject to the rules on prescribed compensation in the Income Tax Act.

- 1.19 **"Funding Agent"** means an insurance company authorized to carry on a life insurance business in Canada, a trust company, or a group of at least three individuals resident in Canada, at least one of whom is independent of the Company and includes any combination or successors thereof appointed by the Company to hold, administer and invest the Retirement Fund.
- 1.20 **"Income Tax Act"** means the *Income Tax Act*, Revised Statutes of Canada, 1985, Chapter 1 and the Regulations thereunder, both as amended or replaced from time to time or such other similar income tax legislation of a Province of Canada which is applicable to the Plan.
- 1.21 **"Latest Pensionable Year"** means the calendar year in which the Participant attains age 69.
- 1.22 **"Normal Retirement Date"** means the first day of the month coincident with or next following the Participant's 65th birthday.
- 1.23 **"Participant"** means an Employee, retired Employee, or former Employee, who is or was an Eligible Employee and who has met all of the requirements of the Plan, has become included in the Plan as provided in Article II hereof, and who continues to have rights or contingent rights to benefits payable under the Plan.

A Participant's province of employment shall be determined on the basis of the location of the establishment to which he reports to work and if he is not required to report to work at an establishment, on the basis of the location of the establishment from which he receives his pay. Throughout the Plan, the province of employment shall be included in identifying the Participant where the requirements of the applicable Pension Benefits Act are specified. For a Participant who is a retired Employee or a former Employee, the province of employment shall be the province of employment determined at the last date of employment.

- 1.24 **"Pension Benefits Act"** means the *Pension Benefits Act*, R.S.O., 1990 as amended from time to time and the regulations issued thereunder, and such

other similar legislation and the regulations thereunder as may have been or may be enacted by a Province of Canada, which is applicable to the Plan.

- 1.25 "Plan" means the CanWest Southam Publications Inc. Retirement Plan, as herein set forth, as amended from time to time, which is herein sometimes referred to as "the Plan" or as "this Plan".
- 1.26 "Plan Year" means the 12 month period extending from January 1 through December 31.
- 1.27 "Predecessor Plan" means the Southam Press Limited Basic Contributory Retirement Plan or the Southam Press Limited Supplementary Contributory Retirement Plan, each as in effect immediately before January 1, 1966.
- 1.28 "Prior Plan" means the Southam Retirement Plan in effect as at November 16, 2000.
- 1.29 "Prior Plan of an Acquired Company" means any of the following plans which had been designated as such by Southam Inc. under the Prior Plan effective on the date indicated in brackets:
  - (a) The Brantford Expositor Retirement Plan (July 1, 1972)
  - (b) Pension Plan for Employees of Gazette Printing Company (Limited) (January 1, 1973)
  - (c) The Pension Plan for Employees of Sault Daily Star Limited (January 1, 1976)
  - (d) Windsor Star, Division of Southam Inc., Employees Pension Plan (January 1, 1976)
- 1.30 "Retirement Fund" means the fund established and maintained in order to provide for the payment of the benefits described in the Plan, as provided in Article XII. The Retirement Fund shall have a plan year that is the calendar year.
- 1.31 "Spouse" means:
  - (a) Whether a Participant has a Spouse will be determined in accordance with the following definitions which apply with respect to the province in which the Participant is employed. A Spouse as determined must also qualify as a Spouse as defined by the Income Tax Act for purposes of registered pension plans.

(b) Alberta Participants

"Spouse" shall mean, in relation to an Alberta Participant, at the date on which a determination of marital status is required,

- (i) a person who is married to the Alberta Participant and who, if living separate and apart from the Alberta Participant, has not been living separate and apart from the Alberta Participant for 3 or more consecutive years in the immediately preceding period, or
- (ii) if there is no person to whom paragraph (i) applies, a person of the opposite sex who has been living with the Alberta Participant in a conjugal relationship for the immediately preceding 3-year period, or
- (iii) if there is no person to whom paragraph (i) or (ii) applies, a person of the same sex who has been living with the Alberta Participant in a conjugal relationship for the immediately preceding 3-year period.

(c) British Columbia Participants

"Spouse" shall mean, in relation to a British Columbia Participant, at the date on which a determination of marital status is required,

- (i) a person who is married to the British Columbia Participant and who, if living separate and apart from the British Columbia Participant, has not been living separate and apart from the British Columbia Participant for longer than 2 years in the immediately preceding period, or
- (ii) if there is no person to whom paragraph (i) above applies, a person of the opposite sex or of the same sex, who has been living with the British Columbia Participant in a marriage like relationship for the immediately preceding 2-year period.

(d) Ontario Participants

"Spouse" shall mean, in relation to an Ontario Participant, at the date on which a determination of marital status is required,

- (i) a person who is married to the Ontario Participant and who is not living separate and apart from him or her, or

- (ii) a person of the same or opposite sex who is not legally married to the Ontario Participant but has been cohabiting continuously with him or her in a conjugal relationship for at least 3 years, or
- (iii) a person of the same or opposite sex to whom the Ontario Participant is not legally married, but who has been cohabiting with him or her in a conjugal relationship of some permanence and they are jointly the natural or adoptive parents of a child, both as defined in the Family Law Act of Ontario.

(e) Quebec Participants

"Spouse" shall mean, in relation to a Quebec Participant, at the date on which a determination of marital status is required,

- (i) a person who is married to the Quebec Participant, or
- (ii) a person of the opposite sex or of the same sex, who has been living in a conjugal relationship with an unmarried Quebec Participant for a period of not less than 3 years, or
- (iii) a person of the opposite sex or of the same sex who has been living in a conjugal relationship with an unmarried Quebec Participant for a period of not less than one year if:
  - (A) at least one child is born, or to be born, of their union,
  - (B) they have adopted, jointly, at least one child while living together in a conjugal relationship, or
  - (C) one of them has adopted at least one child who is the child of the other, while living together in a conjugal relationship.

1.32 **"Total Disability"** means a disability throughout which the Participant is physically or mentally impaired so that he is prevented from performing the duties of employment in which he was engaged prior to the impairment and throughout which the Participant is in receipt of benefits payable under worker's compensation legislation or the Company sponsored long term disability plan. Such disability must be certified by a medical doctor licensed in Canada or where the Participant resides.

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1.33 **"Vested Participant"** means a Participant who has reached his Vesting Date.

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Notwithstanding the preceding paragraph, a Quebec Participant who ceases active participation in the Plan (whether by retirement, termination of employment or death) on or after January 1, 2001, shall automatically be a Vested Participant. In addition, an Alberta Participant or a British Columbia Participant shall automatically be a Vested Participant on the Participant's Normal Retirement Date.

- 1.34 "Vesting Date" means, with respect to each Participant, the earlier of completion of 5 years of Continuous Employment and completion of 2 years as a Participant in the Plan and the Prior Plan.
- 1.35 "YMPE" means the Year's Maximum Pensionable Earnings under the Canada or Quebec Pension Plan (as applicable to the Participant).

**II ELIGIBILITY FOR PARTICIPATION IN THE PLAN**

**2.1 Entry into Plan**

- (a) Each Eligible Employee who was a member of the Prior Plan as of the day before the Effective Date and who commenced employment with his Employer on the Effective Date shall be a Participant in the Plan as of the Effective Date.
- (b) Each Eligible Employee who was not a member of the Prior Plan and whose normal retirement date is after the Effective Date of the Plan shall be eligible for enrolment in the Plan as follows:
  - (i) A permanent full-time Employee (as determined under the normal practice of the Employer employing such person) may join the Plan on the later of the Effective Date or the first day of the month coincident with or following the completion of 3 months of Continuous Employment,
  - (ii) An Employee other than that described in subparagraph (i) above may join the Plan on the first day of January after having:
    - (A) worked for 700 hours, or
    - (B) having earned not less than 35% of the YMPE, or in the case of Manitoba Employees, 25% of the YMPE,

in each of any 2 preceding calendar years within the 5-year period immediately prior to the point at which a determination is required.

**(c) Quebec Participants**

Notwithstanding subsection 2.1(b) above, each Eligible Employee in the employment of the Employer in the province of Quebec who was not a member of the Prior Plan and whose normal retirement date is after the Effective Date of the Plan is eligible for enrolment in the Plan on the first day of January following the completion of one calendar year of Continuous Employment in which the person has:

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- (A) worked 700 hours, or
  - (B) earned not less than 35% of the YMPE,
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