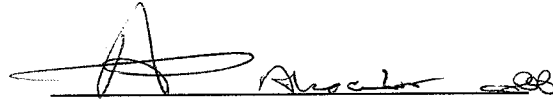


This is Exhibit "P" to the Affidavit of
THOMAS C. STRIKE sworn before me
this 7th day of January, 2010.


Commissioner for Taking Affidavits

The Bank of Nova Scotia
Scotia Plaza
40 King Street West
Box 4085, Station "A"
Toronto, Ontario
Canada M5W 2X6



June 12, 2009

Canwest Limited Partnership
on behalf of itself and
Canwest (Canada) Inc.,
Canwest Publishing Inc./Publications Canwest Inc.
and Canwest Books Inc.
1450 Don Mills Road
Toronto, Ontario
M3B 2X7

Attention: Doug Lamb, Executive Vice President and Chief Financial Officer

Dear Sir:

Re: Reservation of Rights

We refer to:

A. the Senior Subordinated Credit Agreement dated as of 10 July 2007 between CanWest MediaWorks Limited Partnership (now Canwest Limited Partnership), as borrower (the "**Borrower**"), the Guarantors party thereto from time to time, as guarantors, the Lenders party thereto from time to time, as lenders (collectively, the "**Subordinated Lenders**") and The Bank of Nova Scotia, in its capacity as Administrative Agent (the "**Subordinated Agent**") establishing Cdn. \$75,000,000 senior subordinated credit facilities in favour of the Borrower, as amended from time to time to the date hereof (the "**Subordinated Credit Agreement**"); and

B. the Credit Agreement dated as of 10 July 2007 between CanWest MediaWorks Limited Partnership (now Canwest Limited Partnership), as borrower, the guarantors party thereto from time to time, as guarantors, the lenders party thereto from time to time, as senior lenders (collectively, the "**Senior Lenders**") and The Bank of Nova Scotia, in its capacity as administrative agent, establishing Cdn. \$1,300,000,000 senior credit facilities in favour of the Borrower, as amended from time to time to the date hereof (the "**Senior Credit Agreement**").

Unless the context otherwise requires, all capitalized terms used but not defined herein have the respective meanings defined in the Subordinated Credit Agreement.

We understand that certain Events of Default (as defined in the Senior Credit Agreement) have occurred and are continuing under the Senior Credit Agreement as a result of (i) the failure by Canwest Limited Partnership to pay principal and interest outstanding under the

Senior Credit Agreement, which payments were due and payable to the Lenders on May 29, 2009 pursuant to Article 2 of the Senior Credit Agreement, and (ii) the occurrence of breaches of the Borrower's financial covenants as of May 31, 2009 pursuant to Section 7.1 of the Senior Credit Agreement. We understand that other Events of Default may exist under the Senior Credit Agreement and that none of the Events of Default described or referred to in this paragraph (collectively, the "Senior Defaults") has been waived by the Senior Lenders.

The occurrence of the Senior Defaults under the Senior Credit Agreement constitutes an Event of Default under Section 8.1(d) of the Subordinated Credit Agreement (the "Subordinated Defaults").

The Senior Subordinated Lenders:

1. have not waived and do not intend to waive, and the making of any Advance under the Subordinated Credit Agreement, shall not constitute or be construed as a waiver of, any outstanding Default or Event of Default, including without limitation of the foregoing, the Subordinated Defaults; and

2. the making of any Advance under the Subordinated Credit Agreement by any Lender, or any Lender's agreement to make any such Advance, shall not constitute an agreement or obligation on the part of the Lenders to make any further or other Advance to the Borrower.

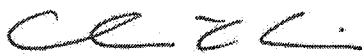
The Subordinated Agent, for and on behalf of itself and the Subordinated Lenders, hereby expressly reserves all of its and their rights under and in connection with the Subordinated Credit Agreement and the other Loan Documents and pursuant to all Applicable Laws at any time as they deem appropriate with respect to the Subordinated Default identified herein or any other Defaults or Events of Default that may now or hereafter exist. Any failure to exercise any rights and remedies that the Subordinated Lenders may have at this time shall not constitute a waiver of the right to exercise same or any other rights and remedies at a subsequent time.

Nothing herein shall be deemed to constitute a waiver of any Event of Default that currently exists or may hereafter arise under the Subordinated Credit Agreement including without limitation of the foregoing, the Subordinated Defaults.

Yours truly,

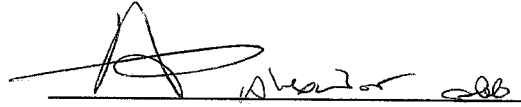
**THE BANK OF NOVA SCOTIA, in its capacity
as Administrative Agent on behalf of the
Subordinated Lenders**

By:



Name: Yanzhi Chen
Title: Director

This is Exhibit "Q" to the Affidavit of
THOMAS C. STRIKE sworn before me
this 7th day of January, 2010.



Commissioner for Taking Affidavits

CONFIDENTIAL

Canwest Limited Partnership
1450 Don Mills Road
Toronto, Ontario

June 24, 2009

Mr. Robert A. King, Director
The Bank of Nova Scotia
62 - 40 King Street West
Toronto, ON, M5W 2X6

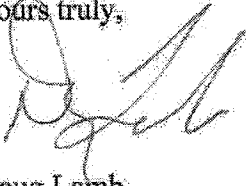
Dear Robert:

We refer to the Senior Subordinated Credit Agreement dated as of 10 July 2007 between Canwest Limited Partnership as Borrower (the "**Borrower**"), the Guarantors party thereto from time to time as Guarantors (collectively, the "**Guarantors**"), the Lenders party thereto from time to time as Lenders (collectively, the "**Lenders**") and The Bank of Nova Scotia, in its capacity as Administrative Agent (the "**Administrative Agent**"), as amended from time to time to the date hereof (the "**Subordinated Credit Agreement**").

We are writing to advise you that, until further notice, the Borrower will not be making any interest, principal or other fee payments that are due per the terms of the Subordinated Credit Agreement subsequent to May 29, 2009.

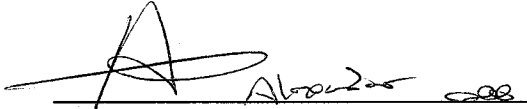
Should you have any questions, please do not hesitate to contact us at your convenience.

Yours truly,



Doug Lamb
Executive Vice President and
Chief Financial Officer

This is Exhibit "R" to the Affidavit of
THOMAS C. STRIKE sworn before me
this 7th day of January, 2010.



Commissioner for Taking Affidavits

CANWEST MEDIAWORKS LIMITED PARTNERSHIP,
as Issuer,

the GUARANTORS named herein,

THE BANK OF NEW YORK,
as U.S. Trustee,

and

BNY TRUST COMPANY OF CANADA,
as Canadian Trustee

INDENTURE

Dated as of July 13, 2007

9.25% Senior Subordinated Notes due 2015

CROSS-REFERENCE TABLE

<u>TIA</u> <u>Section</u>	<u>Indenture</u> <u>Section</u>
310(a)(1).....	7.10
(a)(2).....	7.10
(a)(3).....	N.A.
(a)(4).....	N.A.
(b).....	7.08; 7.10; 12.02
(b)(1).....	7.10
(b)(9).....	7.10
(c).....	N.A.
311(a).....	7.11
(b).....	7.11
(c).....	N.A.
312(a).....	2.06
(b).....	12.03
(c).....	12.03
313(a).....	7.06
(b)(1).....	N.A.
(b)(2).....	7.06
(c).....	7.06; 12.02
(d).....	7.06
314(a).....	4.02; 4.04; 12.02
(b).....	N.A.
(c)(1).....	11.04; 12.05
(c)(2).....	11.04; 12.05
(c)(3).....	N.A.
(d).....	N.A.
(e).....	12.05
(f).....	N.A.
315(a).....	7.01; 7.02
(b).....	7.05; 12.02
(c).....	7.01
(d).....	6.05; 7.01; 7.02
(e).....	6.11
316(a) (last sentence).....	2.10
(a)(1)(A).....	6.05
(a)(1)(B).....	6.04
(a)(2).....	8.02
(b).....	6.07
(c).....	8.04
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(a)(2).....	6.09
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318(a).....	12.01

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INDENTURE, dated as of July 13, 2007, among CANWEST MEDIAWORKS LIMITED PARTNERSHIP, a limited partnership formed under the laws of the Province of Ontario (the "Partnership," which reference shall include, as appropriate, the General Partner (as defined below) in its capacity as sole general partner of the Partnership) (the "Issuer"), each of the Guarantors (as defined herein), The Bank of New York, as co-trustee (the "U.S. Trustee") and BNY Trust Company of Canada, as co-trustee (the "Canadian Trustee" and, together with the U.S. Trustee, the "Trustee").

The Issuer has duly authorized the execution and delivery of this Indenture to provide for the issuance of (i) U.S.\$400,000,000 aggregate principal amount of the Issuer's 9.25% Senior Subordinated Notes due 2015 in the form of Initial Notes (as defined herein) and (ii) if and when issued, such Additional Notes (as defined herein) that the Issuer may from time to time, choose to issue pursuant to this Indenture, in each case issuable as provided in this Indenture. The Notes (as defined herein) will be guaranteed on a senior subordinated unsecured basis by each of the Guarantors. All things necessary to make this Indenture a valid and legally binding agreement of the Issuer and the Guarantors, in accordance with its terms, have been done, and the Issuer has done all things necessary to make the Notes, when executed by the Issuer, when authenticated and delivered by the Trustee hereunder and duly issued by the Issuer, the valid and legally binding obligations of the Issuer. Each Guarantor has done all things necessary to make its Guarantee (as defined herein), when executed by such Guarantor, the valid and legally binding obligation of such Guarantor.

Each party agrees as follows for the benefit of the other parties and for the equal and ratable benefit of Holders of the Notes:

ARTICLE I

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. Definitions.

"Acquired Indebtedness" of any Person means Indebtedness of any other Person (including an Unrestricted Subsidiary) existing at the time and continuing to exist immediately after the time such other Person becomes a Restricted Subsidiary of such Person or is merged into or consolidated or amalgamated with such Person or that is assumed in connection with the acquisition of assets from such other Person and, in each case, not incurred by such other Person in connection with, or in anticipation or contemplation of, such other Person becoming a Restricted Subsidiary or such merger, consolidation, amalgamation or acquisition.

"Additional Notes" means, subject to the Issuer's compliance with Section 4.06, U.S. dollar denominated 9.25% Senior Subordinated Notes due 2015 issued from time to time after the Issue Date pursuant to Section 2.19.

"Adjusted Net Assets" of any Person at any date means the lesser of the amount by which:

- (1) the fair value of the property of such Person exceeds the total amount of liabilities, including, without limitation, contingent liabilities (after giving effect to all other fixed and contingent liabilities) of such Person, but excluding liabilities under the Guarantee of such Person at such date; and

(2) the present fair salable value of the assets of such Person at such date exceeds the amount that will be required to pay the probable liability of such Person on its debts (after giving effect to all other fixed and contingent liabilities of such Person and after giving effect to any collection from any other Person in respect of the obligations of such Person under the Guarantee of such Person), excluding Indebtedness in respect of the Guarantee of such Person, as they become absolute and matured.

"Affiliate" means, with respect to any specific Person, any other Person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided* that for purposes of the covenant described in Section 4.11, beneficial ownership of at least 20% of the voting securities of a Person, either directly or indirectly, shall be deemed to be control.

"Agent" means any Registrar, Paying Agent or agent for service of notices and demands.

"Asper Group" means (i) the late Israel Asper ("Asper"); (ii) his spouse; (iii) any lineal descendant of Asper (treating for this purpose, for greater certainty, any legally adopted descendant as a lineal descendant); (iv) the estate of any person listed in clauses (i) to (iii); (v) any trust primarily for one or more of the lineal descendants of Asper or spouses of such lineal descendants, Asper himself or any spouse or former spouse of Asper, *provided* that one or more of the persons listed in clauses (i) to (iii) retain dispositive control of such trust; (vi) any and all Persons that are directly or indirectly controlled by any one or more of the foregoing; and (vii) any charitable trust settled by any one or more of the Persons listed in clause (i) to (iii) over which any such Person or Persons retain dispositive control; *provided* that for the purposes of this definition, (a) "control" of a corporation means the ownership of, or control or direction over, voting interests with more than 50% of the total voting power entitled (without regard to the occurrence of any contingency) to vote in the election of the board of directors of such corporation and the votes attached to such voting interests are sufficient, if exercised, to elect a majority of the board of directors of such corporation, (b) "spouse" includes a person's widow or widower, and (c) "dispositive control" of a trust means the control or direction over the payment or transfer of trust property to beneficiaries.

"Asset Acquisition" means (1) an investment by the Issuer or any Restricted Subsidiary in any other Person pursuant to which such Person shall become a Restricted Subsidiary or any Restricted Subsidiary, or shall be merged, consolidated or amalgamated with or into the Issuer or any Restricted Subsidiary, or (2) the acquisition by the Issuer or any Restricted Subsidiary of the assets of any Person (other than a Restricted Subsidiary) that constitute all or substantially all of the assets of such Person or comprise any division or line of business of such Person or any other properties or assets of such Person other than in the ordinary course of business.

"Asset Sale" means any direct or indirect sale, issuance, conveyance, assignment, transfer, lease or other disposition (including by way of merger, consolidation or Sale and Lease-Back Transactions), other than to the Issuer or any of its Restricted Subsidiaries, in any single transaction or series of related transactions of (a) any Capital Stock of or other equity interest in any Restricted Subsidiary, or (b) any Property of the Issuer or of any Restricted Subsidiary; *provided* that an Asset Sale shall not include: (1) a transaction or series of related transactions for which the Issuer and the Restricted Subsidiaries or any of them receive aggregate consideration of less than \$5.0 million, (2) the sale, lease, conveyance, disposition or other transfer of all or substantially all of the assets of the Issuer or any Restricted

Subsidiary as permitted by Sections 4.16 or 5.01, (3) any disposition of any cash or Cash Equivalents, (4) the sale, lease or other disposition of products, inventory or services in the ordinary course of business, (5) any sales of property or equipment that has become worn out, obsolete or damaged or otherwise unsuitable for use in connection with the business of the Issuer or any Restricted Subsidiary, as the case may be, (6) any sale or discount of receivables in the ordinary course of business on terms customary (when taken as a whole) for transactions of such nature, (7) any transaction consummated in compliance with the covenant described in Section 4.09, including, without limitation, any Permitted Investments; and (8) the creation of Liens permitted under this Indenture.

"Asset Sale Proceeds" means, with respect to any Asset Sale, (1) cash received by the Issuer or any Restricted Subsidiary from such Asset Sale (including cash received as consideration for the assumption of liabilities incurred in connection with or in anticipation of such Asset Sale), after (a) provision for all income or other taxes measured by or resulting from such Asset Sale (including such taxes payable by any general or limited partners of the Issuer), (b) payment of all brokerage commissions, underwriting and other fees (including legal and accounting fees) and expenses related to such Asset Sale, (c) provision for minority interest holders in any Restricted Subsidiary as a result of such Asset Sale, (d) repayment of any Indebtedness that is secured with the assets sold in the Asset Sale and that is required to be repaid, or any repayment of any Senior Indebtedness that the Issuer or any Restricted Subsidiary elects to repay, in connection with such Asset Sale, and (e) deduction of appropriate amounts to be provided by the Issuer or a Restricted Subsidiary as a reserve, in accordance with GAAP, against any liabilities associated with the assets sold or disposed of in such Asset Sale and retained by the Issuer or a Restricted Subsidiary after such Asset Sale, including, without limitation, pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with the assets sold or disposed of in such Asset Sale, and (2) promissory notes and other non-cash consideration received by the Issuer or any Restricted Subsidiary from such Asset Sale or other disposition upon the liquidation or conversion of such notes or non-cash consideration into cash.

"Attributable Indebtedness" means, with respect to any Sale and Lease-Back Transaction, as at the time of determination, the greater of (1) the fair value of the property subject to such arrangement and (2) the present value of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Lease-Back Transaction (including any period for which such lease has been extended) or until such lease may be terminated by the lessee without penalty (or if terminable with a penalty, the aforesaid present value shall include the present value of such penalty). Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP.

"Available Asset Sale Proceeds" means, with respect to any Asset Sale, the aggregate Asset Sale Proceeds from such Asset Sale that have not been applied in accordance with clause (3)(a) or (3)(b) of Section 4.10 hereof, and that have not yet been the basis for an Excess Proceeds Offer in accordance with clause (3)(c), of the first paragraph of Section 4.10 hereof.

"Bankruptcy Law" means the Bankruptcy and Insolvency Act (Canada) or any other Canadian federal or provincial law relating to, or Title 11, United States Bankruptcy Code or any similar United States federal or state law relating to, bankruptcy, insolvency, receivership, winding-up, liquidation, reorganization or relief of debtors or the law of any other jurisdiction relating to bankruptcy, insolvency, receivership, winding-up, liquidation, reorganization or relief of debtors or any amendment to, succession to or change in any such law.

"Board of Directors" of any Person means the board of directors, managers, management committee or other body governing the management and affairs of such Person, including in the case of a limited partnership, the controlling general partner of such limited partnership.

"Board Resolution" of any Person means a copy of a resolution certified pursuant to an Officers' Certificate to have been duly adopted by the Board of Directors of such Person, and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions in The City of New York are authorized or required by law or executive order to close.

"CanWest" means CanWest Global Communications Corp., a corporation formed under the federal laws of Canada, together with its successors.

"Capital Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, membership interests, partnership interests or any other participation, right or other interest in the nature of an equity interest in such Person including, without limitation, Common Stock and Preferred Stock of such Person, or any option, warrant or other security convertible into any of the foregoing.

"Capitalized Lease Obligations" means with respect to any Person, Indebtedness represented by obligations under a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP, and the amount of such Indebtedness shall be the capitalized amount of such obligations determined in accordance with GAAP.

"Cash Equivalents" means (1) marketable direct obligations issued by, or unconditionally guaranteed by, the United States or Canadian Government or issued by any agency or instrumentality thereof and backed by the full faith and credit of the United States or Canada, in each case maturing within one year from the date of acquisition thereof; (2) marketable direct obligations issued by any state of the United States of America, the District of Columbia or any province or territory of Canada or any political subdivision of any such state, province or territory or any agency or instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either S&P or Moody's; *provided that*, in the event that any such obligation is not rated by S&P or Moody's, such obligation shall have the highest rating from Dominion Bond Rating Service Limited; (3) commercial paper maturing no more than one year from the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 from S&P or a rating of at least P-1 from Moody's or, with respect to commercial paper in Canada, at least R-1 high by Dominion Bond Rating Service Limited; (4) investments in time deposit accounts, term deposit accounts, money market deposit accounts, certificates of deposit or bankers' acceptances maturing within one year from the date of acquisition thereof issued by any bank organized under the laws of the United States of America or any state thereof or the District of Columbia or Canada or any U.S. or Canadian branch of a foreign bank having at the date of acquisition thereof combined capital and surplus of not less than \$500.0 million; (5) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with any bank meeting the qualifications specified in clause (4) above; and (6) investments in money market funds that invest substantially all their assets in securities of the types described in any of clauses (1) through (5) above.

"CBCA" means the *Canada Business Corporations Act*.

"Change of Control" means (i) (a) the Asper Group ceases to beneficially own, directly or indirectly, at least 35% of the votes attached to the securities entitled to vote for the election of the Board of Directors of the Issuer's ultimate parent and (b) CanWest ceases to beneficially own, directly or indirectly, at least 35% of the votes attached to the securities entitled to vote for the election of the Board of Directors of the Issuer's controlling general partner; (ii) any Person or related group of Persons for purposes of Section 13(d) of the Exchange Act (other than CanWest or the Asper Group or any member

thereof) shall at any time be, directly or indirectly, the beneficial owner of a greater percentage of the votes attached to the securities entitled to vote for the election of the Board of Directors of the Issuer's ultimate parent than the votes attached to the securities entitled to vote for the election of the Board of Directors of the Issuer's ultimate parent beneficially owned, directly or indirectly, by CanWest or the Asper Group (whichever owns a greater percentage); (iii) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the Issuer's property and assets; (iv) partners of the Issuer approve any plan or proposal for the liquidation or dissolution of the Issuer; or (v) any person shall cause, as a result of any proxy solicitation made otherwise than by or on behalf of management, Continuing Directors to cease to be a majority of the Board of Directors of the Issuer's controlling general partner (where "Continuing Directors" are (x) members of the original Board of Directors or (y) members appointed or whose nomination is approved by a majority of the Continuing Directors or nominated at a time that the Continuing Directors form a majority of the Board of Directors).

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" of any Person means all Capital Stock of such Person that is generally entitled to (1) vote in the election of directors of such Person or (2) if such Person is not a corporation, vote or otherwise participate in the selection of the governing body, partners, managers or others that will control the management and policies of such Person.

"Communications Business" means the media and communications businesses and activities related thereto, including television broadcasting and related businesses (such as the sale of television advertising and programming and the development, production and distribution of television and film programming), radio broadcasting and related businesses (such as sale of radio advertising and the production of radio programming), specialty or pay television, print media and related businesses, publications business, cable television, electronic media, print media, data, voice and video transmission, advertising, billboards and transmission tower rental and sales and real property rental and sales (to the extent that such real property rental and sales arise from lease or sale of properties used by a Person in connection with any of the foregoing media and communications businesses) and lending of money by the Issuer to any Restricted Subsidiary to the Issuer or any Restricted Subsidiary and including the holding of ownership interests in Persons engaged in the foregoing.

"Consolidated Interest Expense" means, with respect to any Person, for any period, the aggregate amount of interest that, in conformity with GAAP, would be set forth opposite the caption "interest expense" or any like caption on an income statement for such Person and its Restricted Subsidiaries on a consolidated basis (including, but not limited to, without duplication: (1) imputed interest included in Capitalized Lease Obligations; (2) all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing; (3) the net costs associated with Hedging Obligations; (4) amortization of other financing fees and expenses; (5) the interest portion of any deferred payment obligation; (6) amortization of discount or premium, if any; and (7) all other non-cash interest expense (other than interest paid in Capital Stock (other than Disqualified Capital Stock) of such Person and other than interest allocated to cost of sales)) plus, without duplication, all net capitalized interest for such period and all interest incurred or paid under any guarantee of Indebtedness (including a guarantee of principal, interest or any combination thereof) of any Person, plus the amount of all dividends or distributions paid on Disqualified Capital Stock (other than dividends paid or payable in shares of Capital Stock (other than Disqualified Capital Stock) of such Person).

"Consolidated Leverage Ratio" means, with respect to any Person, the ratio of (1) the sum, without duplication, of the aggregate outstanding amount of Indebtedness of such Person and its Restricted Subsidiaries (excluding Indebtedness incurred pursuant to clause (f), (g), (i) or (j) of the definition of "Permitted Indebtedness") as of the date of calculation (the "Transaction Date") on a consolidated

basis determined in accordance with GAAP (after giving effect on a *pro forma* basis to the incurrence or repayment of any Indebtedness of such Person or any of its Restricted Subsidiaries giving rise to the need to make such calculation) to (2) such Person's EBITDA for the four full fiscal quarters (the "Four Quarter Period") ending on or prior to the Transaction Date for which financial statements are available. For purposes of this definition, clause (2) above will be calculated after giving effect on a *pro forma* basis to any Asset Sales or Asset Acquisitions (including, without limitation, any Asset Acquisition giving rise to the need to make such calculation as a result of such Person or one of its Restricted Subsidiaries (including any Person who becomes a Restricted Subsidiary as a result of the Asset Acquisition) incurring, assuming or otherwise being liable for Acquired Indebtedness and also including any EBITDA (*provided* that such EBITDA will be included only to the extent that Consolidated Income would be includable pursuant to the definition of "Consolidated Net Income") (including any *pro forma* expense and cost reductions calculated on a basis consistent with Regulation S-X of the Exchange Act or the equivalent thereof under Canadian or Ontario securities laws and regulations) attributable to the assets that are the subject of the Asset Acquisition or Asset Sale during the Four Quarter Period) occurring during the Four Quarter Period or at any time subsequent to the last day of the Four Quarter Period and on or prior to the Transaction Date, as if such Asset Sale or Asset Acquisition (including the incurrence, assumption or liability for any such Acquired Indebtedness) occurred on the first day of the Four Quarter Period. If such Person or any of its Restricted Subsidiaries directly or indirectly guarantees Indebtedness of a third Person, the preceding sentence will give effect to the incurrence of such guaranteed Indebtedness as if such Person or any Restricted Subsidiary had directly incurred or otherwise assumed such guaranteed Indebtedness.

"Consolidated Net Income" means, with respect to any Person, for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided, however*, that (a) (1) the equity of such Person in the Net Income of any other Person (the "other Person") in which such Person or any of its Restricted Subsidiaries has less than a 100% interest (which interest does not cause the Net Income of such other Person to be consolidated into the Net Income of such Person in accordance with GAAP) for such period shall be included in such Person's Consolidated Net Income only to the extent of the amount of dividends or distributions actually paid to such Person or such Restricted Subsidiary during such period (subject, in the case of a dividend or distribution to a Restricted Subsidiary, to the limitations contained in clause (b) of this definition of "Consolidated Net Income"), and (2) such Person's equity in a net loss of any such other Person (other than an Unrestricted Subsidiary) for such period shall be included in determining such Person's Consolidated Net Income; (b) the Net Income of any Restricted Subsidiary of such Person that is subject to any restriction or limitation on the payment of dividends or the making of other distributions shall be excluded to the extent of such restriction or limitation, except that (1) subject to the limitations contained in subclause (b)(2) of this definition of "Consolidated Net Income," the equity of such Person in the Net Income of any such Restricted Subsidiary for such period shall be included in such Person's Consolidated Net Income to the extent of dividends or distributions that could have been paid by such Restricted Subsidiary during such period to such Person or another Restricted Subsidiary (subject, in the case of a dividend or distribution to another Restricted Subsidiary, to the limitations contained in this clause), and (2) such Person's equity in a net loss of any such Restricted Subsidiary for such period shall be included in determining such Consolidated Net Income; (c) (1) the Net Income of any Person acquired in a pooling of interests transaction for any period prior to the date of such acquisition, and (2) any net gain or loss during such period resulting from an Asset Sale by such Person or any of its Restricted Subsidiaries other than in the ordinary course of business shall be excluded; (d) extraordinary gains and losses during such period shall be excluded; (e) income or loss attributable to discontinued operations (including, without limitation, operations disposed of during such period whether or not such operations were classified as discontinued) shall be excluded; and (f) in the case of a successor to such Person by consolidation, amalgamation or merger or as a transferee of such Person's assets, any earnings of the successor entity prior to such consolidation, amalgamation, merger or transfer of assets shall be excluded.

"Corporate Trust Office" means, with respect to each Trustee, the principal corporate trust office of such Trustee at which, at any particular time, its corporate trust business shall be administered, which offices, at the date hereof, are located at the respective addresses set out under Section 12.02 hereof.

"Cumulative Consolidated Interest Expense" means, with respect to any Person, as of any date of determination, Consolidated Interest Expense from July 1, 2007 to the end of such Person's most recently ended full fiscal quarter prior to such date, taken as a single accounting period.

"Cumulative EBITDA" means, with respect to any Person, as of any date of determination, the EBITDA of such Person and its Restricted Subsidiaries from July 1, 2007 to the end of such Person's most recently ended full fiscal quarter prior to such date, taken as a single accounting period.

"Default" means any condition or event that is, or with the passing of time or giving of any notice (or both) expressly required under Section 6.01 would be, an Event of Default.

"Depository" means, with respect to the Notes issued in the form of one or more Global Notes, DTC or another Person designated as Depository by the Issuer, which Person must be a clearing agency registered under the Exchange Act.

"Designated Senior Indebtedness" means, as to the Issuer or any Guarantor, as the case may be,

- (1) any Senior Indebtedness under the Senior Secured Credit Facilities; and
- (2) any other Senior Indebtedness that at the time of determination exceeds \$100.0 million in aggregate principal amount (or accreted value in the case of Indebtedness issued at a discount) outstanding or available under a committed facility, which is specifically designated in the instrument evidencing such Senior Indebtedness as "Designated Senior Indebtedness" by such Person and as to which the Trustee has been given written notice of such designation.

"Designation Amount" means, in respect of any Restricted Subsidiary, an amount equal to the fair market value of the Issuer's aggregate investment in such Restricted Subsidiary.

"Disqualified Capital Stock" of any Person means any Capital Stock of such Person or a Restricted Subsidiary thereof that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the maturity date of the Notes, for cash or securities constituting Indebtedness. Without limitation of the foregoing, Disqualified Capital Stock shall be deemed to include any Preferred Stock of a Person or a Restricted Subsidiary of such Person, with respect to either of which, under the terms of such Preferred Stock, by agreement or otherwise, such Person or Restricted Subsidiary is obligated to pay current dividends or distributions in cash during the period prior to the Maturity Date of the Notes; *provided, however*, that Preferred Stock of a Person or any Restricted Subsidiary thereof that is issued with the benefit of provisions requiring a change of control offer to be made for such Preferred Stock in the event of a change of control of such Person or Restricted Subsidiary, which provisions have substantially the same effect as the provisions of Section 4.21, shall not be deemed to be Disqualified Capital Stock solely by virtue of such provisions.

"DTC" means The Depository Trust Company, a New York corporation.

"EBITDA" means, with respect to any Person and the Restricted Subsidiaries, for any period, an amount equal to (a) the sum of (1) the Consolidated Net Income of such Person for such period; *plus* (2) the provision for taxes for such period based on income or profits to the extent such income or profits were included in computing such Consolidated Net Income and any provision for taxes utilized in computing net loss under clause (1) hereof; *plus* (3) the Consolidated Interest Expense of such Person; *provided, however*, for purposes of this definition only, that dividends or distributions paid on Disqualified Capital Stock shall not be included in the definition of "Consolidated Interest Expense" to the extent such dividends or distributions have not been included in the computation of such Consolidated Net Income for such period; *plus* (4) depreciation for such period on a consolidated basis for such Person and its Restricted Subsidiaries; *plus* (5) amortization of intangibles for such period on a consolidated basis for such Person and its Restricted Subsidiaries; *plus* (6) any other non-cash items reducing such Consolidated Net Income for such period (other than any non-cash items that represent accruals of, or reserves for, cash disbursements to be made in any future accounting period); *minus* (b) all non-cash items increasing such Consolidated Net Income (other than any non-cash items that were accrued in the ordinary course of business) for such period, and *provided, however*, that, for purposes of calculating EBITDA during any fiscal quarter, income from a particular Investment of such Person or its Restricted Subsidiaries shall be included only (x) if cash income has been received by such Person or its Restricted Subsidiaries with respect to such Investment during the previous four fiscal quarters and only to the extent such cash income was received by such Person or its Restricted Subsidiary within 90 days of first receipt of such cash distribution in respect of such Investment by an Affiliate of such Person, or (y) if the cash income derived from such Investment is attributable to Cash Equivalents.

"Equity Offering" means an offering by CanWest or the Issuer of shares of its or the Issuer's Capital Stock (however designated and whether voting or nonvoting) and any and all rights, warrants or options to acquire such Capital Stock; *provided, however*, that in the case of an Equity Offering by CanWest, the portion of the Net Proceeds necessary to redeem the Notes shall be reflected as equity on a balance sheet prepared in accordance with GAAP.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"fair market value" means, with respect to any asset or property, the price that could be negotiated in an arm's length, free market transaction, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair market value shall be determined by the Board of Directors of the Issuer acting reasonably and in good faith, whose determination shall be conclusive and shall be evidenced by a resolution of the Board of Directors of the Issuer delivered to the Trustee.

"GAAP" means generally accepted accounting principles consistently applied as in effect in Canada on the Issue Date.

"Government Obligations" means (a) securities that are direct obligations of the United States of America for the payment of which its full faith and credit are pledged or (b) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any such Government Obligation or a specific payment of principal or of interest on any such Government Obligation held by such custodian for the account of the holder of such depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by

the custodian in respect of the Government Obligation or a specific payment of principal or interest on any such Government Obligation held by such custodian for the account of the holder of such depository receipt.

"Guarantee" means the guarantee by each Guarantor of the obligations of the Issuer with respect to the Notes.

"Guarantor" means the issuer at any time of a Guarantee (so long as such Guarantee remains outstanding).

"Hedging Obligations" means, with respect to any Person, the net payment obligations of such Person outstanding under (a) interest rate or currency swap agreements, interest rate or currency cap agreements and interest rate or currency collar agreements and (b) any other agreements or arrangements entered into in order to protect such Person against fluctuations in commodity prices, interest rates or currency exchange rates.

"Holder" or **"Noteholder"** means the Person in whose name a Note is registered on the Registrar's books.

"incur" means, with respect to any Indebtedness or other obligation of any Person, to create, issue, incur (by conversion, exchange or otherwise), assume, guarantee or otherwise become liable in respect of such Indebtedness or other obligation of the recording, as required pursuant to GAAP or otherwise, of any such Indebtedness or other obligation as a liability on the balance sheet of such Person (and **"incurrence," "incurred," "incurable"** and **"incurring"** shall have meanings correlative to the foregoing); *provided* that a change in GAAP that results in an obligation of such Person that exists at such time becoming Indebtedness shall not be deemed an incurrence of such Indebtedness; *provided, further*, that Indebtedness otherwise incurred by a Person before it becomes a Restricted Subsidiary shall be deemed to have been incurred by such Person at the time such Person becomes such a Restricted Subsidiary.

"Indebtedness" means (without duplication), with respect to any Person, any indebtedness at any time outstanding, secured or unsecured, contingent or otherwise, which is for borrowed money (whether or not the recourse of the lender is to the whole of the assets of such Person or only to a portion thereof), or evidenced by bonds, notes, debentures or similar instruments or representing the balance deferred and unpaid of the purchase price of any property (excluding, without limitation, any balances that constitute subscriber advance payments and deposits, accounts payable or trade payables, and other accrued liabilities arising in the ordinary course of business) if and to the extent any of the foregoing indebtedness would appear as a liability on a balance sheet of such Person prepared in accordance with GAAP, and shall also include, to the extent not otherwise included, (1) any Capitalized Lease Obligations of such Person; (2) obligations secured by a Lien to which any Property owned or held by such Person is subject, whether or not the obligation or obligations secured thereby shall have been assumed; *provided* that, for the purposes of determining the amount of Indebtedness described in this clause, if recourse with respect to such Indebtedness is limited to such Property, the amount of such Indebtedness shall be limited to the fair market value for such Property; (3) guarantees of Indebtedness of other Persons that would be included within this definition for such other Persons (whether or not such items would appear on the balance sheet of the guarantor); (4) all obligations for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction; (5) Disqualified Capital Stock of such Person or any Restricted Subsidiary thereof; and (6) obligations of any such Person under any Hedging Obligations applicable to any of the foregoing (if and to the extent such Hedging Obligations would appear as a liability on a balance sheet of such Person prepared in accordance with GAAP). The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of

the contingency giving rise to the obligation; *provided* that: (1) the amount outstanding at any time of any Indebtedness issued with original issue discount is the principal amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP, (2) Indebtedness shall not include any liability for federal, state, provincial, territorial, regional, municipal, local or other taxes, and (3) the amount of any Indebtedness secured by a Lien under the terms of which the recourse of the Person to which such Indebtedness is owed is limited to the Property secured by such Lien shall be the lesser of (a) the amount of such Indebtedness otherwise determined in accordance with the foregoing and (b) the fair market value, at the time of determination, of the Property subject to such Lien. For the avoidance of doubt, guarantees of (or obligations with respect to letters of credit supporting) Indebtedness otherwise included in the determination of such amount shall not also be included.

"Indenture" means this Indenture as amended, restated or supplemented from time to time.

"Independent Financial Advisor" means an investment banking firm of national reputation in the United States or Canada that, in the judgment of the majority of the disinterested members of the Board of Directors of the Issuer, is independent and qualified to perform the task for which it is to be engaged.

"Initial Notes" means the U.S. \$400,000,000 in aggregate principal amount of the Issuer's 9.25% Senior Subordinated Notes due 2015 issued on the Issue Date.

"Interest Payment Date" means the stated maturity of an installment of interest on the Notes.

"Investment Grade Rating" means a rating equal to or higher than Baa3 (or the equivalent) and BBB- (or the equivalent) by Moody's and S&P, respectively.

"Investments" means, with respect to any Person, directly or indirectly, any advance, account receivable (other than an account receivable arising in the ordinary course of business of such Person), loan or capital contribution to (by means of transfers of Property to others, payments for Property or services for the account or use of others or otherwise), the purchase of any Capital Stock, bonds, notes, debentures, partnership or joint venture interests or other securities (other than the purchase of the Notes pursuant to Sections 4.10 and 4.21) of, the acquisition, by purchase or otherwise, of all or substantially all of the business or assets or stock or other evidence of beneficial ownership of, any Person or the making of any investment in any Person. Investments shall exclude (a) extensions of trade credit on commercially reasonable terms in accordance with normal trade practices of such Person and (b) the repurchase of securities of any Person by such Person. For the purposes of Section 4.09, (1) Investments shall include and be valued at the fair market value of the net assets of any Restricted Subsidiary at the time that such Restricted Subsidiary is designated an Unrestricted Subsidiary and shall exclude the fair market value of the net assets of any Unrestricted Subsidiary at the time that such Unrestricted Subsidiary is designated a Restricted Subsidiary and (2) the amount of any Investment shall be the original cost of such Investment plus the cost of all additional Investments by the Issuer or any of the Restricted Subsidiaries, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment reduced by the payment of distributions in cash or Cash Equivalents that constitute a return of capital in connection with such Investment; *provided* that the aggregate of all such reductions shall not exceed the amount of such initial Investment plus the cost of all additional Investments; *provided, further*, that no such payment of distributions or receipt of any such other amounts shall reduce the amount of any Investment if such payment of distributions or receipt of any such amounts would be included in Consolidated Net Income. If the Issuer or any Restricted Subsidiary sells or otherwise disposes

of any Common Stock of any direct or indirect Restricted Subsidiary such that, after giving effect to any such sale or disposition, such Restricted Subsidiary shall have ceased to be a Subsidiary of the Issuer, the Issuer shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Common Stock of such Restricted Subsidiary not sold or disposed of.

"Issue Date" means July 13, 2007, the date the Initial Notes are first issued by the Issuer and authenticated by the Trustee under this Indenture.

"Issuer" means the party named as such in the first paragraph of this Indenture until a successor replaces such party pursuant to Article V of this Indenture and thereafter means the successor and any other obligor on the Notes.

"Issuer Request" means any written request signed in the name of the Issuer by the Chief Executive Officer, the President, any Vice President, the Chief Financial Officer or the Treasurer of the Issuer and attested to by the Secretary or any Assistant Secretary of the Issuer.

"Lien" means, with respect to any property or assets of any Person, any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, security interest, lien, charge, easement, encumbrance, preference, priority, or other security agreement or preferential arrangement of any kind or nature whatsoever on or with respect to such property or assets (including, without limitation, any Capitalized Lease Obligation, conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing); *provided* that in no event shall an operating lease that is not a Capitalized Lease Obligation or Sale and Lease-back Transaction be deemed to constitute a Lien.

"Maturity Date" means August 1, 2015.

"Moody's" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"Net Income" means, with respect to any Person, for any period, the net income (loss) of such Person for such period determined in accordance with GAAP.

"Net Proceeds" means (a) in the case of any sale of Capital Stock by or equity contribution to any Person, the aggregate net proceeds received by such Person, after payment of all expenses (including, without limitation, finders' fees, brokers' fees, attorneys' fees, accountants' fees and consultants' fees), commissions and the like incurred in connection therewith and net of all taxes paid or payable or as a result thereof, whether such proceeds are in cash or in property (valued at the fair market value thereof at the time of receipt) and (b) in the case of any exchange, exercise, conversion or surrender of outstanding securities of any kind for or into shares of Capital Stock of the Issuer that is not Disqualified Capital Stock, the net book value of such outstanding securities on the date of such exchange, exercise, conversion or surrender (plus any additional amount required to be paid by the holder to such Person upon such exchange, exercise, conversion or surrender, less any and all payments made to such holders in connection therewith on account of fractional shares or otherwise and less all expenses incurred by such Person in connection therewith).

"Non-Payment Default" means any event (other than a Payment Default) the occurrence of which entitles one or more Persons to accelerate the maturity of any Designated Senior Indebtedness.

"Non-U.S. Person" means a person who is not a U.S. person, as defined in Regulation S.

"Notes" means the Initial Notes and any Additional Notes, treated as a single class of securities, as amended or supplemented from time to time in accordance with the terms hereof, that are issued pursuant to this Indenture. For purposes of this Indenture, all Notes shall vote and consent together on all matters (as to which such Notes may vote or consent) as one class and no series of Notes will have the right to vote or consent as a separate class on any matter.

"Obligations" means, with respect to any Indebtedness, any principal, premium, interest, penalties, fees, indemnifications, reimbursements, damages and other expenses payable under the documentation governing such Indebtedness.

"Offering Memorandum" means the offering memorandum dated July 2, 2007 pursuant to which the Notes were initially offered.

"Officer" means, with respect to any Person (other than the Trustee), the Chief Executive Officer, the President, any Vice President and the Chief Financial Officer, the Treasurer or the Secretary of such Person, or any other officer designated by the Board of Directors of such Person, as the case may be.

"Officers' Certificate" means, with respect to any Person, a certificate signed by the Chief Executive Officer, the President or any Vice President and the Chief Financial Officer or any Treasurer of such Person that shall comply with applicable provisions of this Indenture and delivered to the Trustee.

"Opinion of Counsel" means a written opinion reasonably satisfactory in form and substance to the Trustee from legal counsel which counsel is reasonably acceptable to the Trustee including the statements required by Section 12.05 and delivered to the Trustee.

"Payment Default" means any default, whether or not any requirement for the giving of notice, the lapse of time or both, or any other condition to such default becoming an event of default has occurred, in the payment of principal of or premium, if any, or interest on or any other amount payable in connection with Designated Senior Indebtedness.

"Permitted Asset Swap" means, with respect to any Person, a substantially concurrent exchange of assets of such Person for assets of another Person that are useful to the business of the aforementioned Person.

"Permitted Indebtedness" means:

(a) Indebtedness of the Issuer or any of its Restricted Subsidiaries arising under or in connection with the Senior Secured Credit Facilities and the Senior Subordinated Unsecured Credit Facility in an aggregate principal amount outstanding at any time (without duplication) not to exceed Cdn.\$1.35 billion;

(b) Indebtedness under the Notes (other than Additional Notes) issued on the Issue Date, this Indenture and the Guarantees;

(c) Indebtedness not covered by any other clause of this definition that is outstanding on the Issue Date reduced by the amount of any mandatory prepayments (to the extent, in the case of payments of revolving credit borrowings, that the corresponding commitments have been permanently reduced), permanent reductions or scheduled payments actually made thereunder;

(d) Indebtedness of the Issuer to any Restricted Subsidiary that is also a Guarantor and Indebtedness of any Restricted Subsidiary that is also a Guarantor to the Issuer or another Restricted Subsidiary that is also a Guarantor, in each case subject to no Lien held by a Person other than the Issuer or a Restricted Subsidiary that is also a Guarantor; *provided, however*, that:

(i) (1) if the Issuer is the obligor on such Indebtedness or (2) any Guarantor is the obligor on such Indebtedness, other than if the Indebtedness is owed to the Issuer or another Guarantor, then, in each case, such Indebtedness must be expressly subordinate in right of payment to the prior payment in full in cash of all obligations with respect to the Notes, in the case of the Issuer, or the Guarantee of such Guarantor, in the case of a Guarantor; and

(ii) if as of any date any Person other than the Issuer or a Restricted Subsidiary that is also a Guarantor is owed any such Indebtedness or if as of any date any Person other than the Issuer or a Restricted Subsidiary that is also a Guarantor holds a Lien on any Property of the Issuer or a Restricted Subsidiary that is also a Guarantor in respect of such Indebtedness, such date will be deemed to be the date of incurrence of Indebtedness not constituting Permitted Indebtedness by the issuer of such Indebtedness;

(e) Purchase Money Indebtedness and Capitalized Lease Obligations which Purchase Money Indebtedness and Capitalized Lease Obligations do not in the aggregate exceed 5.0% of consolidated tangible assets of the Issuer and its Restricted Subsidiaries as of the end of the most recent fiscal quarter for which consolidated financial statements are available ending on or prior to the date of determination;

(f) Indebtedness under any letter of credit, bankers' acceptance or similar credit transaction in an amount not to exceed U.S. \$10.0 million at any one time outstanding incurred in the ordinary course of business;

(g) the incurrence by the Issuer or any Restricted Subsidiary of Hedging Obligations that are incurred in the ordinary course of business of the Issuer or such Restricted Subsidiary and not for speculative purposes;

(h) Indebtedness of the Issuer or any of its Restricted Subsidiaries represented by surety or performance bonds or similar obligations provided by the Issuer or any such Restricted Subsidiary in the ordinary course of business;

(i) Indebtedness of the Issuer or any Restricted Subsidiary arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Restricted Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Restricted Subsidiary for the purpose of financing such acquisition; *provided* that the maximum assumable liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received by the Issuer and the Restricted Subsidiaries in connection with a disposition or, in the case of an acquisition, the purchase price received by the sellers of such business or assets;

(j) the Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is repaid within five days;

(k) Refinancing Indebtedness; and

(l) additional Indebtedness of the Issuer or any of the Restricted Subsidiaries not to exceed U.S.\$50.0 million in aggregate principal amount at any one time outstanding.

of: "Permitted Investments" means Investments made on or after the Issue Date consisting

(a) Investments by the Issuer, or by a Restricted Subsidiary, in the Issuer, or a Restricted Subsidiary that is also a Guarantor;

(b) Investments by the Issuer, or by a Restricted Subsidiary, in a Person, if as a result of such Investment (1) such Person becomes a Restricted Subsidiary that is also a Guarantor or (2) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated or wound up into, the Issuer, or a Restricted Subsidiary that is also a Guarantor;

(c) Investments in cash and Cash Equivalents;

(d) an Investment that is made by the Issuer or a Restricted Subsidiary solely as consideration for the consummation of an Asset Sale to the extent permitted under Section 4.10 or as consideration for a disposition excluded from the definition of "Asset Sale";

(e) Capital Stock, obligations, securities or other Property received in settlement of debts created in the ordinary course of business and owing to the Issuer or any Restricted Subsidiary or in satisfaction of judgments;

(f) payroll, travel and similar advances made in the ordinary course of business for a bona fide business purpose by the Issuer or any Restricted Subsidiary to employees of the Issuer or any such Restricted Subsidiary, as the case may be; *provided* that such advances are for items expected at the time of such advances to be treated as expenses for accounting purposes;

(g) loans or advances made in the ordinary course of business by the Issuer or any of the Restricted Subsidiaries to employees of the Issuer or any such Restricted Subsidiary in an amount not to exceed U.S.\$10.0 million in the aggregate at any one time outstanding;

(h) securities or other property received from another Person by the Issuer or any of its Restricted Subsidiaries in connection with any bankruptcy proceeding or by reason of a composition or readjustment of any debt or a reorganization of such Person or as a result of a foreclosure, perfection or enforcement of any Lien in exchange for evidences of Indebtedness, securities or other Property of such Person held by the Issuer or any Restricted Subsidiaries, or for other liabilities or obligations of such other Person to the Issuer or any of the Restricted Subsidiaries that were created in accordance with the terms of this Indenture;

(i) lease, utility and other similar deposits made in the ordinary course of business;

(j) any Investment existing on the Issue Date;

(k) Hedging Obligations entered into in the ordinary course of the Issuer's or any Restricted Subsidiary's business and not for speculative purposes;

(l) any acquisition (including by way of merger, consolidation or amalgamation) of assets or equity interests in exchange solely for Capital Stock (other than Disqualified Capital Stock) of the Issuer that otherwise complies with the terms of this Indenture; and

(m) additional Investments not to exceed U.S.\$50.0 million at any one time outstanding (the value of each such Investment measured at the time such Investment is made, without giving effect to any subsequent changes in value).

"Permitted Junior Securities" means equity securities or subordinated debt securities of the Issuer as reorganized or readjusted or securities of the Issuer or any other issuer, trust, corporation or partnership provided for by a plan of reorganization or readjustment, that, in the case of any such subordinated securities, are junior or the payment of which is otherwise subordinate, at least to the extent provided in this Indenture with respect to the Notes, to the payment and satisfaction in full in cash of all Senior Indebtedness of the Issuer at the time outstanding, and to the payment of all securities issued in exchange therefor, to the holders of the Senior Indebtedness at the time outstanding.

"Permitted Liens" means:

(a) Liens on Property of, or any shares of Capital Stock of, or otherwise in respect of Acquired Indebtedness of, any Person existing at the time such Person becomes a Restricted Subsidiary or at the time such Person is merged into or amalgamated with the Issuer or any of its Restricted Subsidiaries; *provided* that such Liens (1) are not incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary or merging into or amalgamating with the Issuer or any of its Restricted Subsidiaries and (2) do not extend to or cover any Property or Capital Stock other than that of such Person at the time such Person becomes a Restricted Subsidiary or is merged into or amalgamated with the Issuer or any of its Restricted Subsidiaries;

(b) Liens securing Indebtedness under the Senior Secured Credit Facilities which Indebtedness is incurred pursuant to clause (a) of the definition of "Permitted Indebtedness";

(c) Liens securing Refinancing Indebtedness; *provided* that any such Lien does not extend to or cover any Property, shares or debt other than the Property, shares or debt securing the Indebtedness so repurchased, redeemed, repaid, retired, defeased or otherwise acquired for value;

(d) Liens in favor of the Issuer or any of its Restricted Subsidiaries;

(e) Liens to secure Purchase Money Indebtedness that is otherwise permitted under this Indenture, *provided* that (1) any such Lien is created solely for the purpose of securing Indebtedness representing, or incurred to finance, refinance or refund, the cost (including sales and excise taxes, installation and delivery charges and other direct costs of, and other direct expenses paid or charged in connection with the purchase or construction) of such Property, (2) the principal amount of the Indebtedness secured by such Lien does not exceed 100% of such costs, and (3) such Lien does not extend to or cover any Property other than such item of Property and any improvements on such item;

(f) statutory liens or landlords', carriers', warehousemen's, mechanics', suppliers', materialmen's, repairmen's or other like Liens including, without limitation, those Liens resulting from the deposit of cash or securities in connection with contracts, tenders or expropriation proceedings, or to secure workers' compensation, unemployment insurance, surety or appeal bonds, costs of litigation when required by law, liens and claims incidental and public statutory obliga-

tions arising in the ordinary course of business, in each case, which do not secure any Indebtedness and with respect to amounts that are not delinquent for more than 60 days or being contested diligently and in good faith by appropriate proceedings, if a reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor;

(g) Liens for taxes, rates, assessments or governmental charges or levies that are not delinquent for more than 60 days or are being contested diligently and in good faith by appropriate proceedings if adequate reserves or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor;

(h) Liens securing Capitalized Lease Obligations permitted to be incurred under clause (e) of the definition of "Permitted Indebtedness"; *provided* that such Lien does not extend to any Property other than that subject to the applicable underlying lease;

(i) licenses, permits, reservations, covenants, servitudes, easements, rights-of-way and rights in the nature of easements (including, without limiting the generality of the foregoing, licenses, easements, rights-of-way and rights in the nature of easements for railways, sidewalks, public ways, sewers, drains, gas or oil pipelines, steam, gas and water mains or electric light and power, or telephone and telegraph or cable television conduits, poles, wires and cables, reservations, limitations, provisos and conditions expressed in any original grant from the Crown or other grant of real or immovable property, or any interest therein) and zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, regional, state, municipal and other governmental authorities in respect of real property not interfering, individually or in the aggregate, in any material respect with the use of the affected real property for the ordinary conduct of the business of the Issuer or any of its Restricted Subsidiaries at such real property;

(j) undetermined or inchoate encumbrances, rights of distress and charges incidental to current operations that have not at such time been filed or exercised, which relate to obligations not yet delinquent or, if delinquent, the validity of which are being contested diligently and in good faith by appropriate proceedings if adequate reserves or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor;

(k) title defects, encroachments or irregularities in title incurred in the ordinary course of business that are of a minor nature and that individually or in the aggregate do not interfere in any material respect with the use of the affected real property for the ordinary conduct of the business of the Issuer or any of its Restricted Subsidiaries at such real property;

(l) the right reserved to or vested in any governmental entity by the terms of any lease, license, franchise, grant or permit acquired by that person or by any statutory provision to terminate any such lease, license, franchise, grant or permit, or to require annual or other payments (provided that such payments are not yet delinquent) as a condition to the continuance thereof so long as same do not individually or in the aggregate interfere in any material respect with the use of the affected real property for the ordinary conduct of the business of the Issuer or any of the Restricted Subsidiaries at such real property;

(m) subdivision agreements, site plan control agreements, development agreements, facilities sharing agreements, cost sharing agreements and other similar agreements that do not, individually or in the aggregate, interfere in any material respect with the use of the affected real property for the ordinary conduct of the business of the Issuer or any of the Restricted Subsidiaries at such real property;

(n) the rights of any co-owner, tenant, occupant or licensee under any lease, occupancy agreement or license that do not, individually or in the aggregate, interfere in any material respect with the use of the affected real property for the ordinary conduct of the business of the Issuer or any of its Restricted Subsidiaries at such real property;

(o) security given to a public utility or any governmental entity when required by such utility or governmental entity in connection with the operations of that Person in the ordinary course of its business and any inchoate Lien for public utility charges not due as at the Issue Date;

(p) Liens created by a judgment of a court of competent jurisdiction not resulting in a Default, as long as the judgment is being contested diligently and in good faith by appropriate proceedings by that Person and in connection with such proceeding there has been secured a subsisting stay of execution pending such proceeding; *provided* that the aggregate amount of all such judgments (and any cash and the fair market value of any Property subject to such Liens) does not exceed U.S.\$20.0 million at any time outstanding;

(q) any interest or title of a lessor, sublessor, licensee or licensor under any lease or license agreement entered into in the ordinary course of business and permitted under this Indenture;

(r) hypothecs reserved to landlords in relation to immovable property to the extent only of rental obligations owing under the lease agreement relating to any such immovable property and any unregistered Lien in favor of any lessor, licensor or permitter for rent to become due for other obligations or acts required under any lease permitted under this Indenture;

(s) Liens and rights of setoff, combination of accounts and recoupments in favor of a bank imposed by law and incurred in the ordinary course of business on deposit accounts maintained with such bank and Cash Equivalents in such account;

(t) Liens securing Hedging Obligations permitted to be incurred under clause (g) of the definition of "Permitted Indebtedness";

(u) any unregistered leases to which (i) subsection 70(2) of the *Registry Act*, R.S.O. 1990 applies (where there is actual possession under a lease that has a term not exceeding seven years) and (ii) paragraph 4 of subsection 44(1) of the *Land Titles Act*, R.S.O. 1999 applies (where there is actual possession under a lease that has a term yet to run of three years or less) or similar statutory provisions of any legal registry statute of any other relevant jurisdiction that, in each case, do not individually or in the aggregate, interfere in any material respect with the use of the property subject thereto for the conduct of the business of the Issuer or any of its Restricted Subsidiaries at such real property;

(v) Liens existing on the Issue Date disclosed in the Offering Memorandum;

(w) Liens in favor of the Trustee for its benefit and the benefit of the Holders of the Notes;

(x) other Liens securing obligations incurred in the ordinary course of business, which obligations do not exceed \$5.0 million in the aggregate at any one time outstanding; and

(y) any extensions, substitutions, replacements or renewals of the foregoing; *provided* that the Liens permitted by this clause (y) shall not cover any additional Indebtedness or Property (other than like Property substituted for Property covered by such Lien).

"Permitted Tax Distributions" means cash distributions by the Issuer to its general and limited partners from time to time in an amount approximately equal to the income tax liability of such partners resulting from the Issuer's taxable income (after taking into account, to the extent they may reduce such liability, all of the Issuer's prior tax losses to the extent such losses have not previously been deemed to reduce the Issuer's taxable income and thereby reduce distributions for taxes in accordance therewith).

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government (including any agency or political subdivision thereof).

"Physical Notes" means Physical Notes in registered form in substantially the form set forth in Exhibit A.

"Preferred Stock" means any Capital Stock of a Person, however designated, which entitles the holder thereof to a preference with respect to dividends, distributions or liquidation proceeds of such Person over the holders of other Capital Stock issued by such Person.

"Private Placement Legend" means the legend initially set forth on the Rule 144A Notes in the form set forth in Exhibit B.

"Property" of any Person means all types of real, personal, movable, immovable, tangible, intangible or mixed property or other asset owned by such Person whether or not included in the most recent consolidated balance sheet of such Person and its Subsidiaries under GAAP.

"Purchase Money Indebtedness" means any Indebtedness incurred in the ordinary course of business by a Person to finance all or any part of the cost (including the cost of construction, engineering, acquisition, installation, development or improvement) of any Property, the principal amount of which Indebtedness does not exceed the sum of (1) 100% of such cost and (2) reasonable fees and expenses of such Person incurred in connection therewith.

"Qualified Institutional Buyer" or "QIB" shall have the meaning specified in Rule 144A promulgated under the Securities Act.

"Rate(s) of Exchange" means the rate of exchange quoted by the Bank of Canada at its central foreign exchange desk in its head office in Toronto, Ontario at 12:00 noon (Toronto time) for the purchase of one currency with a different currency, or, for purposes of Section 12.16, for purchases of the Base Currency with the judgment currency other than the Base Currency and includes any premiums and costs of exchange payable.

"Rating Agencies" means S&P and Moody's, or any successors to the respective rating agency business thereof.

"Redemption Date" means, when used with respect to any Note to be redeemed, the date fixed for such redemption pursuant to the terms of the Notes.

"Refinancing Indebtedness" means Indebtedness that renews, replaces, defeases, refunds, refinances or extends any Indebtedness permitted to be incurred by the Issuer and the Restricted Subsidiaries or any of them pursuant to the terms of this Indenture, but only to the extent that (1) if the Indebtedness being refunded, refinanced, renewed, replaced, defeased or extended is subordinated in right of payment to the Notes, the Refinancing Indebtedness is subordinated to the Notes to at least the same extent as the Indebtedness being renewed, replaced, defeased, refunded, refinanced or extended, (2) the Refinancing Indebtedness is scheduled to mature either (a) no earlier than the Indebtedness being renewed, replaced, defeased, refunded, refinanced or extended or (b) after the maturity date of the Notes, (3) the portion, if any, of the Refinancing Indebtedness that is scheduled to mature on or prior to the maturity date of the Notes has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is incurred that is equal to or greater than the Weighted Average Life to Maturity of the portion of the Indebtedness being renewed, replaced, defeased, refunded, refinanced or extended that is scheduled to mature on or prior to the maturity date of the Notes, (4) such Refinancing Indebtedness is in an aggregate principal amount (or, if issued with original issue discount, an aggregate issue price) that is equal to or less than the sum of (a) the aggregate principal amount (or, if issued with original issue discount, the aggregate accreted value) of the Indebtedness being renewed, replaced, defeased, refunded, refinanced or extended and the amount of any premium reasonably necessary to accomplish such refinancing, (b) the amount of accrued and unpaid interest, if any, and premiums owed, if any, not in excess of preexisting prepayment provisions on such Indebtedness being renewed, replaced, defeased, refunded, refinanced or extended and (c) the amount of reasonable fees, expenses and costs related to the incurrence of such Refinancing Indebtedness, and (5) such Refinancing Indebtedness is incurred by the same Person that initially incurred the Indebtedness being renewed, replaced, defeased, refunded, refinanced or extended.

"Regulation S" means Regulation S promulgated under the Securities Act.

"Responsible Officer" means, when used with respect to the Trustee, an officer or assistant officer assigned to the Corporate Trust Office of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Restricted Note" has the same meaning as "Restricted Security" set forth in Rule 144(a)(3) promulgated under the Securities Act; *provided* that the Trustee shall be entitled to request and conclusively rely upon an Opinion of Counsel with respect to whether any Note is a Restricted Note.

"Restricted Payment" means any of the following:

(a) the declaration or payment of any dividend or any other distribution or payment on Capital Stock of the Issuer or any Restricted Subsidiary or any payment made to the direct or indirect holders (in their capacities as such) of Capital Stock of the Issuer or any Restricted Subsidiary (other than (x) dividends or distributions payable solely in Capital Stock (other than Disqualified Capital Stock) of the Issuer or any Restricted Subsidiary or in options, warrants or other rights to purchase such Capital Stock (other than Disqualified Capital Stock), and (y) in the case of Restricted Subsidiaries, dividends or distributions payable to the Issuer or a Restricted Subsidiary and *pro rata* dividends or distributions payable to the other holders of Common Stock of such Restricted Subsidiary);

(b) the purchase, redemption or other acquisition or retirement for value of any Capital Stock of the Issuer or any option, warrant or other right to purchase such Capital Stock;

(c) the making of any principal payment on, or the purchase, defeasance, repurchase, redemption or other acquisition or retirement for value, prior to any scheduled maturity, scheduled repayment or scheduled sinking fund payment, of any Indebtedness that is subordinated in right of payment to the Notes (other than subordinated Indebtedness acquired in anticipation of satisfying a scheduled sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of acquisition);

(d) the making of any Investment or guarantee of any Investment in any Person other than a Permitted Investment;

(e) any designation of a Restricted Subsidiary as an Unrestricted Subsidiary on the basis of the Investment (other than a Permitted Investment) by the Issuer therein; and

(f) forgiveness of any Indebtedness of an Affiliate of the Issuer to the Issuer or a Restricted Subsidiary.

For purposes of determining the amount of any such Restricted Payment, cash distributed or invested shall be valued at the face amount thereof and property other than cash shall be valued at its fair market value.

"Restricted Subsidiary" means a Subsidiary of the Issuer other than an Unrestricted Subsidiary. The Board of Directors of the Issuer may designate any Unrestricted Subsidiary as a Restricted Subsidiary if immediately after giving effect to such action (and treating any Acquired Indebtedness as having been incurred at the time of such action), (1) the Issuer could have incurred at least \$1.00 of additional Indebtedness (other than Permitted Indebtedness) pursuant to Section 4.06 and (2) no default or Event of Default shall have occurred and be continuing.

"Rule 144A" means Rule 144A promulgated under the Securities Act.

"Sale and Lease-Back Transaction" means any arrangement with any Person providing for the leasing by the Issuer or any Restricted Subsidiary of any real or tangible personal property, which property has been or is to be sold or transferred by the Issuer or such Restricted Subsidiary to such Person in contemplation of such leasing.

"S&P" means Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc., or any successor to the rating agency business thereof.

"Securities Act" means the U.S. Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Senior Indebtedness" means the principal of and premium, if any, and interest on, and any and all other fees, expense reimbursement obligations and other amounts due pursuant to the terms of all agreements, documents and instruments providing for, creating, securing or evidencing or otherwise entered into in connection with:

(1) all Indebtedness of the Issuer or any Guarantor owed to lenders under the Senior Secured Credit Facilities;

(2) all obligations of the Issuer or any Guarantor with respect to the Hedging Obligations;

(3) all obligations of the Issuer or any Guarantor to reimburse any bank or other person in respect of amounts paid under letters of credit, bankers' acceptances or other similar instruments;

(4) all Other Indebtedness of the Issuer or any Guarantor that does not provide that it is to rank *pari passu* with or subordinate to the Notes or the Guarantee of such Guarantor, as the case may be; and

(5) all deferrals, renewals, extensions and refundings of, and amendments, modifications and supplements to and restatements of, any of the Senior Indebtedness described above.

Notwithstanding anything to the contrary in the foregoing, Senior Indebtedness will not include

(1) Indebtedness of the Issuer or any Guarantor to any of their respective Subsidiaries, or to any Affiliate of the Issuer or such Guarantor or any of such Affiliate's Subsidiaries;

(2) any Indebtedness that by the express terms of the agreement or instrument creating, evidencing or governing the same is junior or subordinate in right of payment to any item of Senior Indebtedness;

(3) any trade payable arising from the purchase of goods or materials or for services obtained in the ordinary course of business;

(4) Indebtedness incurred in violation of this Indenture, provided that as to any such Indebtedness no such violation shall be deemed to exist for purposes of this clause (4) if the holder(s) of such Indebtedness or its/their representative and the Trustee has received an Officers' Certificate of the Issuer to the effect that the incurrence of such Indebtedness does not (or, in the case of revolving Indebtedness, that the incurrence of the entire committed amount thereof on the date on which the initial borrowing is made would not) violate this Indenture;

(5) Indebtedness represented by Disqualified Capital Stock; and

(6) any Indebtedness to or guaranteed on behalf of any member of the Asper Group, any director, officer or employee of the Issuer or any Guarantor or any Subsidiary of the Issuer or any Guarantor.

"Senior Secured Credit Facilities" means the senior secured credit facilities effective as of the Issue Date by and among the Partnership, as borrower, the subsidiary guarantors party thereto, the General Partner, The Bank of Nova Scotia, as administrative agent, and the other lenders party thereto, together with the related documents thereto (including, without limitation, any guarantee agreements and security documents), in each case as such agreements or documents have been and may be amended (including any amendment and restatement thereof), supplemented or otherwise modified from time to time, including any agreement extending the maturity of, refinancing, replacing or otherwise restructuring (including increasing the amount of available borrowings thereunder or adding Restricted Subsidiaries as additional borrowers or guarantors thereunder) all or any portion of the Indebtedness or other obligations under such agreements and related documents or any successor or replacement agreement or document and whether by the same or any other agent, lender, group of lenders or institutional investors.

"Senior Subordinated Unsecured Credit Facility" means the senior subordinated unsecured credit facility effective as of the closing date thereof by and among the Partnership, as borrower, the

subsidiary guarantors party thereto, the General Partner, The Bank of Nova Scotia, as administrative agent, and the other lenders party thereto, together with the related documents thereto (including, without limitation, any guarantee agreements), in each case as such agreements or documents have been and may be amended (including any agreement and restatement thereof), supplemented or otherwise modified from time to time, including any agreement extending the maturity of, refinancing, replacing, or otherwise restructuring (including increasing the amount of available borrowings thereunder) all or any portion of the Indebtedness or other obligations under such agreements and related documents or any successor or replacement agreement or document and whether by the same or any other agent, lender, group of lenders or institutional investors.

"Significant Subsidiary" means any Restricted Subsidiary that is a "significant subsidiary" as defined in Rule 1-02(w) of Regulation S-X under the Securities Act.

"Subsidiary" of any specified Person means any corporation, limited liability company, partnership, joint venture, association or other business entity, whether now existing or hereafter organized or acquired, (1) in the case of a corporation, of which more than 50% of the total voting power of the Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, officers or trustees thereof is held by such first-named Person or any of its Subsidiaries; or (2) in the case of a limited liability company, partnership, joint venture, association or other business entity, with respect to which such first-named Person or any of its Subsidiaries has the power to direct or cause the direction of the management and policies of such entity by contract or otherwise or if in accordance with GAAP such entity is consolidated with the first-named Person for financial statement purposes.

"Taxes" means any present or future tax, duty, levy, impost, assessment or other government charge (including penalties, interest and any other liabilities related thereto) imposed or levied by or on behalf of a Taxing Authority.

"Taxing Authority" means any government or any political subdivision or territory or possession of any government or any authority or agency therein or thereof having power to tax.

"Taxing Jurisdiction" means any jurisdiction (or any political subdivision or taxing authority thereof or therein) in which the Issuer, or any of its successors, are organized or resident for tax purposes or conduct business, or from or through which payment is made.

"TIA" means the Trust Indenture Act of 1939 (15 U.S. Code §§ 77aaa-77bbb) as in effect on the date of this Indenture (except as provided in Section 8.03 hereof).

"Trust Indenture Legislation" means, at any time, the provisions of (i) the CBCA and the regulations thereunder, (ii) the provisions of any other applicable statute of Canada or any province thereof and (iii) the TIA and regulations thereunder, in each case, relating to trust indentures and the rights, duties and obligations of trustees under trust indentures and of corporations issuing debt obligations under trust indentures to the extent that such provisions are at such time in force and applicable to this Indenture.

"Trustee" means the U.S. Trustee and the Canadian Trustee. If the Canadian Trustee resigns or is removed and, pursuant to Section 7.08 hereof, the Issuer is not required to appoint a successor Trustee to the Canadian Trustee, "Trustee" and any reference to "either Trustee" or "both of the Trustees" mean the Person named as the U.S. Trustee or any successor thereto appointed pursuant to the applicable provisions of this Indenture. Except to the extent otherwise indicated, "Trustees" shall refer to the Canadian Trustee (if still serving) and the U.S. Trustee, both jointly and individually, and "a Trustee" shall refer to either the Canadian Trustee (if still serving) or the U.S. Trustee.

“Unrestricted Subsidiary” means (1) any Subsidiary of an Unrestricted Subsidiary and (2) any Subsidiary of the Issuer which is designated (a “Designation”) as of or after the Issue Date as an Unrestricted Subsidiary by a resolution adopted by the Board of Directors of the Issuer; *provided* that a Subsidiary may be so designated as an Unrestricted Subsidiary after the Issue Date only if (a) such Designation is in compliance with Section 4.09; (b) no Default or Event of Default has occurred and is continuing or results therefrom; and (c) neither the Issuer nor any Restricted Subsidiary will at any time

- (i) provide a guarantee of, or similar credit support to, any Indebtedness of such Subsidiary (including any undertaking, agreement or instrument evidencing such Indebtedness),
- (ii) be directly or indirectly liable for any Indebtedness of such Subsidiary, or
- (iii) be directly or indirectly liable for any other Indebtedness that provides that the holder thereof may (upon notice, lapse of time or both) declare a default thereon (or cause the payment thereof to be accelerated or payable prior to its final scheduled maturity) upon the occurrence of a default with respect to any other Indebtedness that is Indebtedness of such Subsidiary (including any corresponding right to take enforcement action against such Subsidiary),

except in the case of clause (i) or (ii) to the extent that:

- (x) the Issuer or such Restricted Subsidiary could otherwise provide such a guarantee or incur such Indebtedness (other than as Permitted Indebtedness) pursuant to Section 4.06, and
- (y) the provision of such guarantee and the incurrence of such Indebtedness otherwise would be permitted under Section 4.09.

The Trustee shall be given prompt written notice by the Issuer of each resolution adopted by the Board of Directors of the Issuer under this provision, together with a copy of each such resolution adopted.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the then outstanding aggregate principal amount of such Indebtedness into (b) the sum of the total of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment.

Section 1.02. Other Definitions.

The definitions of the following terms may be found in the sections indicated as follows:

<u>Term</u>	<u>Defined in Section</u>
“Additional Amounts”	4.26
“Affiliate Transaction”	4.11
“Bankruptcy Proceeding”	10.02
“Base Currency”	12.16(a)
“Business Day”	12.07
“Change of Control Offer”	4.21
“Change of Control Payment Date”	4.21
“Change of Control Purchase Price”	4.21

"Clearstream"	2.16(a)
"Co-Trustee"	7.16
"Covenant Defeasance"	9.03
"Custodian"	6.01
"Documentary Taxes"	4.26
"DTC Agent Members"	2.16(b)
"Euroclear"	2.16(a)
"Event of Default"	6.01
"Excess Proceeds Offer"	4.10
"Excess Proceeds Payment Date"	4.10
"Excluded Holder"	4.26
"Global Notes"	2.16(a)
"Guarantor Bankruptcy Proceeding"	11.07
"Guarantor Payment Blockage Period"	11.08(b)
"Guarantor Representative"	11.08(a)
"Initial Blockage Period"	10.03(b)
"Initial Guarantor Blockage Period"	11.08(b)
"judgment currency"	12.16(a)
"Legal Defeasance"	9.02
"Legal Holiday"	12.07
"Other Indebtedness"	4.10
"Paying Agent"	2.04
"Payment Blockage Period"	10.03(b)
"Process Agent"	12.09
"Register"	2.04
"Registrar"	2.04
"Regulation S Global Note"	2.16(a)
"Regulation S Notes"	2.02
"Representative"	10.03(a)
"Restricted Global Note"	2.16(a)
"Rule 144A Notes"	2.02
"Suspended Covenants"	4.25

Section 1.03. Incorporation by Reference of Trust Indenture Act.

Whenever this Indenture refers to a provision of the TIA, the portion of such provision required to be incorporated herein in order for this Indenture to be qualified under the TIA is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

"Commission" means the United States Securities and Exchange Commission.

"indenture securities" means the Notes.

"indenture securityholder" means a Holder or Noteholder.

"indenture to be qualified" means this Indenture.

"indenture trustee" or "institutional trustee" means a Trustee.

"obligor on the indenture securities" means the Issuer or any other obligor on the Notes.

All other terms used in this Indenture that are defined by the TIA, defined in the TIA by reference to another statute or defined by Commission rule have the meanings therein assigned to them.

Section 1.04. Rules of Construction.

Unless the context otherwise requires:

- (1) a term has the meaning assigned to it herein, whether defined expressly or by reference;
- (2) an accounting term not otherwise defined has the meaning assigned to it in accordance with Canadian GAAP;
- (3) "or" is not exclusive;
- (4) words in the singular include the plural, and in the plural include the singular;
- (5) words used herein implying any gender shall apply to every gender;
- (6) whenever in this Indenture there is mentioned, in any context, principal, interest or any other amount payable under or with respect to any Note, such mention shall be deemed to include mention of the payment of Additional Interest to the extent that, in such context, Additional Interest is, was or would be payable in respect thereof;
- (7) "herein", "hereof" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subsection; and
- (8) "U.S. Dollars," "United States Dollars," "U.S.\$" and "\$" each refer to United States dollars, or such other money of the United States that at the time of payment is legal tender for payment of public and private debts; and "Cdn.\$" refer to Canadian Dollars, or such other money of Canada that at the time of payment is legal tender for payment of public and private debts.

ARTICLE II

THE NOTES

Section 2.01. Amount of Notes.

The Trustee shall authenticate a series of Initial Notes for original issue on the Issue Date in the aggregate principal amount of U.S.\$400,000,000 upon a written order of the Issuer substantially in the form set forth in Exhibit G hereto. In addition, the Trustee or an authenticating agent shall, upon receipt of a written order of the Issuer in the form of an Officers' Certificate of the Issuer, authenticate Additional Notes in accordance with Section 2.19; *provided* that the Trustee shall be entitled to receive an Officers' Certificate and an Opinion of Counsel of the Issuer in connection with the authentication of such Additional Notes. Such written order shall specify the amount of Notes to be authenticated and the date on which such Notes are to be authenticated and, in the case of an issuance of Additional Notes pursuant to Section 2.19, such Officers' Certificate of the Issuer shall certify that such issuance will not be prohibited by Section 4.06.

Section 2.02. Form and Dating.

The Notes and the Trustee's certificate of authentication with respect thereto shall be substantially in the form set forth in Exhibit A, which is incorporated in and forms a part of this Indenture. Any Additional Notes and the Trustee's certificate of authentication with respect thereto shall be substantially in the form set forth in Exhibit A. The Notes may have notations, legends or endorsements required by law, rule or usage to which the Issuer is subject. Without limiting the generality of the foregoing, Notes offered and sold to Qualified Institutional Buyers in reliance on Rule 144A (the "Rule 144A Notes") shall bear the Private Placement Legend and include the form of assignment set forth in Exhibit B, and Notes offered and sold in offshore transactions in reliance on Regulation S ("Regulation S Notes") shall bear the legend and include the form of assignment set forth in Exhibit C. Each Note shall be dated the date of its authentication. Each Note shall have an executed Guarantee from each of the Guarantors endorsed thereon substantially in the form of Exhibit F hereto.

The terms and provisions contained in the Notes shall constitute, and are expressly made, a part of this Indenture and, to the extent applicable, the Issuer, any Guarantor and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and agree to be bound thereby.

Section 2.03. Execution and Authentication.

Two Officers shall sign, or one Officer shall sign and one Officer (each of whom shall, in each case, have been duly authorized by all requisite corporate actions) shall attest to, the Notes for the Issuer by manual or facsimile signature.

If an Officer whose signature is on a Note was an Officer at the time of such execution but no longer holds that office at the time the Trustee authenticates the Note, the Note shall be valid nevertheless.

No Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Note a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder. Notwithstanding the foregoing, if any Note shall have been authenticated and delivered hereunder but never issued and sold by the Issuer, and the Issuer shall deliver such Note to the Trustee for cancellation as provided in Section 2.12, for all purposes of this Indenture such Note shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

The Trustee may appoint an authenticating agent reasonably acceptable to the Issuer to authenticate the Notes. Unless otherwise provided in the appointment, an authenticating agent may authenticate the Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with the Issuer and Affiliates of the Issuer. Each Paying Agent is designated as an authenticating agent for purposes of this Indenture.

The Notes shall be issuable only in registered form without coupons in minimum denominations of U.S.\$2,000 and integral multiples of U.S.\$1,000.

Section 2.04. Registrar and Paying Agent.

The Issuer shall maintain an office or agency (which shall be located in the Borough of Manhattan in The City of New York, State of New York) where Notes may be presented for registration of transfer or for exchange (the "Registrar"). The Registrar shall keep a register (the "Register") of the Notes and of their transfer and exchange. The Trustee is hereby initially appointed registrar for purposes of registering Notes and transfers of Notes as herein provided.

The Issuer shall maintain an office or agency in the Borough of Manhattan, City of New York, State of New York where Notes may be presented for payment (the "Paying Agent"). Neither the Issuer nor any Affiliate thereof may act as Paying Agent. The Issuer initially appoints the U.S. Trustee as the Paying Agent.

The Issuer may have additional co-registrars and additional paying agents. The term "Paying Agent" includes any additional co-registrars and paying agents, respectively.

The agreement shall implement the provisions of this Indenture that relate to such Agent. The Issuer shall notify the Trustee of the name and address of any such Agent. If the Issuer fails to maintain a Registrar or a Paying Agent, or fails to give the foregoing notice, the Trustee shall act as such and shall be entitled to appropriate compensation in accordance with Section 7.07.

Section 2.05. Paying Agent To Hold Money in Trust.

Each Paying Agent shall hold in trust for the benefit of the Noteholders or the Trustee all money held by the Paying Agent for the payment of principal of or premium or interest on the Notes (whether such money has been paid to it by the Issuer or any other obligor on the Notes), and the Issuer and the Paying Agent shall notify the Trustee in writing of any default by the Issuer (or any other obligor on the Notes) in making any such payment. Money held in trust by the Paying Agent need not be segregated except as required by law and in no event shall the Paying Agent or any Trustee be liable for any interest on any money received by it hereunder. The Issuer at any time may require the Paying Agent in writing to pay all money held by it to the Trustee and account for any funds disbursed, and the Trustee may at any time during the continuance of any Event of Default specified in Section 6.01(1) or (2), upon written request to the Paying Agent, require such Paying Agent to pay forthwith all money so held by it to the Trustee and to account for any funds disbursed. Upon making such payment, the Paying Agent shall have no further liability for the money delivered to the Trustee.

Section 2.06. Noteholder Lists.

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of the applicable Noteholders. If the Trustee is not the Registrar, the Issuer shall furnish to the Trustee at least five Business Days before each Interest Payment Date, and at such other times as the Trustee may request in writing (including to comply with its duties under Section 85 of the *Canada Business Corporations Act*), a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Noteholders.

Section 2.07. Transfer and Exchange.

(a) Subject to Sections 2.16 and 2.17, when Notes are presented to the Registrar with a written request from the Holder of such Notes to register a transfer or to exchange them for an equal principal amount of Notes of other authorized denominations, the Registrar shall register the transfer or make the exchange as requested if the requirements for such a transaction are met. Every Note presented

or surrendered for registration of transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer in form satisfactory to the Issuer, duly executed by the Holder thereof or his attorneys duly authorized in writing. To permit registrations of transfers and exchanges, the Issuer shall issue and execute and the Trustee shall authenticate Notes evidencing such transfer or exchange at the Registrar's request, which Notes shall evidence the same continuing indebtedness as evidenced by the Note presented or surrendered. No service charge shall be made to the Noteholder for any registration of transfer or exchange. The Registrar may require from the Noteholder payment of a sum sufficient to cover any transfer taxes or other governmental charge that may be imposed in relation to a transfer or exchange, but this provision shall not apply to any exchange pursuant to Section 2.11, 3.06, 4.10, 4.21 or 8.05 (in which events the Issuer shall be responsible for the payment of such taxes). The Registrar shall not be required to exchange or register a transfer of any Note for a period of 15 days immediately preceding the selection of Notes to be redeemed or any Note selected for redemption.

(b) Any Holder of a Global Note shall, by acceptance of such Global Note, agree that transfers of the beneficial interests in such Global Note may be effected only through a book entry system maintained by the Holder of such Global Note (or its agent), and that ownership of a beneficial interest in the Global Note shall be required to be reflected in a book entry.

(c) Each Holder of a Note agrees to indemnify the Issuer and the Trustee against any liability that may result from the transfer, exchange or assignment of such Holder's Note in violation of any provision of this Indenture and/or applicable U.S. securities laws.

(d) Except as expressly provided herein, neither the Trustee nor any Registrar shall have any duty to monitor the Issuer's compliance with or have any responsibility with respect to the Issuer's compliance with any U.S. securities laws.

Section 2.08. Replacement Notes.

If a mutilated Note is surrendered to a Registrar or the Trustee, or if the Holder of a Note claims that the Note has been lost, destroyed or wrongfully taken, the Issuer shall issue and the Trustee shall authenticate a replacement Note if the Holder of such Note furnishes to the Issuer and the Trustee evidence reasonably acceptable to them of the ownership and the destruction, loss or theft of such Note and the ownership thereof. If required by the Trustee or the Issuer, an indemnity bond shall be posted, sufficient in the judgment of both to protect the Issuer, the Trustee or any Paying Agent from any loss that any of them may suffer if such Note is replaced. The Issuer may charge such Holder for the Issuer's reasonable out-of-pocket expenses in replacing such Note (including any charges of the Trustee), and the Trustee may charge the Issuer for the Trustee's expenses (including, without limitation, attorneys' fees and disbursements) in replacing such Note. Every replacement Note shall constitute an additional contractual obligation of the Issuer.

Section 2.09. Outstanding Notes.

The Notes outstanding at any time are all Notes that have been executed by the Issuer and authenticated by the Trustee except for (a) those canceled by a Trustee, (b) those delivered to the Trustee for cancellation, (c) to the extent set forth in Sections 9.01 and 9.02, on or after the date on which the conditions set forth in Section 9.01 or 9.02 have been satisfied, those Notes theretofore executed by the Issuer and authenticated and delivered by the Trustee hereunder and (d) those described in this Section 2.09 as not outstanding. Subject to Section 2.10, a Note does not cease to be outstanding because the Issuer or one of its Affiliates holds the Note.

If a Note is replaced pursuant to Section 2.08, it ceases to be outstanding unless the Trustee receives written notice that the replaced Note is held by a bona fide purchaser in whose hands such Note is a legal, valid and binding obligation of the Issuer.

If a Paying Agent holds, in its capacity as such, on any Maturity Date or on any optional redemption date, money sufficient to pay all accrued interest and principal with respect to the Notes payable on that date and is not prohibited from paying such money to the Holders thereof pursuant to the terms of this Indenture, then on and after that date such Notes cease to be outstanding and interest on them ceases to accrue.

Section 2.10. Treasury Notes.

In determining whether the Holders of the required principal amount of Notes have concurred in any declaration of acceleration or notice of default or direction, waiver or consent or any amendment, modification or other change to this Indenture, Notes owned by the Issuer or any Affiliate of the Issuer shall be disregarded as though they were not outstanding, except that for the purposes of determining whether the Trustee shall be fully protected in relying on any such declaration, notice, direction, waiver or consent or any amendment, modification or other change to this Indenture, only Notes as to which at the time of determination a Responsible Officer of the Trustee has received an Officers' Certificate stating that such Notes are so owned shall be so disregarded. Notes so owned which have been pledged in good faith shall not be disregarded if the pledgee establishes the pledgee's right so to act with respect to the Notes and that the pledgee is not the issuer, any other obligor or guarantor on the Notes or any of its Affiliates.

Section 2.11. Temporary Notes.

Until definitive Notes are prepared and ready for delivery, the Issuer may prepare and execute and the Trustee shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of definitive Notes but may have variations that the Issuer considers appropriate for temporary Notes. Without unreasonable delay, the Issuer shall prepare and execute and the Trustee shall authenticate definitive Notes in exchange for temporary Notes. Until such exchange, temporary Notes shall be entitled to the same rights, benefits and privileges as definitive Notes.

Section 2.12. Cancellation.

The Issuer at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee shall cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and shall (subject to the record-retention requirements of the Exchange Act) dispose of canceled Notes in accordance with its standard disposition policies in effect at the time. The Issuer may not reissue or resell or issue Notes to replace Notes that the Issuer has redeemed or paid or that have been delivered to the Trustee for cancellation.

Section 2.13. Defaulted Interest.

If the Issuer defaults on a payment of interest on the Notes, then the Issuer shall pay the defaulted interest, plus (to the extent permitted by law) any interest payable on the defaulted interest, in accordance with the terms hereof, to the Persons who are Noteholders on a subsequent special record date, which date shall be at least five Business Days prior to the payment date. The Issuer shall fix such special record date and payment date and provide the Trustee at least 20 days written notice of the proposed amount of defaulted interest to be paid and the special payment date and at the same time the Issuer

shall deposit with the Trustee the aggregate amount proposed to be paid in respect of such defaulted interest. At least 15 days before such special record date, the Issuer shall mail to each Noteholder a notice that states the special record date, the payment date and the amount of defaulted interest, and interest payable on defaulted interest, if any, to be paid. The Issuer may make payment of any defaulted interest in any other lawful manner not inconsistent with the requirements (if applicable) of any securities exchange on which the Notes may be listed and, upon such notice as may be required by such exchange, if, after written notice given by the Issuer to the Trustee of the proposed payment pursuant to this sentence, such manner of payment shall be deemed practicable by the Trustee.

Section 2.14. CUSIP Numbers.

The Issuer in connection with the issuance of the Notes may use one or more "CUSIP" numbers, and if so, such CUSIP numbers shall be included in notices of redemption or exchange as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness or accuracy of the CUSIP numbers printed in the notice or on the Notes, and that reliance may be placed only on the other identification numbers printed on the Notes. The Issuer shall promptly notify the Trustee in writing of any such CUSIP number used by the Issuer in connection with the issuance of the Notes and of any change in the CUSIP number.

Section 2.15. Deposit of Moneys.

Prior to 10:00 a.m., New York City time, on each Interest Payment Date, Redemption Date, Change of Control Payment Date, Excess Proceeds Payment Date and Maturity Date, the Issuer shall have deposited with the Paying Agent in immediately available funds money sufficient to make cash payments, if any, due on such Interest Payment Date, Redemption Date, Change of Control Payment Date, Excess Proceeds Payment Date or Maturity Date, as the case may be, in a timely manner which permits the Paying Agent or the Trustee, as applicable, to remit payment to the Holders on such Interest Payment Date, Redemption Date, Change of Control Payment Date, Excess Proceeds Payment Date or Maturity Date, as the case may be. The principal and interest on Global Notes shall be payable to the Depository or its nominee, as the case may be, as the sole registered owner and the sole Holder of the Global Notes represented thereby. The principal and interest on Notes in certificated form shall be payable at the office of the Paying Agent.

Section 2.16. Book-Entry Provisions for Global Notes.

(a) Rule 144A Notes initially shall be represented by a note in registered, global form without interest coupons (the "Restricted Global Note"). Regulation S Notes shall initially be represented by a note in registered, global form without interest coupons (the "Regulation S Global Note" and, together with the Restricted Global Note, the "Global Notes"). The Global Notes shall each bear a legend as set forth in Exhibit D. The Global Notes initially shall (i) be registered in the name of DTC or the nominee of DTC, in each case, for credit to accounts of DTC Agent Members (as defined below) (or, in the case of the Regulation S Global Note, DTC Agent Members holding for direct or indirect participants in DTC, including the Euroclear System ("Euroclear") and Clearstream Banking, S.A. ("Clearstream")), (ii) be delivered to the Trustee as custodian for DTC and (iii) bear legends as set forth in Exhibit B with respect to the Restricted Global Note and Exhibit C with respect to the Regulation S Global Note.

Neither members of, nor direct or indirect participants in, DTC ("DTC Agent Members") shall have any rights under this Indenture with respect to any Global Note held on their behalf by DTC, or the Trustee as its custodian, or under the Global Notes, and DTC may be treated by the Issuer, the Trustee and any agent of the Issuer or the Trustee as the absolute owner of the Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Issuer, the Trustee or any agent

of the Issuer or the Trustee from giving effect to any written certification, proxy or other authorization furnished by DTC or impair, as between DTC and DTC Agent Members, the operation of customary practices governing the exercise of the rights of a Holder of any Note.

(b) Transfers of Global Notes shall be limited to transfer in whole, but not in part, to DTC, its successors or its nominees. Interests of beneficial owners in the Global Notes may be transferred or exchanged for Physical Notes in accordance with the rules and procedures of DTC and the provisions of Section 2.17. Notwithstanding the foregoing sentence, a Global Note shall be exchangeable for Physical Notes if (i) DTC (x) notifies the Issuer that it is unwilling or unable to continue as depository for such Global Note and the Issuer thereupon fails to appoint a successor depository or (y) has ceased to be a clearing agency registered under the Exchange Act or otherwise ceases to be eligible to be a depository, (ii) the Issuer, in its sole discretion, notifies the Trustee in writing that it elects to cause the issuance of such Physical Notes, (iii) there shall have occurred and be continuing an Event of Default with respect to the Notes or (iv) in the case of the Regulation S Global Note held for the accounts of Euroclear and Clearstream, Euroclear or Clearstream, as the case may be, is closed for 14 continuous days or announces an intention to cease or permanently ceases business. In all cases, Physical Notes delivered in exchange for any Global Note or beneficial interests therein shall be registered in the names, and issued in any approved denominations, requested by or on behalf of DTC (in accordance with its customary procedures).

(c) In connection with any transfer or exchange of a portion of the beneficial interest in any Global Note to beneficial owners pursuant to paragraph (b), the Registrar shall (if one or more Physical Notes are to be issued) reflect on its books and records the date and a decrease in the principal amount of the Global Note in an amount equal to the principal amount of the beneficial interest in the Global Note to be transferred, and the Issuer shall execute, and the Trustee shall upon receipt of a written order from the Issuer authenticate and make available for delivery, one or more Physical Notes of like tenor and amount.

(d) In connection with the transfer of Global Notes as an entirety to beneficial owners pursuant to paragraph (b), the Global Notes shall be deemed to be surrendered to the Trustee for cancellation, and the Issuer shall execute, and the Trustee shall authenticate and deliver, to each beneficial owner identified by DTC in writing in exchange for its beneficial interest in the Global Notes, an equal aggregate principal amount of Physical Notes of authorized denominations.

(e) Any Physical Note constituting a Restricted Note delivered in exchange for an interest in a Global Note pursuant to paragraph (b), (c) or (d) shall, except as otherwise provided by paragraphs (a)(i)(x) and (c) of Section 2.17, bear the Private Placement Legend or, in the case of the Regulation S Global Note, the legend set forth in Exhibit C, in each case, unless the Issuer determines otherwise in compliance with applicable law.

(f) Beneficial interests in the Restricted Global Note may be transferred to a Person who takes delivery in the form of an interest in the Regulation S Global Note only if the transferor first delivers to the Trustee a written certificate to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available).

(g) Any beneficial interest in one of the Global Notes that is transferred to a Person who takes delivery in the form of an interest in another Global Note shall, upon transfer, cease to be an interest in such Global Note and become an interest in such other Global Note and, accordingly, shall thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

(h) The Holder of any Global Note may grant proxies and otherwise authorize any Person, including DTC Agent Members and Persons that may hold interests through DTC Agent Members, to take any action which a Holder is entitled to take under this Indenture or the Notes.

Section 2.17. Special Transfer Provisions.

(a) Transfers to Non-U.S. Persons. The following provisions shall apply with respect to the registration of any proposed transfer of a Note constituting a Rule 144A Note to any Non-U.S. Person:

(i) the Registrar shall register the transfer of any Note constituting a Rule 144A Note, whether or not such Note bears the Private Placement Legend, if (x) the requested transfer is after July 13, 2009 or such other date as such Note shall be freely transferable under Rule 144 as certified in an Officers' Certificate or (y) in the case of a transfer to a Non-U.S. Person (including a QIB), the proposed transferor has delivered to the Registrar a certificate substantially in the form of Exhibit E hereto; *provided* that in the case of a transfer of a Note bearing the Private Placement Legend for a Note not bearing the Private Placement Legend, the Registrar has received an Officers' Certificate authorizing such transfer; and

(ii) if the proposed transferor is a DTC Agent Member holding a beneficial interest in a Global Note, upon receipt by the Registrar of (x) the certificate, if any, required by paragraph (i) above and (y) instructions given in accordance with DTC's and the Registrar's procedures,

whereupon (a) the Registrar shall reflect on its books and records the date and (if the transfer does not involve a transfer of outstanding Physical Notes) a decrease in the principal amount of a Global Note in an amount equal to the principal amount of the beneficial interest in a Global Note to be transferred, and (b) the Registrar shall reflect on its books and records the date and an increase in the principal amount of a Global Note in an amount equal to the principal amount of the beneficial interest in the Global Note transferred or the Issuer shall execute and the Trustee shall authenticate and make available for delivery one or more Physical Notes of like tenor and amount.

(b) Transfers to QIBs. The following provisions shall apply with respect to the registration of any proposed registration of transfer of a Note constituting a Rule 144A Note to a QIB (excluding transfers to Non-U.S. Persons):

(i) the Registrar shall register the transfer if such transfer is being made by a proposed transferor who has checked the box provided for on such Holder's Note stating, or has otherwise advised the Issuer and the Registrar in writing, that the sale has been made in compliance with the provisions of Rule 144A to a transferee who has signed the certification provided for on such Holder's Note stating, or has otherwise advised the Issuer and the Registrar in writing, that it is purchasing the Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a QIB within the meaning of Rule 144A, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuer as it has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A; and

(ii) if the proposed transferee is a DTC Agent Member and the Notes to be transferred consist of Physical Notes which after transfer are to be evidenced by an interest in the Re-

stricted Global Note, upon receipt by the Registrar of written instructions given in accordance with the DTC's and the Registrar's procedures, the Registrar shall reflect on its books and records the date and an increase in the principal amount of the Global Note in an amount equal to the principal amount of the Physical Notes to be transferred, and the Trustee shall cancel the Physical Notes so transferred.

(c) Private Placement Legend. Upon the registration of transfer, exchange or replacement of Notes not bearing the Private Placement Legend, the Registrar shall deliver Notes that do not bear the Private Placement Legend. Upon the registration of transfer, exchange or replacement of Notes bearing the Private Placement Legend, the Registrar shall deliver only Notes that bear the Private Placement Legend unless (i) it has received the Officers' Certificate required by paragraph (a)(i)(x) of this Section 2.17, (ii) there is delivered to the Registrar an Opinion of Counsel reasonably satisfactory to the Issuer to the effect that neither such legend nor the related restrictions on transfer are required in order to maintain compliance with the provisions of the Securities Act or (iii) such Note has been sold pursuant to an effective registration statement under the Securities Act and the Registrar has received an Officers' Certificate from the Issuer to such effect.

(d) General. By its acceptance of any Note bearing the Private Placement Legend, each Holder of such Note acknowledges the restrictions on transfer of such Note set forth in this Indenture and in the Private Placement Legend and agrees that it will transfer such Note only as provided in this Indenture.

The Registrar shall retain for a period of two years copies of all letters, notices and other written communications received pursuant to Section 2.16 or this Section 2.17. The Issuer shall have the right to inspect and make copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable prior written notice to the Registrar.

Section 2.18. Computation of Interest.

Except as otherwise specified within Section 2.18, interest on the Notes shall be computed on the basis of a 360 day year of twelve 30 day months. For the purposes of the *Interest Act* (Canada), the yearly rate of interest that is equivalent to the rate payable hereunder is the rate payable multiplied by the actual number of days in the year and divided by 360.

Section 2.19. Issuance of Additional Notes.

The Issuer shall be entitled to issue Additional Notes under this Indenture which shall have substantially identical terms as the Initial Notes, other than with respect to the date of issuance, issue price, amount of interest payable on the first payment date applicable thereto and terms of optional redemption, if any; *provided*, that such issuance shall be made in compliance with Section 4.06; *provided, further*, that no Additional Notes may be authenticated and delivered in an aggregate principal amount of less than U.S.\$25.0 million per issuance; *provided, however*, that no Additional Notes may be issued at a price that would cause such Additional Notes to have "original issue discount" within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

With respect to any Additional Notes, the Issuer shall set forth in a resolution of its Board of Directors (or a duly appointed committee thereof) and in an Officers' Certificate, a copy of each of which shall be delivered to the Trustee, the following information:

- (1) the aggregate principal amount of Notes outstanding immediately prior to the issuance of such Additional Notes;

(2) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture; and

(3) the issue price and the issue date of such Additional Notes and the amount of interest payable on the first payment date applicable thereto.

ARTICLE III

REDEMPTION

Section 3.01. Notices to Trustee.

If the Issuer elects to redeem Notes pursuant to paragraph 6 or 7 of the Notes, at least 60 days prior to the Redemption Date or such shorter period as the Trustee may agree to (which agreement shall not unreasonably be withheld), the Issuer shall notify the Trustee in writing of the Redemption Date, the principal amount of Notes to be redeemed and the redemption price, and deliver to the Trustee an Officers' Certificate stating that such redemption will comply with the conditions contained in paragraph 6 or 7 of the Notes, as appropriate. Notice given to the Trustee pursuant to this Section 3.01 may not be revoked after the time that notice is given to Noteholders pursuant to Section 3.03.

Section 3.02. Selection by Trustee of Notes To Be Redeemed.

In the event that fewer than all of the Notes of a series (all Notes being deemed to be a single series) are to be redeemed, the Trustee shall select the Notes of such series to be redeemed, if such Notes are listed on a national securities exchange, in accordance with the rules of such exchange or, if the Notes are not so listed, either on a *pro rata* basis or by lot, or such other method as it shall deem fair and equitable; *provided* that if a partial redemption is made with the proceeds of an Equity Offering, selection of which series of Notes to be redeemed shall be made by the Issuer while selection of the Notes or portion thereof within a series for redemption shall be made by the Trustee on a *pro rata* basis to the extent practical, unless such a method is prohibited. The Trustee shall promptly notify the Issuer of the Notes selected for redemption and, in the case of any Notes selected for partial redemption, the principal amount thereof to be redeemed. The Trustee may select for redemption portions of the principal of the Notes that have denominations larger than U.S.\$2,000. Notes and portions thereof the Trustee selects shall be redeemed in amounts of integral multiples of U.S.\$1,000. For all purposes of this Indenture unless the context otherwise requires, provisions of this Indenture that apply to Notes called for redemption also apply to portions of Notes called for redemption.

Section 3.03. Notice of Redemption.

At least 30 days, and no more than 60 days, before a Redemption Date, the Issuer shall mail, or cause to be mailed, a notice of redemption by first-class mail to each Holder of Notes to be redeemed at his or her last address as the same appears on the registry books maintained by the Registrar pursuant to Section 2.04 hereof.

The notice shall identify the Notes to be redeemed and shall state:

- (1) the Redemption Date;
- (2) the redemption price and the amount of premium and accrued interest to be paid;

(3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the Redemption Date and upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued;

(4) the name and address of the Paying Agent;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that unless the Issuer defaults in making the redemption payment, interest on Notes (or portion thereof) called for redemption ceases to accrue on and after the Redemption Date;

(7) the provision of paragraph 6 or 7 of the Notes pursuant to which the Notes called for redemption are being redeemed;

(8) the aggregate principal amount of Notes that are being redeemed;

(9) the CUSIP number, if any, printed on the Notes being redeemed; and

(10) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Issuer's written request made at least five Business Days prior to the date on which notice is to be given, the Trustee shall give the notice of redemption in the Issuer's name and at the Issuer's sole expense.

Section 3.04. Effect of Notice of Redemption.

Once the notice of redemption described in Section 3.03 is mailed, Notes called for redemption become due and payable on the Redemption Date and at the redemption price, including any premium, plus interest accrued to the Redemption Date. Upon surrender to the Paying Agent, such Notes shall be paid at the redemption price, including any premium, plus interest accrued to the Redemption Date; *provided* that if the Redemption Date is after a regular record date and on or prior to the Interest Payment Date, the accrued interest shall be payable to the Holder of the redeemed Notes registered on the relevant record date; *provided, further*, that if a Redemption Date is a Legal Holiday, payment shall be made on the next succeeding Business Day and no interest shall accrue for the period from such Redemption Date to such succeeding Business Day.

Section 3.05. Deposit of Redemption Price.

On or prior to 10:00 a.m., New York City time, on each Redemption Date, the Issuer shall deposit with the Paying Agent in immediately available funds money sufficient to pay the redemption price of and accrued interest on all Notes to be redeemed on that date other than Notes or portions thereof called for redemption on that date which have been delivered by the Issuer to the Trustee for cancellation.

On and after any Redemption Date, if money sufficient to pay the redemption price of and accrued interest on Notes called for redemption shall have been made available in accordance with the preceding paragraph, the Notes called for redemption will cease to accrue interest and the only right of the Holders of such Notes will be to receive payment of the redemption price of and, subject to the first

proviso in Section 3.04, accrued and unpaid interest on such Notes to the Redemption Date. If any Note surrendered for redemption shall not be so paid because money sufficient to pay the redemption price shall not have been made available, interest will be paid, from the Redemption Date until such redemption payment is made, on the unpaid principal of the Note and any interest not paid on such unpaid principal, in each case, at the rate and in the manner provided in the Notes.

Section 3.06. Notes Redeemed in Part.

Upon surrender of a Note that is redeemed in part, the Trustee shall authenticate for a Holder a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

ARTICLE IV

COVENANTS

Section 4.01. Payment of Notes.

The Issuer shall pay the principal of and interest on the Notes on the dates and in the manner provided in the Notes and this Indenture. An installment of principal or interest shall be considered paid on the date it is due if the Trustee or a Paying Agent holds on that date money designated for and sufficient to pay such installment.

The Issuer shall pay interest on overdue principal (including post-petition interest in a proceeding under any Bankruptcy Law), and overdue interest, to the extent lawful, at the rate specified in the Notes.

Section 4.02. Provision of Financial Statements and Other Information.

(a) So long as any Notes are outstanding, the Issuer will provide the following information on its website or to a public news service or, to the extent its website and such news service become unavailable, the Issuer shall furnish to the Trustee and the Holders (i) within 120 days after the end of each fiscal year, all annual financial information that would be required to be included in Items 5, 8 and 17 of an annual report on Form 20-F under, or the equivalent information required to be included in an annual report on Form 40-F (or any successor items or forms, as the case may be, under the Exchange Act) and a report on our annual consolidated financial statements by the Issuer's independent accountants, (ii) within 60 days after the end of each of the first three quarters of each year, all interim quarterly financial information that would be required to be contained in quarterly reports under the laws of Canada or the province of Ontario if the Issuer were a "reporting issuer" or the equivalent under such laws, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations"; and (iii) on or prior to the date by which the Issuer would be required to file on Form 6-K, all other material change reports applicable to a "reporting issuer" or the equivalent thereof under the laws of Canada or the province of Ontario that would be required to be filed on Form 6-K if the Issuer were required to file such reports; *provided* that such information may be prepared in accordance with generally accepted accounting principals in Canada so long as the annual audited financial statements are reconciled to generally accepted accounting principles in the United States as permitted or required by the Commission for foreign private issuers reporting under generally accepted accounting principles in Canada; *provided further* that such reports shall not in any event be required to include (1) any additional financial information that would be required by Items 3-10 or 3-16 of Regulation S-X under the Securities Act, including, without limitation, separate financial statements of any Guarantor; (2) any assessment of the Issuer's disclosure

controls and procedures or internal controls over financial reporting, or any audit or review of, or attestation relating to, such an assessment; (3) any certification required by any such Form, the rules applicable to a "reporting issuer" or the equivalent under the laws of Canada or the province of Ontario or the U.S. Sarbanes-Oxley Act of 2002 any successor law (or the rules and regulations promulgated thereunder); (4) any exhibit; or (5) any "push-down" accounting Commission rules and regulations.

(b) The Issuer shall host a customary conference call with the Holders within 5 business days after it furnishes the information required pursuant to clauses (i) and (ii) of the preceding paragraph, on which calls the Issuer shall review the financial results of the quarter and/or year then ended, as applicable, and discuss its financial condition.

(c) The Issuer shall, upon request, provide to any Noteholder or any prospective transferee of any such Noteholder any information concerning the Issuer (including financial statements) necessary under Rule 144(d)(4) under the Securities Act in order to permit such Noteholder to sell or transfer Notes in compliance with Rule 144A under the Securities Act; *provided, however*, that the Issuer shall not be required to furnish such information in connection with any request made on or after the date which is two years from the later of (i) the date such Note (or any predecessor Note) was acquired from the Issuer or (ii) the date such Note (or any predecessor Note) was last acquired from an "affiliate" of the Issuer within the meaning of Rule 144 under the Securities Act.

Section 4.03. Waiver of Stay, Extension or Usury Laws.

The Issuer covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, or plead (as a defense or otherwise) or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury law or other law which would prohibit or forgive the Issuer from paying all or any portion of the principal or, premium, if any, and/or interest on the Notes as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Indenture, and (to the extent that it may lawfully do so) the Issuer hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 4.04. Compliance Certificate.

(a) The Issuer shall deliver to the Trustee, on or before 120 days after the end of the Issuer's fiscal year (such fiscal year ending August 31) an Officers' Certificate stating that a review of the activities of the Issuer and its Subsidiaries during such fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Issuer has kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Issuer has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions hereof (or, if a Default or Event of Default shall have occurred and is continuing, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Issuer is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Issuer is taking or proposes to take with respect thereto.

(b) The annual financial statements delivered pursuant to Section 4.02 shall be accompanied by a written report addressed to the Trustee of the Issuer's independent accountants (who shall be a firm of established national reputation satisfactory to the Trustee) stating that in conducting their au-

dit of such financial statements nothing has come to their attention that would lead them to believe that a Default or Event of Default has occurred under this Indenture insofar as they relate to accounting matters or, if any such violation has occurred, specifying the nature and period of existence thereof, it being understood that such accountants shall not be liable directly or indirectly to any Person for any failure to obtain knowledge of any such violation.

(c) (i) If any Default or Event of Default has occurred and is continuing or (ii) if any Holder seeks to exercise any remedy hereunder with respect to a claimed default under this Indenture or the Notes, the Issuer shall deliver to the Trustee, at its address set forth in Section 12.02 hereof, by registered or certified mail or by telegram, telex or facsimile transmission followed by hard copy by registered or certified mail an Officers' Certificate specifying such Default or Event of Default, notice or other action, the status thereof and what action the Issuer is taking or proposes to take within five Business Days of its becoming aware of such occurrence.

(d) The Issuer will provide written notice to the Trustee of any change in its fiscal year.

Section 4.05. Taxes.

The Issuer shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies, except as contested in good faith and by appropriate proceedings.

Section 4.06. Limitation on Additional Indebtedness.

The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, incur any Indebtedness (including Acquired Indebtedness); *provided* that, if no Default or Event of Default shall have occurred and be continuing at the time or as a consequence of the incurrence of such Indebtedness, the Issuer or any of its Restricted Subsidiaries may incur Indebtedness (including Acquired Indebtedness) if after giving effect to the incurrence of such Indebtedness and the receipt and application of the proceeds thereof, the Issuer's Consolidated Leverage Ratio is less than 6.50 to 1; *provided, further*, that in no event shall the aggregate principal amount of all Indebtedness of the Issuer's Restricted Subsidiaries that are not also Guarantors incurred in reliance on this paragraph, when taken together (without duplication) with the aggregate principal amount of all Permitted Indebtedness (excluding Indebtedness under clause (c), (d) to the extent such Indebtedness is owed to us or any of our Restricted Subsidiaries that are also Guarantors, (f), (g), (h), (i) or (j) of the definition of "Permitted Indebtedness") of the Issuer's Restricted Subsidiaries that are not also Guarantors, at any one time outstanding exceed \$75.0 million.

Notwithstanding the foregoing, the Issuer and its Restricted Subsidiaries may incur Permitted Indebtedness; *provided* that such Person will not incur any Permitted Indebtedness that ranks junior in right of payment to the Notes that has a maturity or mandatory sinking fund payment prior to the maturity of the Notes; *provided, further*, that in no event shall the aggregate principal amount of all Permitted Indebtedness of the Issuer's Restricted Subsidiaries that are not also Guarantors, when taken together (without duplication) with the aggregate principal amount of all Indebtedness (excluding Indebtedness under clause (c), (d) to the extent such Indebtedness is owed to us or any of our Restricted Subsidiaries that are also Guarantors, (f), (g), (h), (i) or (j) of the definition of "Permitted Indebtedness") of the Issuer's Restricted Subsidiaries that are not also Guarantors incurred in reliance on the immediately preceding paragraph, at any one time outstanding exceed \$75.0 million.

Notwithstanding any other provision of this Section 4.06, the accrual of interest, accretion of accreted value of discount Indebtedness and payments of interest in the form of additional Indebtedness with the same terms and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an incurrence of Indebtedness or Disqualified Stock for purposes of this Section 4.06, and the maximum amount of Indebtedness that the Issuer or a Restricted Subsidiary may incur pursuant to this Section 4.06 shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rates of currencies.

For purposes of determining compliance with this Section 4.06, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness or is entitled to be incurred pursuant to the first paragraph of this Section 4.06, the Issuer shall, in its sole discretion at the time such Indebtedness is incurred, classify, and may from time to time reclassify, such Indebtedness (or part thereof) in any manner that complies with this Section 4.06 and such Indebtedness (or part thereof) shall be treated as having been incurred pursuant to only one of such clauses or pursuant to the first paragraph hereof, and such Indebtedness may be divided and classified in more than one of such classifications.

Section 4.07. Limitation on Other Senior Subordinated Indebtedness.

The Issuer shall not, and shall not permit any Guarantor to, directly or indirectly, incur, contingently or otherwise, any Indebtedness (other than the Notes and the Guarantees, as the case may be) that is both:

- (1) subordinate in right of payment to any Senior Indebtedness of the Issuer or such Guarantor, as the case may be; and
- (2) senior in right of payment to the Notes or the Guarantee of such Guarantor, as the case may be.

For purposes of this Section 4.07, Indebtedness is deemed to be senior in right of payment to the Notes or a Guarantee, as the case may be, if it is not explicitly subordinated in right of payment to Senior Indebtedness of the Issuer or such Guarantor, as the case may be, at least to the same extent as the Notes and the Guarantee of such Guarantor, as the case may be, are subordinated to such Senior Indebtedness.

Section 4.08. Limitation on Capital Stock of Restricted Subsidiaries.

The Issuer shall not:

- (1) sell, pledge, hypothecate or otherwise convey or dispose of any Capital Stock of a Restricted Subsidiary (other than any such transaction resulting in a Lien that constitutes a Permitted Lien); or
- (2) permit any Restricted Subsidiary to issue any Capital Stock, unless after giving effect thereto the Issuer's percentage interest (direct and indirect) in the Capital Stock of such Restricted Subsidiary is at least equal to its percentage interest prior thereto and such issuance is otherwise permitted under this Indenture.

The foregoing restrictions shall not apply to an Asset Sale made in compliance with Section 4.10 (provided that if such Asset Sale is for less than all of the outstanding Capital Stock of any Restricted Subsidiary held by the Issuer or any of its Restricted Subsidiaries, such Asset Sale must also comply with Section

4.09), a disposition of Capital Stock excluded from the definition of "Asset Sale" or the issuance of Disqualified Capital Stock in compliance with Section 4.17.

Section 4.09. Limitation on Restricted Payments.

The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, make any Restricted Payment, unless

(a) no Default or Event of Default shall have occurred and be continuing at the time of or immediately after giving effect to such Restricted Payment;

(b) immediately after giving pro forma effect to such Restricted Payment, the Issuer could incur \$1.00 of additional Indebtedness (other than Permitted Indebtedness) under Section 4.06; and

(c) immediately after giving effect to such Restricted Payment, the aggregate of all Restricted Payments declared or made after the Issue Date does not exceed the sum of (without duplication): (1) 100% of the Issuer's Cumulative EBITDA minus 1.4 times the Issuer's Cumulative Consolidated Interest Expense; plus (2) 100% of the aggregate Net Proceeds received by the Issuer from the issue or sale after the Issue Date of Capital Stock (other than Disqualified Capital Stock or Capital Stock of the Issuer issued to any Subsidiary of the Issuer) of the Issuer or any Indebtedness or other securities of the Issuer convertible into or exercisable or exchangeable for Capital Stock (other than Disqualified Capital Stock) of the Issuer which have been so converted, exercised or exchanged, as the case may be; plus (3) without duplication of any amounts included in clause (c)(2) above, 100% of the aggregate Net Proceeds received by the Issuer from any equity contribution from a holder of the Issuer's Capital Stock, excluding, in the case of clauses (c)(2) and (3), any Net Proceeds from an Equity Offering to the extent used to redeem the Notes; plus (4) in the case of the disposition, liquidation or repayment of any Investment constituting a Restricted Payment made after the Issue Date, an amount (to the extent not included in the computation of Consolidated Net Income) equal to the lesser of: (x) the return of capital with respect to such Investment and (y) the amount of such Investment that was treated as a Restricted Payment, in either case, less the cost of the disposition of such Investment; plus (5) in the case of a Restricted Payment that is a guarantee of an Investment included in clause (d) of the definition of "Restricted Payment," the amount of such guarantee that is treated as a Restricted Payment upon the unconditional release of the Issuer and its Restricted Subsidiaries in full from such guarantee; plus (6) in the event that the Issuer or any Restricted Subsidiary has made one or more Investments in a Person (other than an Unrestricted Subsidiary) that are treated as one or more Restricted Payments, an amount equal to the lesser of (x) the aggregate amount of existing Investments made by the Issuer and its Restricted Subsidiaries in such Person and (y) the aggregate fair market value of such Investments, in each case at the time that such Person becomes a Restricted Subsidiary (not to exceed the amount of such Restricted Payments less any amounts credited in respect of such Investments pursuant to clauses (4) or (5) above); plus (7) so long as the Designation Amount thereof was treated as a Restricted Payment made after the Issue Date, with respect to any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary after the Issue Date in accordance with the provisions of this Indenture, the Issuer's proportionate interest in an amount equal to the excess of (x) the total assets of such Subsidiary, valued on an aggregate basis at fair market value, over (y) the total liabilities of such Subsidiary, determined in accordance with GAAP (and provided that such amount shall not in any case exceed the Designation Amount with respect to such Restricted Subsidiary upon its designation) plus the amount of any further Investments made in such Unrestricted Subsidiary following such designation to the extent treated as a Restricted Payment. For purposes of determining under this clause (c) the

amount expended for Restricted Payments, cash distributed shall be valued at the face amount thereof and property other than cash shall be valued at its fair market value.

The provisions of this Section 4.09 shall not prohibit

(1) the payment of any distribution within 60 days after the date of declaration thereof, if at such date of declaration such payment would comply with the provisions of this Indenture;

(2) the repurchase, redemption or other acquisition or retirement of any shares of Capital Stock of the Issuer or Indebtedness subordinated to the Notes by conversion into, or by or in exchange for, shares of Capital Stock of the Issuer (other than Disqualified Capital Stock), or out of the Net Proceeds of the substantially concurrent sale (other than to a Subsidiary of the Issuer) of other shares of Capital Stock of the Issuer (other than Disqualified Capital Stock); *provided, however*, that any such Net Proceeds or the value of any Capital Stock issued in exchange for such shares or Indebtedness is excluded from clause (c)(2) of the preceding paragraph (and was not included therein at any time);

(3) the repurchase, redemption, repayment, retirement, defeasance or other acquisition for value of Indebtedness of the Issuer subordinated to the Notes in exchange for, by conversion into, or out of the Net Proceeds of a substantially concurrent sale or incurrence of, Indebtedness of the Issuer (other than any Indebtedness owed to a Subsidiary) that is Refinancing Indebtedness;

(4) the retirement of any shares of Disqualified Capital Stock of the Issuer by conversion into, or by exchange for, shares of Disqualified Capital Stock of the Issuer, or out of the Net Proceeds of the substantially concurrent sale (other than to a Subsidiary of the Issuer) of other shares of Disqualified Capital Stock of the Issuer; *provided, however*, that any such Net Proceeds or the value of any Capital Stock issued in exchange for such shares is excluded from clause (c)(2) of the preceding paragraph (and was not included therein at any time);

(5) so long as no Default or Event of Default shall have occurred and be continuing, at the time of or immediately after giving effect to such payment, (a) the repurchase, redemption, repayment, retirement, defeasance or other acquisition for value by the Issuer or any of its Restricted Subsidiaries of, or (b) loans, advances, dividends or distributions to CanWest to the extent necessary to enable CanWest to repurchase, redeem, repay, retire, defease or otherwise acquire, shares of Capital Stock (other than Disqualified Capital Stock) or options on such shares held by officers, directors or employees or former officers, directors or employees (or their estates or beneficiaries under their estates) of CanWest, the Issuer or its Restricted Subsidiaries upon the death, disability, retirement or termination of employment of such current or former officers, directors or employees pursuant to the terms of an employee benefit plan or any other agreement pursuant to which such shares of Capital Stock or options were issued; *provided that* the aggregate cash consideration paid or distributions or payments made pursuant to this clause (5) shall not exceed \$5.0 million in any fiscal year (excluding for purposes of calculating such amount during any fiscal year an amount equal to the aggregate amount of repaid loans by the Issuer or its Restricted Subsidiaries incurred by directors, officers or employees to finance the purchase of Capital Stock (other than Disqualified Capital Stock));

(6) the repurchase of Capital Stock deemed to occur upon the exercise of stock options, warrants, convertible or exchangeable securities or other similar instruments to the extent such Capital Stock represents a portion of the exercise price of those instruments;

(7) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or securities of Disqualified Capital Stock of the Issuer or any Restricted Subsidiary that is a Guarantor issued on or after the date of this Indenture in accordance with the first paragraph under Section 4.06 or in accordance with Section 4.17, as applicable;

(8) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness that is subordinated in right of payment to the Notes or Disqualified Stock of the Issuer or any Restricted Subsidiary upon a Change of Control or Asset Sale to the extent required by the indenture or other instrument pursuant to which such Indebtedness was issued, but only if the Issuer has first complied with its obligations under Section 4.21 or Section 4.10, as applicable;

(9) Permitted Tax Distributions;

(10) Restricted Payments made in connection with the Privatization and Related Transactions, including, without limitation, our payment of approximately \$105.0 million in the form of a distribution as a return of capital to CanWest MediaWorks Inc., as disclosed in the Offering Memorandum; and

(11) other Restricted Payments in an amount not to exceed \$75.0 million in the aggregate; *provided* that in any calculation of the aggregate amount of Restricted Payments made subsequent to the Issue Date for purposes of clause (c) of the immediately preceding paragraph, amounts expended pursuant to clauses (1) and (2) shall be included in such calculation and amounts expended pursuant to clauses (3) through (10) shall be excluded from such calculation.

Section 4.10. Limitation on Certain Asset Sales

The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Issuer or such Restricted Subsidiary, as the case may be, receives consideration at the time of such sale or other disposition at least equal to the fair market value of the assets sold or otherwise disposed of;

(2) not less than 75% of the consideration received by the Issuer or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents except to the extent such Asset Sale constitutes a Permitted Asset Swap; *provided, however*, that the amount of any (a) Indebtedness of the Issuer or any Restricted Subsidiary that is actually assumed by the transferee in such Asset Sale and from which the Issuer and its Restricted Subsidiaries are fully released shall be deemed to be cash for purposes of determining the percentage of cash consideration received by the Issuer or the applicable Restricted Subsidiary and (b) notes or other similar obligations received by the Issuer or a Restricted Subsidiary from such transferee that are converted, sold or exchanged within 60 days of the related Asset Sale by the Issuer or a Restricted Subsidiary for cash shall be deemed to be cash, in an amount equal to the net cash proceeds realized upon such conversion, sale or exchange for purposes of determining the percentage of cash consideration received by the Issuer or a Restricted Subsidiary; and

(3) the Asset Sale Proceeds received by the Issuer or such Restricted Subsidiary are applied:

(a) to the extent the Issuer or such Restricted Subsidiary, as the case may be, elects, or is required to prepay, repay or purchase indebtedness under any then existing Senior Indebtedness of the Issuer or any such Restricted Subsidiary within 365 days following the receipt of the Asset Sale Proceeds from any Asset Sale, to such prepayment, repayment or purchase; or

(b) to the extent of Asset Sale Proceeds not applied as described in clause (a) above, to the extent the Issuer or such Restricted Subsidiary elects, to an investment in Property (including Capital Stock or other securities purchased in connection with the acquisition of Capital Stock or Property of another Person) in compliance with Section 4.13; *provided* that such investment occurs within 545 days following the receipt of such Asset Sale Proceeds; and

(c) if on the 545th day with respect to any Asset Sale, the Available Asset Sale Proceeds exceed \$25.0 million, the Issuer shall apply an amount equal to the Available Asset Sale Proceeds to an offer (an "Excess Proceeds Offer"), on a *pro rata* basis according to principal amount, to repurchase the Notes and any other Indebtedness ("Other Indebtedness") that is not, by its terms, expressly subordinated in right of payment to the Notes and the terms of which require an offer to purchase such Other Indebtedness with proceeds from such Asset Sale, at a purchase price in cash equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon, if any, to the purchase date.

Pending the final application of any such Available Asset Sale Proceeds, the Issuer or any such Restricted Subsidiary may temporarily reduce Indebtedness under a revolving credit facility (including by way of cash collateralized letters of credit), if any, or otherwise invest such Available Asset Sale Proceeds in Cash Equivalents. If an Excess Proceeds Offer is not fully subscribed, the Issuer may retain the portion of the Available Asset Sale Proceeds not required to repurchase Notes or Other Indebtedness and use such portion for general corporate purposes or otherwise, at its sole discretion, and the amount of Available Asset Sale Proceeds shall be reset to zero.

If the Issuer is required to make an Excess Proceeds Offer, the Issuer shall mail, within 30 days following the date specified in clauses (3)(a) and (3)(c) above, a notice to the Holders stating:

(a) that the Excess Proceeds Offer is being made pursuant to this Section 4.10;

(b) that the Holders have the right to require the Issuer to apply the Available Asset Sale Proceeds to make an offer to repurchase such Notes and the Other Indebtedness, to the extent required by the terms thereof, at a purchase price in cash equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon, if any, to the purchase date which shall be no earlier than 30 days and not later than 45 days from the date such notice is mailed (the "Excess Proceeds Payment Date");

(c) the aggregate principal amount of Other Indebtedness that will also receive an Excess Proceeds Offer;

(d) that any Note (or portion thereof) not tendered will continue to accrue interest;

(e) that any Notes accepted for payment pursuant to the Excess Proceeds Offer shall cease to accrue interest after the Excess Proceeds Payment Date;

(f) that Holders accepting the offer to have their Notes purchased pursuant to an Excess Proceeds Offer will be required to surrender their Notes to the Paying Agent at the address specified in the notice prior to the close of business on the Business Day preceding the Excess Proceeds Payment Date;

(g) that Holders will be entitled to withdraw their acceptance if the Paying Agent receives, not later than the close of business on the third Business Day preceding the Excess Proceeds Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Notes delivered for purchase, and a statement that such Holder is withdrawing its election to have such Notes purchased;

(h) that Holders whose Notes are being purchased only in part will be issued Notes equal in principal amount to the unpurchased portion of the Notes surrendered;

(i) any other procedures that a Holder must follow to accept an Excess Proceeds Offer or effect withdrawal of such acceptance;

(j) the name and address of the Paying Agent; and

(k) the calculations used in determining the amount of the Available Asset Sale Proceeds to be applied to the purchase of such notes and Other Indebtedness.

In the event of the transfer of substantially all of the property and assets of the Issuer and its Restricted Subsidiaries as an entirety to a Person in a transaction permitted under Section 5.01, the successor Person shall be deemed to have sold the properties and assets of the Issuer and its Restricted Subsidiaries not so transferred for purposes of this Section 4.10, and shall comply with the provisions of this Section 4.10 with respect to such deemed sale as if it were an Asset Sale.

For purposes of this Section 4.10, proceeds that are deposited in escrow or are placed in trust shall not be considered to have been received by the Issuer unless and until such time as such proceeds are released to the Issuer from such escrow or trust.

The Issuer shall comply with the requirements of Rule 14e-1 under the Exchange Act and other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes pursuant to an Excess Proceeds Offer. To the extent that the provisions of any securities laws or regulations conflict with this Section 4.10, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.10 by virtue thereof.

Section 4.11. Limitation on Transactions with Affiliates.

The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, enter into, amend or suffer to exist any transaction or series of related transactions (including, without limitation, the sale, purchase, exchange or lease of assets, property or services) with any Affiliate (each an "Affiliate Transaction") or extend, renew, waive or otherwise modify in any material respect the terms of any Affiliate Transaction entered into prior to or on the Issue Date, if the terms of such Affiliate Transaction after giving effect to such extension, renewal, replacement, waiver or other modification, taken as a whole, are more disadvantageous to the Holders of Notes in any material respect than the original agreement as in effect on the Issue Date unless (1) such Affiliate Transaction is between or among the Issuer, and/or any of the Restricted Subsidiaries; or (2) the terms of such Affiliate Transaction are fair and reasonable to the Issuer or such Restricted Subsidiary, as the case may be, and the terms of such Affiliate

Transaction are at least as favorable as the terms that could reasonably be expected to be obtained by the Issuer or such Restricted Subsidiary, as the case may be, in a comparable transaction made on an arm's-length basis between unaffiliated parties.

In any Affiliate Transaction (or any series of related Affiliate Transactions that are similar or part of a common plan) involving an amount or having a fair market value in excess of \$10.0 million that is not permitted under clause (1) above, the Issuer must obtain a resolution of the majority of the members of the Board of Directors of the Issuer certifying that such Affiliate Transaction complies with clause (2) above. In any Affiliate Transaction (or any series of related Affiliate Transactions that are similar or part of a common plan) involving an amount or having a fair market value in excess of \$40.0 million that is not permitted under clause (1) above, the Issuer must obtain a favorable written opinion as to the fairness, from a financial point of view, of such transaction or transactions, as the case may be, from an Independent Financial Advisor.

The foregoing provisions shall not apply to

- (1) any Restricted Payment that is not prohibited by the provisions described in Section 4.09 or any Permitted Investment;
- (2) any transaction pursuant to an agreement, arrangement or understanding existing on the Issue Date and described in the Offering Memorandum;
- (3) reasonable fees and compensation paid to, and any indemnity provided to or on behalf of, any officers, directors or employees of the Issuer or any Affiliate of the Issuer or of such officers, directors or employees as determined in good faith by the Issuer's Board of Directors or senior management;
- (4) any transaction between the Issuer or any of the Restricted Subsidiaries and their Affiliates (a) involving ordinary course investment banking, commercial banking or related activities or (b) in effect on the Issue Date, together with reasonable extensions of time or scope of services, renewals, modifications and amendments thereto which, taken as a whole, are not materially adverse to the Holders of the Notes;
- (5) any transaction with any Affiliate solely in its capacity as a holder of Indebtedness or Capital Stock of the Issuer or any of its Subsidiaries where such Affiliate is treated no more favorably than holders of such Indebtedness or such Capital Stock generally;
- (6) transactions between or among the Issuer or any Restricted Subsidiary, on the one hand, and any other Person controlled by (as such term is defined in the definition of "Affiliate") the Issuer, on the other hand, so long as (a) at least 25% of the voting securities of such other Person are beneficially owned by Persons other than the Issuer or any Affiliate thereof, (b) there exists no other substantial business relationship between the Issuer and its Affiliates and the Persons who beneficially own at least 25% of the voting securities of such other Person referred to in clause (a) above, other than the transactions in question, and no such other business relationship is reasonably expected and (c) no portion of the remaining interest in such other Person is owned by a Person that controls (as such term is defined in the definition of "Affiliate") the Issuer, or between or among such Subsidiaries or Persons; and
- (7) any transaction permitted by the provisions described under Section 5.01.

Section 4.12. Limitation on Liens Securing Certain Debts.

The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, create, incur, assume or suffer to exist any Liens that secure Indebtedness of the Issuer that is *pari passu* with or subordinated to the Notes unless the Notes are secured equally and ratably with such Indebtedness (but on a senior basis if such other Indebtedness is subordinate to the Notes) as long as such Indebtedness is so secured. Notwithstanding the foregoing, any amounts deposited with any trustee or any Person performing similar functions with respect to any outstanding Indebtedness in connection with the discharge or defeasance of such Indebtedness in a transaction that otherwise complies with the Notes, which deposited amounts are subject to a Lien of the Person with whom such amounts have been deposited or the holders of the obligations thereunder, shall not be deemed to be subject to a Lien prohibited by the Notes as a result thereof.

Section 4.13. Limitation on Conduct of Business.

The Issuer shall not, and shall not permit its Restricted Subsidiaries to, engage in any businesses that are not the same as or similar, related, complementary or ancillary to the Communications Business.

Section 4.14. Limitation of Guarantees by Restricted Subsidiaries.

Except in respect of guarantees under the Senior Secured Credit Facilities and the Senior Subordinated Unsecured Credit Facility, the Issuer shall not permit any of its Restricted Subsidiaries, directly or indirectly, by way of the pledge of any intercompany note or otherwise, to assume, guarantee or in any other manner become liable with respect to any Indebtedness of the Issuer, unless, in any such case:

(1) such Restricted Subsidiary executes and delivers a supplemental indenture to this Indenture, providing a Guarantee by such Restricted Subsidiary; and

(2) (a) if any such assumption, guarantee or other liability of such Restricted Subsidiary is provided in respect of Senior Indebtedness, the guarantee or other instrument provided by such Restricted Subsidiary in respect of such Senior Indebtedness may be superior to such Guarantee of the Notes pursuant to subordination provisions that are no less favorable, taken as a whole, to the Holders of the Notes than those contained in this Indenture; and

(b) if any such assumption, guarantee or other liability of such Restricted Subsidiary is provided in respect of Indebtedness that is expressly subordinated to the Notes, the guarantee or other instrument provided by such Restricted Subsidiary in respect of such subordinated Indebtedness shall be subordinated to the Guarantee substantially to the same extent as such Indebtedness is subordinated to the Notes.

Notwithstanding the foregoing, any such Guarantee by a Restricted Subsidiary of the Notes shall provide by its terms that it shall be automatically and unconditionally released and discharged, without any further action required on the part of the Trustee or any Holder of Notes, upon:

(1) the unconditional release of such Restricted Subsidiary from its liability in respect of the Indebtedness in connection with which such Guarantee was executed and delivered pursuant to the preceding paragraph;

(2) any sale or other disposition (by merger or otherwise) to any Person that is not a Restricted Subsidiary of a controlling interest in, or all or substantially all of the assets of, such Restricted Subsidiary; *provided* that such sale or disposition of such controlling interest or assets is otherwise in compliance with the terms of this Indenture;

(3) the designation of such Restricted Subsidiary as an Unrestricted Subsidiary; or

(4) defeasance or covenant defeasance with respect to the Notes in accordance with this Indenture.

Section 4.15. Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.

The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to (a) pay dividends or make any other distributions to the Issuer or any Restricted Subsidiary (1) on its Capital Stock, or (2) with respect to any other interest or participation in, or measured by, its profits; (b) repay any Indebtedness or any other obligation owed to the Issuer or any Restricted Subsidiary; (c) make loans or advances or capital contributions to the Issuer or any of its Restricted Subsidiaries; or (d) transfer any of its Properties or assets to the Issuer or any of its Restricted Subsidiaries, except in respect of any of (a) through (d) above for (1) encumbrances or restrictions existing on the Issue Date to the extent and in the manner such encumbrances and restrictions are in effect on the Issue Date, (2) encumbrances or restrictions existing under or by reason of this Indenture, the Notes and the Guarantees, (3) encumbrances or restrictions existing under or by reason of applicable law or any applicable rule, regulation or order, (4) any encumbrance or restriction existing under Senior Indebtedness outstanding on the Issue Date, (5) encumbrances or restrictions existing under or by reason of any instrument governing Acquired Indebtedness or Capital Stock of such acquired Person, which encumbrance or restriction is not applicable to any Person, or the Properties or assets of any Person, other than the Person, or the Property or assets of the Person (including any Subsidiary of the Person), so acquired, (6) encumbrances or restrictions existing under or by reason of customary non-assignment provisions in leases or other agreements entered into during the ordinary course of business, (7) encumbrances or restrictions existing under or by reason of Refinancing Indebtedness; *provided* that such restrictions are no more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded, (8) customary restrictions in security agreements or mortgages securing Indebtedness of the Issuer or a Restricted Subsidiary to the extent such restrictions restrict the transfer of the property subject to such security agreements and mortgages, (9) in the case of clause (d) only, any encumbrance or restriction pursuant to an agreement for Purchase Money Indebtedness that is permitted to be incurred under Section 4.06, (10) customary restrictions with respect to a Restricted Subsidiary pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of a Restricted Subsidiary, or (11) customary provisions in joint venture, shareholder or other similar agreements entered into in the ordinary course of business (including constituent or organizational documents) relating to Persons that are not wholly-owned Subsidiaries of the Issuer.

Section 4.16. Limitation on Sale and Lease-Back Transactions.

The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, enter into any Sale and Lease-Back Transaction; *provided* that the Issuer or any Restricted Subsidiary may enter into a Sale and Lease-Back Transaction if:

(1) the Issuer or such Restricted Subsidiary, as applicable, could have

(a) incurred Indebtedness (other than Permitted Indebtedness) in an amount equal to the Attributable Indebtedness relating to such Sale and Lease-Back Transaction under Section 4.06; and

(b) incurred a Lien to secure such Indebtedness pursuant to Section 4.12;

(2) the gross cash proceeds of that Sale and Lease-Back Transaction are at least equal to the fair market value of the property sold; *provided* that not less than 75% of such proceeds shall be in the form of cash or Cash Equivalents; and

(3) the transfer of assets in that Sale and Lease-Back Transaction is permitted by, and the Issuer applies the proceeds of such transaction in compliance with, Section 4.10 or such transfer is excluded in the definition of "Asset Sale."

Section 4.17. Limitation on Disqualified Capital Stock of Restricted Subsidiaries.

The Issuer shall not permit any of its Restricted Subsidiaries to issue any Disqualified Capital Stock (except Disqualified Capital Stock issued to the Issuer or any Restricted Subsidiaries that are also Guarantors) or permit any Person (other than the Issuer or any Restricted Subsidiaries that are also Guarantors) to hold any such Disqualified Capital Stock unless the Issuer or such Restricted Subsidiary would be entitled to incur or assume Indebtedness under Section 4.06 (other than Permitted Indebtedness) in the aggregate principal amount equal to the aggregate liquidation value of the Disqualified Capital Stock to be issued.

Section 4.18. [Reserved].

Section 4.19. Payments for Consent.

The Issuer shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder of Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid or agreed to be paid to all Holders of Notes that so consent, waive or agree to amend in the time frame set forth in solicitation documents relating to such consent, waiver or amendment.

Section 4.20. Legal Existence.

Subject to Article V of this Indenture, the Issuer shall do or cause to be done all things necessary to preserve and keep in full force and effect its legal existence, and the corporate, partnership, limited liability company or other existence of each Restricted Subsidiary, in accordance with the respective organizational documents (as the same may be amended from time to time) of each Restricted Subsidiary and the rights (charter and statutory), licenses and franchises of the Issuer and its Restricted Subsidiaries; *provided, however*, that the Issuer shall not be required to preserve any such right, license or franchise, or the corporate, partnership, limited liability company or other existence of any of the Restricted Subsidiaries if the Board of Directors of the Issuer shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Issuer and the Restricted Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders.

Section 4.21. Change of Control Offer.

Upon the occurrence of a Change of Control, the Issuer shall make an offer to purchase (the "Change of Control Offer") each Holder's outstanding Notes at a purchase price (the "Change of Control Purchase Price") equal to 101% of the principal amount thereof plus accrued and unpaid interest thereon, if any, to the Change of Control Payment Date in accordance with the procedures set forth below.

Within 30 days of the occurrence of a Change of Control, the Issuer shall (1) cause a notice of the Change of Control Offer to be sent at least once to the Dow Jones News Service and by way of a press release issued on Canada Newswire or similar business news services in the United States and Canada and (2) send by first-class mail, postage prepaid, to the Trustee and to each Holder, at the address appearing in the register maintained by the Registrar of the Notes, a notice stating:

- (a) that the Change of Control Offer is being made pursuant to this Section 4.21 and that all Notes tendered will be accepted for payment;
- (b) the Change of Control Purchase Price and the purchase date (which shall be a Business Day no earlier than 30 days nor later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"));
- (c) that any Note (or portion thereof) not tendered will continue to accrue interest;
- (d) that, unless the Issuer defaults in the payment of the Change of Control Purchase Price, any Notes (or portion thereof) accepted for payment pursuant to the Change of Control Offer shall cease to accrue interest after the Change of Control Payment Date;
- (e) that Holders accepting the offer to have their Notes purchased pursuant to a Change of Control Offer will be required to surrender their Notes to the Paying Agent at the address specified in the notice prior to the close of business on the Business Day preceding the Change of Control Payment Date;
- (f) that Holders will be entitled to withdraw their acceptance if the Paying Agent receives, not later than the close of business on the third Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Notes delivered for purchase, and a statement that such Holder is withdrawing its election to have such Notes purchased;
- (g) that Holders whose Notes are being purchased only in part will be issued Notes equal in principal amount to the unpurchased portion of the Notes surrendered;
- (h) any other procedures that a Holder must follow to accept a Change of Control Offer or effect withdrawal of such acceptance; and
- (i) the name and address of the Paying Agent.

On the Change of Control Payment Date, the Issuer shall, to the extent lawful, (1) accept for payment Notes or portions thereof properly tendered pursuant to the Change of Control Offer, (2) deposit with the Paying Agent money sufficient to pay the Change of Control Purchase Price of all Notes or portions thereof so tendered and (3) deliver or cause to be delivered to the Trustee Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Issuer.

The Paying Agent shall promptly mail to each Holder of Notes so accepted payment in an amount equal to the Change of Control Purchase Price for such Notes, and the Issuer shall execute and issue, and the Trustee shall promptly authenticate and mail to each relevant Holder, a new Note equal in principal amount to any unpurchased portion of the Notes surrendered; *provided* that each such new Note shall be issued in denominations that are integral multiples of U.S.\$1.00.

Prior to complying with any of the procedures of this Section 4.21, but in any event within 20 days following any Change of Control, the Issuer shall:

(1) repay in full all obligations and terminate all commitments under or in respect of all Senior Indebtedness the terms of which prohibit the purchase by the Issuer of the Notes upon a Change of Control in compliance with the terms of this Section 4.21 or offer to repay in full all obligations and terminate all commitments under or in respect of all such Senior Indebtedness and repay the Senior Indebtedness owed to each such lender who has accepted such offer, or

(2) obtain the requisite consents under all such Senior Indebtedness to permit the repurchase of the Notes as described above.

The Issuer must first comply with the covenant described in the preceding paragraph before it will be required to purchase Notes in the event of a Change of Control; *provided* that the Issuer's failure to comply with the covenant described in the preceding paragraph will constitute an Event of Default described in clause (3) under Section 6.01.

Further, (A) if the Issuer or any Restricted Subsidiary thereof has issued any outstanding (1) Indebtedness that is, by its terms, subordinated in right of payment to the Notes or senior in right of payment with respect to Indebtedness of Restricted Subsidiaries (other than under the Senior Secured Credit Facilities or any other Senior Indebtedness) or (2) Preferred Stock, and the Issuer or such Restricted Subsidiary is required to make a Change of Control Offer or to make a distribution with respect to such Indebtedness or Preferred Stock in the event of a Change of Control, the Issuer shall not consummate any such offer or distribution with respect to such Indebtedness or Preferred Stock until such time as the Issuer shall have paid the Change of Control Purchase Price in full to the Holders that have accepted the Issuer's Change of Control Offer and shall otherwise have consummated the Change of Control Offer made to Holders and (B) the Issuer will not issue Indebtedness (not including, for greater certainty, any Acquired Indebtedness) that is subordinated in right of payment to the Notes or Preferred Stock with change of control provisions requiring the payment of such Indebtedness or Preferred Stock prior to the payment of the Notes in the event of a Change of Control under this Indenture.

The Issuer shall not be required to make a Change of Control Offer if a third party makes the Change of Control Offer in the manner, at the time and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes or portions thereof validly tendered and not withdrawn under such Change of Control Offer.

The Issuer shall comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with this Section 4.21, the Issuer shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section 4.21 by virtue thereof.

Section 4.22. Maintenance of Office or Agency.

The Issuer shall maintain an office or agency where Notes may be surrendered for registration of transfer or exchange or for presentation for payment and where notices and demands to or upon the Issuer in respect of the Notes and this Indenture may be served. The Issuer shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the address of either Trustee as set forth in Section 12.02.

The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations. The Issuer shall give prompt written notice to the Trustee of such designation or rescission and of any change in the location of any such other office or agency.

The Issuer hereby initially designates the Corporate Trust Office of each of the Trustees set forth in Section 12.02 as such offices of the Issuer.

Section 4.23. Maintenance of Properties; Insurance; Books and Records; Compliance with Law.

(a) The Issuer shall, and shall cause each of its Restricted Subsidiaries to, at all times cause all properties used or useful in the conduct of their business to be maintained and kept in good condition, repair and working order (reasonable wear and tear excepted) and supplied with all necessary equipment, and shall cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereto; *provided, however*, that nothing in this Section 4.23 shall prevent the Issuer or any of its Restricted Subsidiaries from discontinuing the maintenance of any such properties if such discontinuance is, in the judgment of the Board of Directors of the Issuer or the Board of Directors of such Restricted Subsidiary, desirable in the conduct of its business and is not disadvantageous in any material respect to the Holders.

(b) The Issuer shall, and shall cause each of its Restricted Subsidiaries to, maintain insurance (which may include self-insurance) in such amounts and covering such risks as are usually and customarily carried with respect to similar facilities according to their respective locations.

(c) The Issuer shall, and shall cause each of its Subsidiaries to, keep proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Issuer and each Subsidiary of the Issuer, in accordance with GAAP consistently applied to the Issuer and its Subsidiaries taken as a whole.

(d) The Issuer shall, and shall cause each of its Subsidiaries to, comply with all statutes, laws, ordinances or government rules and regulations to which they are subject, non-compliance with which would materially adversely affect the business, earnings, assets or financial condition of the Issuer and its Subsidiaries taken as a whole.

Section 4.24. Further Assurance to the Trustee.

The Issuer shall, upon the reasonable request of the Trustee, execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the provisions of this Indenture.

Section 4.25. Suspension of Certain Covenants if Securities Rated Investment Grade.

Notwithstanding any other provision of this Indenture, during any period of time that (i) the ratings assigned to the Notes by both of the Rating Agencies are Investment Grade Ratings and (ii) no Default has occurred and is continuing hereunder, the Issuer and the Restricted Subsidiaries shall not be subject to the provisions of Sections 4.06, 4.08, 4.09, 4.10, 4.11, 4.13, 4.14, 4.15, 4.16, 4.17 and clause (3) of 5.01 (collectively, the "Suspended Covenants"). In the event that the Issuer and the Restricted Subsidiaries are not subject to the Suspended Covenants with respect to the Notes for any period of time as a result of the preceding sentence and, subsequently, one or both Rating Agencies withdraw their ratings or downgrade the ratings assigned to such Notes below the required Investment Grade Ratings, then the Issuer and each of the Restricted Subsidiaries (except to the extent that any such Restricted Subsidiary is not subject to such covenant pursuant to the terms thereof) shall thereafter again be subject to the Suspended Covenants for the benefit of such Notes and compliance with the Suspended Covenants with respect to Restricted Payments made after the time of such withdrawal or downgrade will be calculated in accordance with the terms of Section 4.09 as if such section had been in effect during the entire period of time from the date of this Indenture.

Section 4.26. Payment of Additional Amounts.

All payments made by the Issuer under or with respect to the Notes or any Guarantor with respect to its Guarantee will be made free and clear of and without withholding or deduction for or on account of any present or future Taxes, unless required under the laws of any Taxing Jurisdiction or by the interpretation or administration thereof. If the Issuer or any Guarantor is required to withhold or deduct any amount for or on account of Taxes from any payment made under or with respect to the Notes or a Guarantee, the Issuer or such Guarantor shall pay such additional amounts ("Additional Amounts") as may be necessary so that the net amount received by each Holder (including Additional Amounts) after such withholding or deduction (including any deduction or withholding in respect of Additional Amounts) will not be less than the amount the Holder would have received if such Taxes had not been withheld or deducted; *provided* that no Additional Amounts will be payable with respect to a payment made to a Holder (to the extent any of the following exceptions apply, an "Excluded Holder") (i) with which the Issuer or such Guarantor does not deal at arm's length (within the meaning of the *Income Tax Act* (Canada)) at the time of making such payment, (ii) that is subject to the Taxes at issue by reason of its being connected with the relevant Taxing Jurisdiction otherwise than by the mere acquisition, holding or disposition of such Notes or the receipt of payments thereunder or the enforcement of its rights thereunder, (iii) that presents any Note for payment of principal more than 60 days after the later of (x) the date on which payment first became due and (y) if the full amount payable has not been received by the Trustee on or prior to such due date, the date on which, the full amount payable having been so received, notice to that effect shall have been given to the Holders by the Trustee, except to the extent that such Holder would have been entitled to such Additional Amounts on presenting such Note for payment on the last day of the applicable 60-day period, (iv) that failed duly and timely to comply with a timely request of the Issuer to provide information, documents or other evidence concerning such Holder's nationality, residence, entitlement to treaty benefits, identity or connection with the relevant Taxing Jurisdiction, if and to the extent that due and timely compliance with such request would have reduced or eliminated any Taxes as to which Additional Amounts would have otherwise been payable to such Holder but for this clause (iv), (v) on account of any estate, inheritance, gift, sales, transfer or any Tax similar to any of the foregoing Taxes, other than Documentary Taxes (as defined below), (vi) that is a fiduciary, a partnership or not the beneficial owner of any payment on a Note, if and to the extent that it is legally entitled to do so and that any beneficiary or settlor of such fiduciary, any partner in such partnership or the beneficial owner of such payment (as the case may be) would not have been entitled to receive Additional Amounts with respect to such payment if such beneficiary, settlor, partner or beneficial owner had been the holder of such Note, or (vii) any combination of the foregoing numbered clauses of this proviso. The Issuer and

the Guarantors will also (i) make such withholding or deduction and (ii) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law. The Issuer and the Guarantors will furnish to the Trustee, within 30 days after the date of the payment of any Taxes due pursuant to applicable law, certified copies of tax receipts evidencing such payment by the Issuer or any such Guarantor in such form as is provided in the normal course by the Taxing Authority imposing such Taxes and as is reasonably available to the Issuer or any such Guarantor, as the case may be. The Trustee shall make such evidence available upon the written request of any Holder that are outstanding on the date of any such withholding or deduction.

The Issuer and the Guarantors shall indemnify and hold harmless each Holder (other than an Excluded Holder) and the Trustee and, upon written request of any Holder (other than an Excluded Holder) or the Trustee, reimburse such Holder or the Trustee, as the case may be, for the amount of (i) any such Taxes levied or imposed on and paid by such Holder or the Trustee, as the case may be, as a result of payments made under or with respect to the Notes held by such Holder (including payments under this clause (i)); and (ii) any Taxes so levied or imposed with respect to any reimbursement under the foregoing clause (i), so that the net amount received by such Holder or the Trustee, as the case may be, after such reimbursement will not be less than the net amount such Holder or the Trustee, as the case may be, would have received if Taxes on such reimbursement had not been imposed.

At least 30 days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Issuer or any Guarantor shall be obligated to pay Additional Amounts with respect to such payment, the Issuer or such Guarantor shall deliver to the Trustee an Officers' Certificate stating the fact that such Additional Amounts will be payable and specifying the amounts so payable and will set forth such other information necessary to enable the Trustee to pay such Additional Amounts to Holders on the payment date. Whenever in this Indenture there is mentioned, in any context, principal, premium, if any, interest or any other amount payable under or with respect to any Note, such mention shall be deemed to include the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Issuer or a Guarantor shall pay any present or future stamp, court, documentary or other similar Taxes, charges or levies that arise in any Taxing Jurisdiction from the execution, delivery or registration of, or enforcement of rights under, this Indenture or any related documents, other than any such Taxes, charges or levies (i) that are imposed by reason of the holder being connected with such Taxing Jurisdiction otherwise than by the mere acquisition, holding or disposition of the Notes or the receipt of payments thereunder or the enforcement of its rights thereunder, or (ii) that are imposed with respect to a transfer of Notes by a holder ("Documentary Taxes").

The obligation to pay Additional Amounts and Documentary Taxes under the terms and conditions described above will survive any termination, defeasance or discharge of this Indenture.

ARTICLE V

SUCCESSOR CORPORATION

Section 5.01. Limitation on Consolidation, Merger and Sale of Assets.

The Issuer shall not (a) consolidate with, amalgamate with, or merge with or into another Person, or (b) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the as-

sets of the Issuer or its Restricted Subsidiaries taken as a whole (as an entirety or substantially as an entirety in one transaction or a series of related transactions) to any Person unless:

(1) either the Issuer is the continuing Person, or the Person (if other than the Issuer) formed by such consolidation or amalgamation or into which the Issuer is merged or to which the assets of the Issuer are sold, assigned, transferred, leased, conveyed or otherwise disposed of is a corporation organized and existing under the laws of the United States or any state thereof or the District of Columbia or the laws of Canada or any province or territory thereof and expressly assumes, by a supplemental indenture, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, all of the obligations of the Issuer under this Indenture, and the Notes and the obligations thereunder remain in full force and effect;

(2) immediately before and immediately after giving effect to such transaction, no Default or Event of Default will have occurred and be continuing; and

(3) immediately after giving effect to such transaction on a *pro forma* basis the Issuer or such Person will be able to incur at least \$1.00 of additional Indebtedness (other than Permitted Indebtedness) under Section 4.06, *provided* that a Person other than the Issuer may merge into another Person that is not the Issuer without complying with this clause (3) if the Issuer's Consolidated Leverage Ratio immediately after giving effect to such transaction on a *pro forma* basis will be lower than its Consolidated Leverage Ratio immediately before giving effect to such transaction.

In connection with any consolidation, amalgamation, merger or transfer of assets contemplated by this provision, the Issuer shall deliver, or cause to be delivered, to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, amalgamation, merger or transfer of assets and the supplemental indenture in respect thereto comply with this provision (but for the Trustee being reasonably satisfied with the documentation to be entered into or delivered to the Trustee, as the case may be, as stated above) and that all conditions precedent herein provided for relating to such transaction or transactions have been complied with.

For purposes of the foregoing, the transfer (by lease, assignment, sale or otherwise, in a single transaction or series of transactions) of all or substantially all of the properties or assets of one or more Restricted Subsidiaries of the Issuer, the Capital Stock of which constitutes all or substantially all of the properties and assets of the Issuer, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Issuer.

This Section 5.01 shall not apply to:

(1) a consolidation or merger of the Issuer with an Affiliate of the Issuer solely for the purpose of incorporating the Issuer in another jurisdiction;

(2) any merger or consolidation of any Restricted Subsidiary of the Issuer with or into the Issuer or any Restricted Subsidiary of the Issuer; and

(3) any sale, assignment, transfer, conveyance, lease or other disposition of assets between or among the Issuer or any of its Restricted Subsidiaries.

Section 5.02. Successor Person Substituted.

Upon any consolidation, amalgamation or merger, or any transfer of all or substantially all of the assets of the Issuer in accordance with Section 5.01 above, the successor corporation formed by such consolidation or amalgamation or into which the Issuer is amalgamated or merged or to which such transfer is made shall succeed to, and be substituted for, and may exercise every right and power of, such Issuer under this Indenture with the same effect as if such successor corporation had been named as such Issuer herein, and thereafter the predecessor corporation shall be relieved of all obligations and covenants under this Indenture and the Notes.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.01. Events of Default.

An "Event of Default" occurs if there is a:

- (1) default in payment of any principal of, or premium, if any, on the Notes whether at maturity, upon redemption, required repurchase or otherwise (whether or not such payment is prohibited by Article X);
- (2) default for 30 days in payment when due of any interest on the Notes (whether or not such payment is prohibited by Article X);
- (3) default by the Issuer or any Restricted Subsidiary in the observance or performance of any other covenant in the Notes or this Indenture for 60 days after written notice from the Trustee as directed in writing by the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding (except in the case of a default with respect to Section 4.21 or Section 5.01 that shall constitute an Event of Default with such notice requirement but without such passage of time requirement);
- (4) failure to pay when due principal, interest or premium in an aggregate amount of \$25.0 million or more with respect to any Indebtedness of the Issuer or any Restricted Subsidiary thereof, or the acceleration of any such Indebtedness aggregating \$25.0 million or more which default shall not be cured, waived or postponed pursuant to an agreement with the Holders of such Indebtedness within 60 days after written notice as provided in this Indenture, or such acceleration shall not be rescinded or annulled within 30 days after written notice as provided in this Indenture;
- (5) any final judgment or judgments that can no longer be appealed for the payment of money in excess of \$20.0 million, net of any amounts covered by insurance, shall be rendered against the Issuer or any Restricted Subsidiary thereof, and shall not be waived, satisfied or discharged for any period of 60 consecutive days during which a stay of enforcement shall not be in effect;
- (6) any of the Guarantees ceases to be in full force and effect or any of the Guarantees is declared to be null and void and unenforceable or any of the Guarantees is found to be in-

valid or any of the Guarantors denies its liability under its Guarantee (other than, in any such case, by reason of release of a Guarantor in accordance with the terms of this Indenture);

(7) the Issuer or any Significant Subsidiary of the Issuer pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary insolvency proceeding,

(B) consents to the entry of an order for relief against it in an involuntary insolvency proceeding or consents to its dissolution or wind-up,

(C) consents to the appointment of a Custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due, or takes any comparable action under any foreign laws relating to insolvency; *provided, however*, that the liquidation of any Restricted Subsidiary into another Restricted Subsidiary, other than as part of a reorganization pursuant to any Bankruptcy Law, shall not constitute an Event of Default under this Section 6.01(7); or

(8) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Issuer or any Significant Subsidiary in an involuntary insolvency proceeding,

(B) appoints a Custodian of the Issuer or any Significant Subsidiary or for all or substantially all of the property of the Issuer or any Restricted Subsidiary, or

(C) orders the liquidation of the Issuer or any Significant Subsidiary,

and the order or decree remains unstayed and in effect for 60 days.

The term "Custodian" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

The Trustee may withhold notice to the Holders of the Notes of any Default (except in payment of principal or premium, if any, or interest on the Notes) if the Trustee considers it to be in the best interest of the Holders of the Notes to do so.

Section 6.02. Acceleration.

If an Event of Default (other than an Event of Default of the type described in Section 6.01(7) and (8)) shall have occurred and be continuing, then the Trustee may or the Holders as directed in writing by not less than 25% in aggregate principal amount of the Notes then outstanding may declare to be immediately due and payable the entire principal amount of all the Notes then outstanding plus accrued interest to the date of acceleration and the same (1) shall become immediately due and payable, or (2) if there are any amounts outstanding under the Senior Secured Credit Facilities, will become immediately due and payable upon the first to occur of an acceleration under the Senior Secured Credit Facilities or

five Business Days after receipt by the Issuer and the representative under the Senior Secured Credit Facilities of a notice of acceleration; *provided, however*, that after any such acceleration but before a judgment or decree based upon such acceleration is obtained by the Trustee, the Holders of a majority in aggregate principal amount of outstanding Notes may, in writing, under certain circumstances, rescind and annul such acceleration if (1) all Events of Default, other than nonpayment of principal, premium, if any, or interest that has become due solely because of the acceleration, have been cured or waived as provided in this Indenture, (2) to the extent the payment of such interest is lawful, interest on overdue installments of interest and overdue principal, which has become due otherwise than by reason of such declaration of acceleration, has been paid, (3) the Issuer has paid the Trustee its reasonable compensation due and payable and reimbursed the Trustee for its expenses (including legal fees and expenses), disbursements and advances incurred prior to the date of such rescission and annulment and (4) in the event of the cure or waiver of an Event of Default of the type described in clause (7) or (8) of Section 6.01 of the above Events of Default, the Trustee shall have received an Officers' Certificate and an Opinion of Counsel that such Event of Default has been cured or waived. No such rescission shall affect any subsequent Default or impair any right consequent thereto. In case an Event of Default of the type described in clause (7) or (8) of Section 6.01 shall occur, the principal, premium, if any, and interest with respect to all of the Notes shall be due and payable immediately without any declaration or other act on the part of the Trustee or the Holders of the Notes.

Notwithstanding the foregoing, the sole remedy for any breach of the Issuer's obligations under this Indenture to furnish the reports or other financial information set forth under Section 4.02 shall be the payment of additional interest, and the Holders will not have any right under this Indenture to accelerate the maturity of the Notes as a result of any such breach except as described below. If any such breach continues for 90 days after notice thereof is given in accordance with this Indenture, the Issuer will pay liquidated damages to all Holders of the Notes at a rate per annum equal to (i) 0.50% per annum of the principal amount of the Notes from the 90th day following such notice to but not including the 180th day following such notice (or such earlier date on which the Event of Default relating to such reporting obligations shall have been cured or waived) and (ii) 0.75% per annum of the principal amount of the Notes from the 180th day following such notice to but not including the 365th day following such notice (or such earlier date on which the Event of Default relating to such reporting obligations shall have been cured or waived). On such 365th day (or earlier, if the Event of Default relating to such reporting obligations shall have been cured or waived prior to such 365th day), such additional interest will cease to accrue, and the notes will be subject to acceleration as provided above if the Event of Default relating to such reporting obligations is continuing. The provisions of this Indenture described in this paragraph will not affect the rights of the Holders in the event of the occurrence of any Event of Default not relating to the breach of such reporting obligations.

Section 6.03. Other Remedies.

Subject to the last paragraph of Section 6.02, if an Event of Default occurs and is continuing, the Trustee may pursue any available remedy by proceeding at law or in equity to collect the payment of principal of, or premium, if any, and interest on the Notes or to enforce the performance of any provision of the Notes or this Indenture and may take any necessary action requested of it as Trustee to settle, compromise, adjust or otherwise conclude any proceedings to which it is a party.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Noteholder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative.

Section 6.04. Waiver of Past Defaults and Events of Default.

Subject to Sections 6.02, 6.07 and 8.02 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding have the right to waive any existing Default or Event of Default or compliance with any provision of this Indenture or the Notes, except a continuing Default or Event of Default in the payment of interest on, or the principal of, the Notes. Upon any such written waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereto.

Section 6.05. Control by Majority.

The Holders of a majority in aggregate principal amount of the Notes then outstanding may, in writing, direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee by this Indenture, *provided* they have offered to the Trustee indemnity reasonably satisfactory to it. The Trustee, however, may refuse to follow any direction that conflicts with law or this Indenture or that the Trustee determines may be unduly prejudicial to the rights of another Noteholder not taking part in such direction, and the Trustee shall have the right to decline to follow any such direction if the Trustee reasonably determines that the action so directed may not lawfully be taken or if the Trustee in good faith shall, by a Responsible Officer, determine that the proceedings so directed may involve its personal liability; *provided* that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction.

Section 6.06. Limitation on Suits

Subject to Section 6.07 below, a Noteholder may not institute any proceeding or pursue any remedy with respect to this Indenture or the Notes unless:

- (1) the Holder gives to the Trustee written notice of a continuing Event of Default;
- (2) the Holders of at least 25% in aggregate principal amount of the Notes then outstanding make a written request to the Trustee to pursue the remedy;
- (3) such Holder or Holders offer and if requested provide to the Trustee indemnity reasonably satisfactory to the Trustee against any loss, liability or expense;
- (4) the Trustee does not comply with the written request within 60 days after receipt of the request and the offer, and, if requested provision, of indemnity; and
- (5) no written direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in aggregate principal amount of the Notes then outstanding.

A Noteholder may not use this Indenture to prejudice the rights of another Noteholder or to obtain a preference or priority over another Noteholder.

Section 6.07. Rights of Holders To Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal of, or premium, if any, and interest of the Note (including Additional Interest) on or after the respective due dates expressed in the Note, or to bring suit for the enforcement of any such pay-

ment on or after such respective dates, is absolute and unconditional and shall not be impaired or affected without the consent of the Holder.

Section 6.08. Collection Suit by Trustee.

If an Event of Default in payment of principal, premium or interest specified in Section 6.01(1) or (2) hereof occurs and is continuing, the Trustee may recover judgment in its own name and as Trustee of an express trust against the Issuer (or any other obligor on the Notes) for the whole amount of unpaid principal and accrued interest remaining unpaid, together with interest on overdue principal and, to the extent that payment of such interest is lawful, interest on overdue installments of interest, in each case at the rate set forth in the Notes, and such further amounts as shall be sufficient to cover the costs and expenses of collection, including the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09. Trustee May File Proofs of Claim.

The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Noteholders allowed in any judicial proceedings relative to the Issuer (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same after deduction of its charges and expenses to the extent that any such charges and expenses are not paid out of the estate in any such proceedings and any custodian in any such judicial proceeding is hereby authorized by each Noteholder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Noteholders, to pay to the Trustee any amount due to them for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Noteholder any plan or reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Noteholder in any such proceedings.

Section 6.10. Priorities.

If the Trustee collects any money pursuant to this Article VI, it shall pay out the money in the following order:

FIRST: to the Trustee for amounts due under Section 7.07 hereof;

SECOND: to the Noteholders for amounts due and unpaid on the Notes for principal, premium, if any, and interest as to each, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes; and

THIRD: to the Issuer or, to the extent the Trustee collects any amount from any Guarantor, to such Guarantor.

The Trustee may fix a record date and payment date for any payment to Noteholders pursuant to this Section 6.10.

Section 6.11. Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 hereof or a suit by Holders of more than 10% in principal amount of the Notes then outstanding.

Section 6.12. Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every case, subject to any determination in such proceeding, the Issuer, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

ARTICLE VII

TRUSTEE

Section 7.01. Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in them by this Indenture and use the same degree of care and skill in its exercise as a prudent man would exercise or use under the same circumstances in the conduct of his own affairs.

(b) Except during the continuance of an Event of Default:

(1) The Trustee need perform only those duties that are specifically set forth in this Indenture and no others.

(2) In the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture but, in the case of any such certificates or opinions that by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that:

(1) This paragraph does not limit the effect of paragraph (b) of this Section 7.01.

(2) The Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is conclusively determined by a court of competent jurisdiction that the Trustee was grossly negligent in ascertaining the pertinent facts.

(3) The Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Sections 6.02, 6.05 or 6.06 hereof.

(4) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial or other liability in the performance of any of its, powers or duties if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity reasonably satisfactory to it against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, paragraphs (a), (b), (c) and (e) of this Section 7.01 shall govern every provision of this Indenture that in any way relates to the Trustee.

(e) The Trustee may refuse to perform any duty or exercise any right or power unless it receives indemnity reasonably satisfactory to it in its sole discretion against any loss, liability, expense or fee.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may expressly agree in writing with the issuer. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by the law.

Section 7.02. Rights of Trustee

Subject to Section 7.01 hereof.

(1) The Trustee may rely conclusively on any document reasonably believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document and may fully rely as to the correctness thereof.

(2) Any request or direction of the Issuer mentioned herein shall be sufficiently evidenced by an Issuer Request and any resolution of the Board of Directors shall be sufficiently evidenced by a Board Resolution.

(3) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel, or both, which shall conform to the provisions of Section 12.05 hereof. The Trustee shall be fully protected and shall not be liable for any action it takes or omits to take in good faith in reliance on such certificate or opinion.

(4) The Trustee may act through attorneys, agents, custodians or nominees and shall not be responsible for the misconduct or negligence of any attorney, agent, custodian or nominee appointed by it with due care.

(5) The Trustee shall not be liable for any action it takes or omits to take in good faith which it reasonably believes to be authorized or within its rights or powers; *provided* that the Trustee's conduct does not constitute gross negligence, willful misconduct or bad faith.

(6) The Trustee may consult with counsel of its selection, and the advice or opinion of such counsel as to matters of law in respect to this Indenture or the Notes shall be full and complete authorization and protection from liability in respect of any action taken, omitted or suffered by them hereunder in good faith and in accordance with the advice or opinion of such counsel.

(7) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may request and, in the absence of bad faith on its part, rely conclusively upon an Officers' Certificate or Opinion of Counsel.

(8) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, coupon or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as they may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer, personally or by agent or attorney.

Section 7.03. Individual Rights of Trustee.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may make loans to, accept deposits from, perform services for or otherwise deal with the Issuer or any Guarantor, or any Affiliates thereof, with the same rights it would have if it was not Trustee. Any Agent may do the same with like rights. The Trustee, however, shall be subject to Sections 7.10 and 7.11 hereof.

Section 7.04. Trustee Disclaimer.

The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes or any Guarantee, it shall not be accountable for the Issuer's or any Guarantor's use of the proceeds from the sale of Notes or any money paid to the Issuer or any Guarantor pursuant to the terms of this Indenture and it shall not be responsible for any recital in the Notes, any Guarantee or this Indenture other than the Trustee's certificate of authentication.

Section 7.05. Notice of Defaults.

Each of the U.S. Trustee and the Canadian Trustee shall promptly give the other notice of any Default or Event of Default known to it. If a Default or Event of Default occurs and is continuing and if it is actually known to a Responsible Officer of the Trustee, the Trustee shall mail to each Noteholder notice of the Default or Event of Default within 30 days after a Responsible Officer of the Trustee receives notice of such occurrence. Except in the case of a Default or Event of Default in payment of the principal of, or premium, if any, or interest on any Note or a Default or Event of Default in the observance or performance of any of the obligations of the Issuer under Article IV, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determine(s) that withholding the notice is in the best interest of the Noteholders.

Section 7.06. Reports by Trustee to Holders.

If required by TIA § 313(a) in respect of a TIA qualified indenture, within 60 days after September 15 of any year, commencing September 15, 2007, the Trustee shall mail to each Noteholder a brief report dated as of such September 15 that complies with TIA § 313(a). The Trustee also shall comply with TIA § 313(b)(2). The Trustee shall also transmit by mail all reports as required by TIA § 313(c) and TIA § 313(d).

Reports pursuant to this Section 7.06 shall be transmitted by mail:

- (1) to all Holders, as the names and addresses of such Holders appear on the Registrar's books; and
- (2) to such Holders as have, within the two years preceding such transmission, filed their names and addresses with the Trustee for that purpose.

A copy of each report at the time of its mailing to Noteholders shall be filed with the Commission and each stock exchange on which the Notes are listed. The Issuer shall promptly notify the Trustee in writing when the Notes are listed on any stock exchange.

Section 7.07. Compensation and Indemnity.

The Issuer and any Guarantor shall pay to the Trustee and Agents from time to time such compensation for their services hereunder as may be agreed from time to time by the parties (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust). The Issuer and any Guarantor shall reimburse the Trustee and Agents upon request for all disbursements, expenses and advances incurred or made by them in connection with their duties under this Indenture, including the compensation, disbursements and expenses of the Trustee's agents and counsel.

The Issuer and any Guarantor shall indemnify and protect the Trustee, any predecessor Trustee, each Agent and each of their officers, directors, employees, agents, and attorneys for, and hold each of them harmless against, any and all loss, damage, claim, liability or expense, including, without limitation, taxes (other than taxes based on the income of the Trustee or such Agent) and attorneys' fees and expenses incurred by each of them in connection with the acceptance or performance of their duties under this Indenture, including the costs and expenses of defending themselves against any claim or liability directly or indirectly in connection with the exercise or performance of any of their powers or duties hereunder (including, without limitation, settlement costs). The Trustee or Agent, as the case may be, shall notify the Issuer and any Guarantor in writing promptly of any claim asserted against the Trustee or Agent for which they may seek indemnity; however, the failure by the Trustee or Agent to so notify the Issuer and any Guarantors shall not relieve the Issuer and any Guarantor of their obligations hereunder, unless and to the extent the Issuer did not otherwise learn of such action and such failure results in the forfeiture by the Issuer or any Guarantor of substantial rights and defenses.

Notwithstanding the foregoing, the Issuer and any Guarantor need not reimburse the Trustee or any Agent for any expense or indemnify them against any loss or liability incurred by the Trustee or such Agent, as the case may be, resulting from their own gross negligence, willful misconduct or bad faith. To secure the payment obligations of the Issuer and any Guarantor in this Section 7.07, the Trustee shall have a Lien prior to the Notes on all money or property held or collected by the Trustee except such money or property held in trust to pay principal of and interest on particular Notes. The obligations of the Issuer and any Guarantor under this Section 7.07 to compensate and indemnify the Trustee

and each predecessor Trustee and to pay or reimburse the Trustee and each predecessor Trustee for expenses, disbursements and advances shall be joint and several liabilities of the Issuer and any Guarantor and shall survive the resignation or removal of the Trustee and the satisfaction, discharge or other termination of this Indenture, including any termination or rejection hereof under any Bankruptcy Law.

When the Trustee incurs expenses or render services after an Event of Default specified in Section 6.01(7) or (8) hereof occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any Bankruptcy Law.

For purposes of this Section 7.07, the term "Trustee" shall include any trustee appointed pursuant to Article IX.

Section 7.08. Replacement of Trustee.

The resignation or removal of a Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

Either the U.S. Trustee or the Canadian Trustee may resign at any time by notifying the Issuer and any Guarantor in writing. The Holders of a majority in aggregate principal amount of the outstanding Notes may remove either Trustee by notifying the Issuer and the removed Trustee in writing and may appoint a successor Trustee with the Issuer's written consent, which consent shall not be unreasonably withheld. The Issuer may remove either Trustee at its election if:

- (1) such Trustee fails to comply with Section 7.10 hereof;
- (2) such Trustee is adjudged a bankrupt or an insolvent;
- (3) such receiver or other public officer takes charge of a Trustee or its property; or
- (4) such Trustee otherwise becomes incapable of performing its duties hereunder.

If a Canadian Trustee under this Indenture is no longer required under the Trust Indenture Legislation and the Issuer has received an opinion of legal counsel to such effect, then the Issuer, by a resolution of the General Partner, may remove the Canadian Trustee.

If such Trustee resigns or is removed or if a vacancy exists in the office of U.S. Trustee or Canadian Trustee for any reason, the Issuer shall notify the Holders of such event and shall promptly appoint a successor Trustee; *provided, however*, that the Issuer shall not be required to appoint a successor Trustee to the Canadian Trustee if the Canadian Trustee resigns or is removed and a Canadian Trustee under this Indenture is no longer required under Trust Indenture Legislation and the Issuer has received an opinion of legal counsel to such effect. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the Notes then outstanding may appoint a successor Trustee to replace the successor Trustee appointed by the Issuer.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuer or the Holders of a majority in aggregate principal amount of the outstanding Notes may, at the Issuer's expense, petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7.10 hereof, any Noteholder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Issuer. Immediately following such delivery, the retiring Trustee shall, at the Issuer's expense, subject to its rights under Section 7.07 hereof, transfer all property held by it as Trustee to the successor Trustee, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. A successor Trustee shall mail notice of its succession to each Noteholder. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Issuer's and any Guarantor's obligations under Section 7.07 hereof shall continue for the benefit of the retiring Trustee.

Section 7.09. Successor Trustee by Consolidation, Merger, Etc.

If a Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust assets to, another corporation, subject to Section 7.10 hereof, the successor corporation without any further act shall be the successor Trustee; *provided* such entity shall be otherwise qualified and eligible under this Article VII.

In case at the time such successor or successors by merger, conversion or consolidation to the Trustee shall succeed to the trusts created by this Indenture any of the Notes shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor Trustee, and deliver such Notes so authenticated; and in case at that time any of the Notes shall not have been authenticated, any successor to the Trustee may authenticate such Notes in the name of any predecessor hereunder or in the name of the successor to the Trustee; and in all such cases such certificates shall have the full force that it is anywhere in the Notes or in this Indenture provided that the certificate of the Trustee shall have.

Section 7.10. Eligibility; Disqualification.

This Indenture shall always have a U.S. Trustee who satisfies the requirements of TIA § 310(a)(1) and (2) in every respect. Any successor U.S. Trustee shall have a combined capital and surplus of at least U.S.\$50,000,000 as set forth in the most recent applicable published annual report of condition. The U.S. Trustee shall comply with TIA § 310(b), including the provision in § 310(b)(1).

For so long as required by Trust Indenture Legislation, there shall be a Canadian Trustee under this Indenture. The Canadian Trustee shall at all times be a corporation organized under the laws of Canada or any province thereof and authorized to carry on the business of a trust company. If at any time the Canadian Trustee shall cease to be eligible in accordance with the foregoing sentence, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 7.11. Preferential Collection of Claims Against the Issuer.

The Trustee shall comply with TIA § 311(a), excluding any creditor relationship listed in TIA § 311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated therein.

Section 7.12. Paying Agents.

The Issuer shall cause each Paying Agent other than the Trustee to execute and deliver to it and the Trustee an instrument in which such Agent shall agree with the Issuer and the Trustee, subject to the provisions of this Section 7.12:

(A) that it will hold all sums held by it as agent for the payment of principal of, or premium, if any, or interest on, the Notes (whether such sums have been paid to it by the Issuer or by any obligor on the Notes) in trust for the benefit of Holders or the Trustee;

(B) that it will at any time during the continuance of any Event of Default, upon written request from the Trustee, deliver to the Trustee all sums so held in trust by it together with a full accounting thereof; and

(C) that it will give the Trustee written notice within three (3) Business Days of any failure of the Issuer (or by any obligor on the Notes) in the payment of any installment of the principal of, premium, if any, or interest on, the Notes when the same shall be due and payable.

Section 7.13. [Reserved].

Section 7.14. Disclosure of Names and Addresses of Holders.

(a) Upon written application to the Trustee in accordance with Trust Indenture Legislation, Holders may communicate pursuant to Trust Indenture Legislation with other Holders with respect to their rights under this Indenture or the Notes.

(b) In addition, a Holder may, upon payment to the Trustee of a reasonable fee and subject to compliance with any applicable requirement of Trust Indenture Legislation, require the Trustee to furnish within 10 days after receiving the affidavit or statutory declaration of such Holder referred to below, a list setting out (i) the name and address of every Holder, (ii) the aggregate principal amount of Notes owned by each Holder and (iii) the aggregate principal amount of outstanding Notes, each as shown on the records of the Trustee on the day that the affidavit or statutory declaration is delivered to the Trustee. The affidavit or statutory declaration, as the case may be, shall contain (x) the name, address and occupation of the Holder, (y) where the Holder is a corporation, its name and address for service and (z) a statement that the list will not be used except in connection with an effort to influence the voting of the Holders, an offer to acquire Notes, or any other matter relating to the Notes or the affairs of the Issuer. Where the Holder is a corporation, the affidavit or statutory declaration shall be made by a director or officer of the Holder.

(c) Every Holder, by receiving and holding the same, agrees with the Issuer and the Trustee that neither the Issuer nor the Trustee shall be held accountable by reason of the disclosure of such list of the names and addresses of the Holders, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Trust Indenture Legislation.

Section 7.15. Joint Trustees.

The rights, powers, duties and obligations conferred and imposed upon the Trustees are conferred and imposed upon and shall be exercised and performed by the U.S. Trustee and the Canadian Trustee either jointly or severally, except to the extent otherwise provided herein or otherwise required by Trust Indenture Legislation and except to the extent that under Trust Indenture Legislation either Trustee

shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed by a trustee which is not so incompetent or unqualified to the extent it can do so under applicable law, and except that neither Trustee shall be liable or responsible for the acts or omissions of the other Trustee. If the Trustees are unable to agree jointly to act or refrain from acting with respect to any right, power, duty or obligation conferred jointly upon the Trustees hereunder, the decision of the U.S. Trustee to act or refrain from acting shall be binding upon the Canadian Trustee.

Section 7.16. Appointment of Co-Trustee or Successor Trustee.

It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including the laws of Canada and its provinces, as applicable to this Indenture) denying or restricting the right of banking corporations or associations to transact business as the Trustee in such jurisdiction. It is recognized that, in particular, in order to comply with any provision of the Trust Indenture Legislation or in case of litigation under this Indenture, the Notes, and in particular in case of the enforcement of this Indenture, upon a Default or Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or take any other action that may be desirable or necessary in connection therewith, it may be necessary, appropriate or expeditious that the Trustee appoint, and the Trustee is hereby empowered to so appoint, an additional individual or institution as a separate trustee or co-trustee (the "Co-Trustee"). The Trustee shall promptly notify the Issuer of any such appointment in writing, and any such Co-Trustee shall be entitled to payment and reimbursement pursuant to Section 7.07.

In the event that the Trustee appoints an additional individual or institution as Co-Trustee, each and every remedy, power, right, claim, demand, cause of action and immunity expressed or intended by this Indenture, or by the Notes to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such Co-Trustee, but only to the extent necessary to enable such Co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such Co-Trustee shall run to and be enforceable by either of them; *provided, however*, that for all the purposes of this Indenture, a written notice to the Trustee by the Issuer shall be deemed, except as otherwise specifically provided for herein, to constitute a valid notice to any Co-Trustee. It is therefore recognized that it will be the responsibility of the Trustee upon appointment by it of any Co-Trustee to ensure that such co-trustee will receive, as and when needed for the performance of its obligations and rights hereunder, any documents, certificates or notices received by the Trustee from the Issuer pursuant to this Indenture. Should any instrument in writing from the Issuer be required by the Co-Trustee for more fully and certainly vesting in and confirming to him, her or it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. In the event that any Co-Trustee or a successor thereto shall die, become incapable of acting, resign or be removed, all the rights, powers, trusts, duties and obligations of such co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Co-Trustee.

ARTICLE VIII

AMENDMENTS, SUPPLEMENTS AND WAIVERS

Section 8.01. Without Consent of Holders.

The Issuer and any Guarantor, when authorized by a Board Resolution of each of them, and the Trustee may amend, waive or supplement this Indenture or the Notes without notice to or consent of any Noteholder:

- (1) to comply with Section 5.01 hereof;
- (2) to provide for uncertificated Notes in addition to or in place of certificated Notes;
- (3) to comply with any requirements of the Commission under the TIA;
- (4) to cure any ambiguity, defect or inconsistency;
- (5) in reliance on an Opinion of Counsel, to make any other change that does not materially and adversely affect the rights of any Noteholders hereunder;
- (6) to add a Guarantor;
- (7) [Reserved];
- (8) to appoint any co-trustee in accordance with Section 7.16 hereof.

The Trustee is hereby authorized to join with the Issuer in the execution of any supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee shall not be obligated to enter into any such supplemental indenture that adversely affects its own rights, duties or immunities under this Indenture.

Section 8.02. With Consent of Holders.

The Issuer and any Guarantor (each when authorized by a Board Resolution) and the Trustee may modify or supplement this Indenture and the Notes with the written consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Notes. The Holders of not less than a majority in aggregate principal amount of the outstanding Notes may waive compliance in writing in a particular instance by the Issuer with any provision of this Indenture or the Notes. Subject to Section 8.04, without the written consent of each Noteholder affected, however, an amendment, supplement or waiver, including a waiver pursuant to Section 6.04, may not:

- (1) reduce the amount of Notes whose Holders must consent to an amendment, supplement or waiver to this Indenture;
- (2) reduce the rate of or change the time for payment of interest, including defaulted interest, on any Note;

(3) reduce the principal of or premium on or change the stated maturity of any Note or change the date on which any Notes may be subject to redemption or repurchase or reduce the redemption or repurchase price thereof;

(4) make any Note payable in money other than that stated in the Note;

(5) waive a default on the payment of the principal of, interest on, or redemption payment with respect to any Note;

(6) make any change in any provisions of this Indenture protecting the right of each Holder to receive payment of the principal of and interest on such Note on or after the due date thereof or to bring suit to enforce such payment, or permitting Holders of a majority in principal amount of Notes to waive Defaults or Events of Default;

(7) modify or change any provision of this Indenture or the related definitions affecting the ranking of the Notes or the Guarantees in a manner that adversely affects the Holders; or

(8) release any Guarantor from any of its obligations under its Guarantee or this Indenture otherwise than in accordance with the terms of this Indenture.

After an amendment, supplement or waiver under this Section 8.02 or Section 8.01 hereof becomes effective, the Issuer shall mail to the Holders a notice briefly describing the amendment, supplement or waiver.

Upon the written request of the Issuer, accompanied by a Board Resolution authorizing the execution of any such supplemental indenture, and upon the receipt of the written consent of the Noteholders as aforesaid and upon receipt by the Trustee of the documents described in Section 8.06 hereof, the Trustee shall, at the Issuer's expense, join with the Issuer in the execution of such supplemental indenture unless such supplemental indenture adversely affects the Trustee's own rights, duties or immunities under this Indenture, in which case the Trustee may, but shall not be obligated to, enter into such supplemental indenture.

It shall not be necessary for the consent of the Holders under this Section 8.02 to approve the particular form of any proposed amendment, supplement or waiver, but it shall be sufficient if such consent approves the substance thereof.

Section 8.03. Compliance with the TIA.

Every amendment to or supplement of this Indenture or the Notes shall comply with the TIA as then in effect.

Section 8.04. Revocation and Effect of Consents.

Until an amendment, supplement, waiver or other action becomes effective, a consent to it by a Holder is a continuing consent conclusive and binding upon such Holder and every subsequent Holder of the same Note or portion thereof, and of any Note issued upon the transfer thereof or in exchange therefor or in place thereof, even if notation of the consent is not made on any such Note. Any such Holder or subsequent Holder, however, may revoke the consent as to his Note or portion of a Note, if the Trustee receives the written notice of revocation before the date the amendment, supplement, waiver or other action becomes effective.

The Issuer may, but shall not be obligated to, fix a record date for the purpose of determining the Holders entitled to consent to any amendment, supplement, or waiver. If a record date is fixed, then, notwithstanding the preceding paragraph, those Persons who were Holders at such record date (or their duly designated proxies), and only such Persons, shall be entitled to consent to such amendment, supplement, or waiver or to revoke any consent previously given, whether or not such Persons continue to be Holders after such record date. No such consent shall be valid or effective for more than 90 days after such record date unless the written consent of the requisite number of Holders has been obtained.

After an amendment, supplement, waiver or other action becomes effective, it shall bind every Noteholder, unless it makes a change described in any of clauses (1) through (8) of Section 8.02. In that case the amendment, supplement, waiver or other action shall bind each Noteholder who has consented to it and every subsequent Holder of a Note or portion of a Note that evidences the same Indebtedness as the consenting Holder's Note.

Section 8.05. Notation on or Exchange of Notes.

If an amendment, supplement, or waiver changes the terms of a Note, the Trustee (in accordance with the specific written direction of the Issuer) shall request the Holder of the Note (in accordance with the specific written direction of the Issuer) to deliver it to the Trustee. In such case, the Trustee shall place an appropriate notation (as determined in writing by the Issuer) on the Note about the changed terms and return it to the Holder. Alternatively, if the Issuer so determines, the Issuer in exchange for the Note shall issue, any Guarantor shall endorse, and the Trustee shall authenticate a new Note that reflects the changed terms. Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

Section 8.06. Trustee To Sign Amendments, etc.

The Trustee shall sign any amendment, supplement or waiver authorized pursuant to this Article VIII if the amendment, supplement or waiver does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If, in the reasonable judgment of the Trustee, it does, the Trustee may, but need not, sign it. In signing or refusing to sign any amendment, supplement or waiver the Trustee shall be entitled to receive and, subject to Section 7.01 hereof, shall be fully protected in relying conclusively upon an Officers' Certificate and an Opinion of Counsel stating, in addition to the matters required by Section 12.04, that such amendment, supplement or waiver is authorized or permitted by this Indenture and is a legal, valid and binding obligation of the Issuer and any Guarantor, enforceable against the Issuer and any Guarantor in accordance with its terms (subject to customary exceptions).

ARTICLE IX

DISCHARGE OF INDENTURE; DEFEASANCE

Section 9.01. Discharge of Indenture.

The Issuer may terminate its obligations under the Notes and this Indenture as well as the obligations of any Guarantors under their respective Guarantees, except those obligations referred to in the penultimate paragraph of this Section 9.01 if:

- (1) either (a) all the Notes authenticated and delivered (except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been de-

posited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust) have been delivered to the Trustee for cancellation; or (b) all Notes not delivered to the Trustee for cancellation have become due and payable and the Issuer has irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit together with irrevocable written instructions from the Issuer directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be;

(2) the Issuer has paid all other sums payable under this Indenture by the Issuer, including any amounts due to the Trustee; and

(3) the Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel stating that all conditions precedent under this Indenture relating to the satisfaction and discharge of this Indenture have been complied with.

Notwithstanding the first paragraph of this Section 9.01, the Issuer's obligations in Sections 2.06, 2.07, 2.08, 2.09, 4.22, 7.07, this paragraph of this Section 9.01, 9.05 and 9.06 shall survive until the Notes are no longer outstanding pursuant to the last paragraph of Section 2.09. After the Notes are no longer outstanding, the Issuer's obligations in Sections 7.07, 9.05 and 9.06 shall survive.

After such delivery or irrevocable deposit, the Trustee upon written request shall acknowledge in writing the discharge of the Issuer's and each Guarantor's obligations under the Notes, the Guarantees and this Indenture except for those surviving obligations specified above.

Section 9.02. Legal Defeasance.

The Issuer may at its option, by Board Resolution of the Issuer, be discharged from its obligations with respect to the Notes on the date the conditions set forth in Section 9.04 below are satisfied (hereinafter, "Legal Defeasance"). For this purpose, such Legal Defeasance means that the Issuer shall be deemed to have paid and discharged the entire Indebtedness represented by the Notes and to have satisfied all its other obligations under such Notes and this Indenture insofar as such Notes are concerned (and the Trustee, at the expense of the Issuer, shall, subject to Section 9.06 hereof, execute instruments in form and substance reasonably satisfactory to the Trustee and Issuer acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (A) the rights of Holders of outstanding Notes to receive solely from the trust funds described in Section 9.04 hereof and as more fully set forth in such Section, payments in respect of the principal of, premium, if any, and interest on such Notes when such payments are due, (B) the Issuer's obligations with respect to such Notes under Sections 2.03, 2.04, 2.05, 2.06, 2.07, 2.08, 2.09 and 4.22 hereof, (C) the rights, powers, trusts, duties, and immunities of the Trustee hereunder (including claims of, or payments to, the Trustee under or pursuant to Section 7.07 hereof) and (D) this Article IX. Subject to compliance with this Article IX, the Issuer may exercise its option under this Section 9.02 with respect to the Notes notwithstanding the prior exercise of its option under Section 9.03 below with respect to the Notes.

Section 9.03. Covenant Defeasance.

At the option of the Issuer, pursuant to a Board Resolution of the Issuer, the Issuer shall be released from its respective obligations under Sections 4.02 through 4.21 and Sections 4.23 through 4.24 hereof, inclusive, with respect to the outstanding Notes on and after the date the conditions set forth in Section 9.04 hereof are satisfied (hereinafter, "Covenant Defeasance"). For this purpose, such Covenant Defeasance means that the Issuer may omit to comply with and shall have no liability in respect of

any term, condition or limitation set forth in any such specified Section or portion thereof, whether directly or indirectly by reason of any reference elsewhere herein to any such specified Section or portion thereof or by reason of any reference in any such specified Section or portion thereof to any other provision herein or in any other document, but the remainder of this Indenture and the Notes shall be unaffected thereby.

Section 9.04. Conditions to Legal Defeasance or Covenant Defeasance.

The following shall be the conditions to application of Section 9.02 or Section 9.03 hereof to the outstanding Notes:

(1) the Issuer shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of Section 7.10 hereof who shall agree to comply with the provisions of this Article IX applicable to it) as funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of the Notes, money in U.S. dollars or Government Obligations that through the scheduled payment of principal and interest in respect thereof in accordance with their terms, will provide, not later than one day before the due date of any payment on the Notes, money in U.S. dollars, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally-recognized firm of independent public accountants reasonably satisfactory to the Trustee and expressed in a written certification thereof delivered to the Trustee, to pay and discharge the principal of, premium, if any, and accrued interest on the Notes at the maturity date of such principal, premium, if any, and interest, or on dates for payment and redemption of such principal, premium, if any, and interest selected in accordance with the terms of this Indenture and of the Notes; *provided* that the Trustee shall have been irrevocably instructed in writing to apply such money or the proceeds of such Government Obligations to the payment of such principal, premium, if any, and interest with respect to the Notes;

(2) no Event of Default or Default shall have occurred and be continuing on the date of such deposit or, insofar as Events of Default specified in Section 6.01(7) or (8) are concerned, at any time during the period ending on the 91st day after the date of such deposit;

(3) such Legal Defeasance or Covenant Defeasance shall not cause the Trustee to have a conflicting interest for purposes of the TIA with respect to any securities of the Issuer;

(4) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute default under this Indenture or any other material agreement or instrument to which the Issuer or any of its Subsidiaries are a party or by which the Issuer or any of its Subsidiaries are bound;

(5) the Issuer shall have delivered to the Trustee an Opinion of Counsel from U.S. Counsel stating that, as a result of such Legal Defeasance or Covenant Defeasance, neither the trust nor the Trustee will be required to register as an investment company under the Investment Company Act of 1940, as amended;

(6) in the case of an election under Section 9.02 above, the Issuer shall have delivered to the Trustee (a) an Opinion of Counsel from U.S. Counsel based upon either (x) a private ruling concerning the Notes or a published ruling of the Internal Revenue Service, or (y) a change in applicable U.S. federal income tax law since the date of this Indenture, in either case to the effect that the Holders or persons in their positions will not recognize income, gain or loss for federal income tax purposes solely as a result of such Legal Defeasance and will be subject to federal

income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred and (b) an Opinion of Counsel from Canadian counsel reasonably acceptable to the Trustee confirming that the Holders will not recognize income, gain or loss for Canadian federal, provincial or territorial income tax purposes as a result of such defeasance and will be subject to Canadian federal, provincial or territorial income tax (including withholding tax) on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred;

(7) in the case of an election under Section 9.03 hereof, the Issuer shall have delivered to the Trustee an Opinion of Counsel from U.S. Counsel to the effect that the Holders will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred and an Opinion of Counsel from Canadian counsel reasonably acceptable to the Trustee confirming that the Holders will not recognize income, gain or loss for Canadian federal, provincial or territorial income tax purposes as a result of such defeasance and will be subject to Canadian federal, provincial or territorial income tax (including withholding tax) on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred;

(8) the Issuer shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for relating to either the Legal Defeasance under Section 9.02 above or the Covenant Defeasance under Section 9.03 hereof (as the case may be) have been complied with;

(9) the Issuer shall have delivered to the Trustee an Officers' Certificate stating that the deposit under clause (1) was not made by the Issuer with the intent of preferring the Holders over any other creditors of the Issuer or with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer or others;

(10) the Issuer shall have delivered to the Trustee an Opinion of Counsel to the effect after the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally; and

(11) the Issuer shall have paid or duly provided for payment under terms mutually satisfactory to the Issuer and the Trustee all amounts then due to the Trustee pursuant to Section 7.07 hereof.

Notwithstanding the foregoing, the Opinions of Counsel required by clauses (5), (6) and (7) of this Section 9.04 need not be delivered if all Notes not theretofore delivered to the Trustee for cancellation (a) have become due and payable or (b) will become due and payable on the Maturity Date within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer.

Section 9.05. Deposited Money, Government Obligations to be Held
in Trust; Other Miscellaneous Provisions.

All money and Government Obligations, as the case may be (including the proceeds thereof), deposited with the Trustee pursuant to Section 9.04 hereof in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this

Indenture, to the payment, either directly or through any Paying Agent, to the Holders of such Notes, of all sums due and to become due thereon in respect of principal, premium, if any, and accrued interest. The Trustee shall be under no obligation to invest such money or Government Obligations except as it may agree in writing with the Issuer.

The Issuer and any Guarantors shall (on a joint and several basis) pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the money or Government Obligations, as the case may be, deposited pursuant to Section 9.04 hereof or the principal, premium, if any, and interest received in respect thereof other than any such tax, fee or other charge that by law is for the account of the Holders of the outstanding Notes.

Anything in this Article IX to the contrary notwithstanding, the Trustee shall deliver or pay to the Issuer from time to time upon an Issuer Request any money or Government Obligations, as the case may be, held by it as provided in Section 9.04 hereof which, in the opinion of a nationally-recognized firm of independent public accountants reasonably satisfactory to the Trustee and expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 9.06. Reinstatement.

If the Trustee or the Paying Agents are unable to apply any money or Government Obligations in accordance with this Article IX by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuer's and each Guarantor's obligations under this Indenture, the Notes and the Guarantees shall be revived and reinstated as though no deposit had occurred pursuant to this Article IX until such time as the Trustee or the Paying Agents are permitted to apply all such money or Government Obligations in accordance with this Article IX; provided that if the Issuer or the Guarantors have made any payment of principal of, premium, if any, or interest accrued on any Notes because of the reinstatement of their obligations, the Issuer or the Guarantors, as the case may be, shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Obligations, as the case may be, held by the Trustee or the Paying Agents.

Section 9.07. Moneys Held by Paying Agent.

In connection with the satisfaction and discharge of this Indenture, all moneys then held by any Paying Agent under the provisions of this Indenture shall, upon written demand of the Issuer, be paid to the Trustee, or if sufficient moneys have been deposited pursuant to Section 9.01 hereof, to the Issuer upon an Issuer Request, and thereupon such Paying Agent shall be released from all further liability with respect to such moneys.

Section 9.08. Moneys Held by Trustee.

Subject to this Article IX, the Trustee and each Paying Agent shall promptly pay to the Issuer (or, if appropriate, any Guarantors) upon written request any excess moneys or Government Obligations, as the case may be, held by it at any time and thereupon shall be relieved from all liability with respect to such moneys or Government Obligations deposited with the Trustee or any Paying Agent in trust for the payment of the principal of, or premium, if any, or interest on any Note that are not applied but remain unclaimed by the Holder of such Note for two years after the date upon which the principal of, or premium, if any, or interest on such Note shall have respectively become due and payable shall be repaid to the Issuer (or, if appropriate, any Guarantors) upon written request of the Issuer, and the Holder of such Note entitled to receive such payment shall thereafter, as an unsecured general creditor, look only to

the Issuer and any Guarantors for the payment thereof, unless applicable abandoned property law designates another Person, and all liabilities of the Trustee or such Paying Agent with respect to such moneys or Government Obligations shall thereupon cease; *provided* that the Trustee or any such Paying Agent, before being required to make any such repayment, may, at the expense of the Issuer and any Guarantors, either mail to each Noteholder affected, at the address shown in the Register of the Notes maintained by the Registrar pursuant to Section 2.04 hereof, or cause to be published once a week for two successive weeks in a newspaper published in the English language customarily published each Business Day and of general circulation in the City of New York, New York, a notice that such money remains unclaimed and that, after a date specified therein that shall not be less than 30 days from the date of such mailing or publication, any unclaimed balance of such moneys then remaining will be repaid to the Issuer. After payment to the Issuer or the Guarantors or the release of any money held in trust by the Issuer or any Guarantors, as the case may be, Noteholders entitled to the money must look only to the Issuer and any Guarantors for payment as general creditors unless applicable abandoned property law designates another Person.

ARTICLE X

SUBORDINATION OF NOTES

Section 10.01. Notes Subordinate to Senior Indebtedness.

The Issuer covenants and agrees, and the Trustee and each Holder by its acceptance of Notes likewise covenants and agrees, that to the extent and in the manner hereinafter set forth in this Article X, the payment of all Obligations on the Notes by the Issuer are hereby expressly made subordinate and subject in right of payment as provided in this Article X to the prior indefeasible payment in full in cash of all Senior Indebtedness of the Issuer, whether outstanding on the Issue Date or thereafter incurred.

This Section 10.01 and the following Sections 10.02 through 10.11 shall constitute a continuing offer to all Persons who, in reliance on such provisions, become holders of or continue to hold Senior Indebtedness of the Issuer; and such provisions are made for the benefit of all the holders of Senior Indebtedness of the Issuer; and such holders are made obligees hereunder and they or each of them may enforce such provisions.

Section 10.02. Payment Over of Proceeds upon Dissolution, etc.

In the event of any (a) bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Issuer or to its assets; (b) liquidation or dissolution or other winding-up of the Issuer; (c) assignment for the benefit of creditors of the Issuer; or (d) marshalling of assets or liabilities of the Issuer (except in connection with the merger or consolidation of the Issuer or its liquidation or dissolution following the transfer of all or substantially all of its assets, upon the terms and conditions permitted under the circumstances described under Section 5.01) (all of the foregoing events described in clauses (a) through (d) referred to herein individually as a "Bankruptcy Proceeding" and collectively as "Bankruptcy Proceedings"):

- (1) the holders of Senior Indebtedness of the Issuer will be entitled to receive payment and satisfaction in full in cash of all amounts due on or in respect of all Senior Indebtedness of the Issuer before the Holders are entitled to receive any payment or distribution of any kind on account of the Notes (except that the Holders may receive payments in the form of Permitted Junior Securities or of amounts previously deposited in trust in accordance with the defeasance provisions of this Indenture described under Article IX); and

(2) any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, by set-off or otherwise, to which the Holders or the Trustee would be entitled but for the provisions of this Article X shall be paid by the liquidating trustee or agent or other Person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the holders of Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, ratably according to the aggregate amounts remaining unpaid on account of the Senior Indebtedness held or represented by each, to the extent necessary to make payment in full in cash of all Senior Indebtedness remaining unpaid, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness; and

(3) in the event that, notwithstanding the foregoing provisions of this Section 10.02, the Trustee or any Holder shall have received any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, including, without limitation, by way of set-off or otherwise, in respect of the principal of, premium, if any, and interest on the Notes before all Senior Indebtedness is indefeasibly paid in full, then and in such event such payment or distribution shall be paid over or delivered forthwith to the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee, agent or other Person making payment or distribution of assets of the Issuer for application to the payment of all such Senior Indebtedness remaining unpaid, to the extent necessary to pay all Senior Indebtedness in full in cash or, as acceptable to the holders of such Senior Indebtedness, in any other manner, after giving effect to any concurrent payment or distribution, to or for the holders of such Senior Indebtedness.

The consolidation of the Issuer with, or the merger of the Issuer with or into, another Person or the liquidation or dissolution of the Issuer following the conveyance, transfer or lease of its properties and assets substantially as an entirety to another Person upon the terms and conditions set forth in Article V shall not be deemed a dissolution, winding-up, liquidation, reorganization, assignment for the benefit of creditors or marshaling of assets and liabilities of the Issuer for the purposes of this Article X if the Person formed by such consolidation or the surviving entity of such merger or the Person that acquires by conveyance, transfer or lease such properties and assets substantially as an entirety, as the case may be, shall, as a part of such consolidation, merger, conveyance, transfer or lease, comply with the conditions set forth in such Article V.

Section 10.03. Suspension of Payment When Senior Indebtedness in Default.

(a) Unless Section 10.02 shall be applicable, upon the occurrence of a Payment Default on Designated Senior Indebtedness, no payment or distribution (other than a payment or distribution in the form of Permitted Junior Securities or of amounts previously deposited in trust in accordance with the defeasance provisions described under Article IX) of any kind or character (including, without limitation, cash, property and any payment or distribution that may be payable or deliverable by reason of the payment of any other Indebtedness of the Issuer being subordinated to the payment of the Notes by the Issuer) may be made by or on behalf of the Issuer or any Restricted Subsidiary, including, without limitation, by way of set-off or otherwise, for or on account of the Notes, or for or on account of the purchase, redemption or other acquisition of any Notes, and neither the Trustee nor any Holder or owner of any Notes shall take or receive from the Issuer or any Restricted Subsidiary, directly or indirectly in any manner, payment in respect of all or any portion of Notes commencing on the date of receipt by the Trustee of written notice from the representative of the holders of Designated Senior Indebtedness (the "Representative") of the occurrence of such Payment Default, and in any such event, such prohibition shall continue until such Payment Default is cured, waived in writing or otherwise ceases to exist. At such time as the prohibition set forth in the preceding sentence shall no longer be in effect, subject to the provisions of the

following paragraph, the Issuer shall resume making any and all required payments in respect of the Notes, including any missed payments.

(b) Unless Section 10.02 shall be applicable, upon the occurrence of a Non-Payment Default on Designated Senior Indebtedness, no payment or distribution (other than a payment or distribution of amounts previously deposited in trust in accordance with the defeasance provisions described under Article IX) of any kind or character (including, without limitation, cash, property and any payment or distribution that may be payable or deliverable by reason of the payment of any other indebtedness of the Issuer being subordinated to the payment of the Notes by the Issuer) may be made by the Issuer or any Restricted Subsidiary, including, without limitation, by way of set-off or otherwise, for or on account of the Notes, or for or on account of the purchase, redemption or other acquisition of any Notes, and neither the Trustee nor any Holder or owner of any Notes shall take or receive from the Issuer or any Restricted Subsidiary, directly or indirectly in any manner, payment in respect of all or any portion of the Notes for a period (a "Payment Blockage Period") commencing on the date of receipt by the Trustee of written notice from the Representative of such Non-Payment Default unless and until (subject to any blockage of payments that may then be in effect under the preceding paragraph) the earliest of the following events:

- (1) more than 179 days shall have elapsed since receipt of such written notice by the Trustee,
- (2) such Non-Payment Default ~~shall~~ have been cured or waived in writing or otherwise shall have ceased to exist or such Designated Senior Indebtedness shall have been paid in full, or
- (3) such Payment Blockage Period shall have been terminated by written notice to the Issuer or the Trustee from such Representative,

after which, in the case of clause (1), (2) or (3), the Issuer shall resume making any and all required payments in respect of the Notes, including any missed payments. Notwithstanding any other provision of this Indenture, in no event shall a Payment Blockage Period commenced in accordance with the provisions of this Indenture described in this paragraph extend beyond 179 days from the date of the receipt by the Trustee of the written notice referred to above (the "Initial Blockage Period"). Any number of additional Payment Blockage Periods may be commenced during the Initial Blockage Period; *provided, however*, that no such additional Payment Blockage Period shall extend beyond the Initial Blockage Period. After the expiration of the Initial Blockage Period, no Payment Blockage Period may be commenced until at least 360 consecutive days have elapsed from the last day of the Initial Blockage Period and all scheduled payments of principal, premium and interest on the Notes that have become due have been paid in full in cash. Notwithstanding any other provision of this Indenture, no Non-Payment Default with respect to Designated Senior Indebtedness that existed or was continuing on the date of the commencement of any Payment Blockage Period initiated by the Representative shall be, or be made, the basis for the commencement of a second Payment Blockage Period initiated by the Representative, whether or not within the Initial Blockage Period, unless such Non-Payment Default shall have been cured or waived for a period of not less than 90 consecutive days.

(c) In the event that, notwithstanding the foregoing, the Trustee or any Holder of Notes receives any payment or distribution of assets of the Issuer of any kind, whether in cash, property or securities, including, without limitation, by way of set-off or otherwise, in respect of the Notes before all Senior Indebtedness of the Issuer is paid and satisfied in full in cash, then such payment or distribution (other than a payment or distribution in the form of Permitted Junior Securities or of amounts previously deposited in trust in accordance with the defeasance provisions described under Article IX) will be held by the recipient in trust for the benefit of holders of Senior Indebtedness and will be immediately paid over or

delivered to the holders of Senior Indebtedness or their representative or representatives to the extent necessary to make payment in full of all Senior Indebtedness remaining unpaid, after giving effect to any concurrent payment or distribution, or provision therefor, to or for the holders of Senior Indebtedness.

Section 10.04. Trustee's Relation to Senior Indebtedness.

The Trustee and any agent of the Issuer or the Trustee shall be entitled to all the rights set forth in this Article X with respect to any Senior Indebtedness that may at any time be held by it in its individual or any other capacity to the same extent as any other holder of Senior Indebtedness, and nothing in this Indenture shall deprive the Trustee or any such agent of any of its rights as such holder.

With respect to the holders of Senior Indebtedness, the Trustee undertakes to perform or to observe only such of its covenants and obligations as are specifically set forth in this Article X, and no implied covenants or obligations with respect to the holders of Senior Indebtedness shall be read into this Indenture against the Trustee. The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness, and the Trustee shall not be liable to any holder of Senior Indebtedness if it shall mistakenly pay over or deliver to Holders, the Issuer or any other person moneys or assets to which any holder of Senior Indebtedness shall be entitled by virtue of this Article X or otherwise. Nothing in this Section 10.04 shall affect the obligation of any other such Person receiving such payment or distribution from the Trustee or any other Agent to hold such payment for the benefit of, and to pay such payment over to, the holders of Senior Indebtedness.

Section 10.05. Subrogation.

Upon the payment in full of all Senior Indebtedness, the Holders shall be subrogated to the rights of the holders of such Senior Indebtedness to receive payments and distributions of cash, property and securities applicable to the Senior Indebtedness until the principal of, premium, if any and interest on the Notes shall be paid in full. For purposes of such subrogation, no payments or distributions to the holders of Senior Indebtedness of any cash, property or securities to which the Holders or the Trustee would be entitled, except for the provisions of this Article X, and no payments pursuant to the provisions of this Article X to the holders of Senior Indebtedness by Holders or the Trustee, shall, as among the Issuer, its creditors other than holders of Senior Indebtedness and the Holders, be deemed to be a payment or distribution by the Issuer to or on account of the Senior Indebtedness.

If any payment or distribution to which the Holders would otherwise have been entitled but for the provisions of this Article X shall have been applied, pursuant to the provisions of this Article X, to the payment of all amounts payable under the Senior Indebtedness of the Issuer, then and in such case the Holders shall be entitled to receive from the holders of such Senior Indebtedness at the time outstanding any payments or distributions received by such holders of such Senior Indebtedness in excess of the amount sufficient to pay all amounts payable under or in respect of such Senior Indebtedness in full in cash.

Section 10.06. Provisions Solely To Define Relative Rights.

The provisions of this Article X are and are intended solely for the purpose of defining the relative rights of the Holders on the one hand and the holders of Senior Indebtedness on the other hand. Nothing contained in this Article X or elsewhere in this Indenture or in the Notes is intended to or shall (a) impair, as among the Issuer, its creditors other than holders of Senior Indebtedness and the Holders, the Obligation of the Issuer, which is absolute and unconditional, to pay to the Holders the principal of, premium, if any, and interest on the Notes as and when the same shall become due and payable in accordance with their terms; or (b) affect the relative rights against the Issuer of the Holders and creditors of

the Issuer other than the holders of Senior Indebtedness; or (c) prevent the Trustee or any Holder from exercising all remedies otherwise permitted by applicable law upon a Default or an Event of Default under this Indenture, subject to the rights, if any, under this Article X of the holders of Senior Indebtedness (1) in any case, proceeding, dissolution, liquidation or other winding-up, assignment for the benefit of creditors or other marshaling of assets and liabilities of the Issuer referred to in Section 10.02, to receive, pursuant to and in accordance with such section, cash, property and securities otherwise payable or deliverable to the Trustee or such Holder, or (2) under the conditions specified in Section 10.03, to prevent any payment prohibited by such section or enforce their rights pursuant to Section 10.03(c).

The failure to make a payment on account of principal of, premium, if any, or interest on the Notes by reason of any provision of this Article X shall not be construed as preventing the occurrence of a Default or an Event of Default hereunder.

Section 10.07. Trustee To Effectuate Subordination.

Each Holder of a Note by his acceptance thereof authorizes and directs the Trustee on his behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article X and appoints the Trustee his attorney-in-fact for any and all such purposes, including, in the event of any dissolution, winding-up, liquidation or reorganization of the Issuer whether in bankruptcy, insolvency, receivership proceedings, or otherwise, the timely filing of a claim for the unpaid balance of the Indebtedness of the Issuer owing to such Holder in the form required in such proceedings.

Section 10.08. No Waiver of Subordination Provisions.

(a) No right of any present or future holder of any Senior Indebtedness to enforce subordination as herein provided shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Issuer or by any act or failure to act, in good faith, by any such holder, or by any non-compliance by the Issuer with the terms, provisions and covenants of this Indenture, regardless of any knowledge thereof any such holder may have or be otherwise charged with.

(b) Without limiting the generality of paragraph (a) of this Section, the holders of Senior Indebtedness may, at any time and from time to time, without the consent of or notice to the Trustee or the Holders, without incurring responsibility to the Holders and without impairing or releasing the subordination provided in this Article X or the obligations hereunder of the Holders to the holders of Senior Indebtedness, do any one or more of the following: (1) change the manner, place or terms of payment or extend the time of payment of, or renew or alter, Senior Indebtedness or any instrument evidencing the same or any agreement under which Senior Indebtedness is outstanding; (2) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing Senior Indebtedness; (3) release any Person liable in any manner for the collection or payment of Senior Indebtedness; and (4) exercise or refrain from exercising any rights against the Issuer and any other Person; *provided, however*, that in no event shall any such actions limit the right of the Holders to take any action to accelerate the maturity of the Notes pursuant to Article VI or to pursue any rights or remedies hereunder or under applicable laws if the taking of such action does not otherwise violate the terms of this Indenture.

Section 10.09. Notice to Trustee.

(a) The Issuer shall give prompt written notice to a Responsible Officer of the Trustee of any fact known to the Issuer that would prohibit the making of any payment to or by the Trustee at its Corporate Trust Office in respect of the Notes. Notwithstanding the provisions of this Article X or any other provision of this Indenture, the Trustee shall not be charged with knowledge of the existence of any facts that would prohibit the making of any payment to or by the Trustee in respect of the Notes, unless

and until the Trustee shall have received written notice thereof from the Issuer or a holder of Senior Indebtedness or from any trustee, fiduciary or agent therefor; and, prior to the receipt of any such written notice, the Trustee, subject to the provisions of this Section 10.09, shall be entitled in all respects to assume that no such facts exist; *provided, however*, that if the Trustee shall not have received the written notice provided for in this Section 10.09 at least two Business Days prior to the date upon which by the terms hereof any money may become payable for any purpose under this Indenture (including, without limitation, the payment of the principal of, premium, if any, or interest on any Note), then, anything herein contained to the contrary notwithstanding but without limiting the rights and remedies of the holders of Senior Indebtedness or any trustee, fiduciary or agent therefor, the Trustee shall have full power and authority to receive such money and to apply the same to the purpose for which such money was received and shall not be affected by any notice to the contrary that may be received by it within two Business Days prior to such date; nor shall the Trustee be charged with knowledge of the curing of any such default or the elimination of the act or condition preventing any such payment unless and until the Trustee shall have received an Officers' Certificate to such effect.

(b) In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of Senior Indebtedness to participate in any payment or distribution pursuant to this Article X, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article X, and if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment.

Section 10.10. Reliance on Judicial Order or Certificate of Liquidating Agent.

Upon any payment or distribution of assets of the Issuer referred to in this Article X, the Trustee, subject to the provisions of Section 7.01, and the Holders shall be entitled to rely conclusively upon any order or decree entered by any court of competent jurisdiction in which such insolvency, bankruptcy, receivership, liquidation, reorganization, dissolution, winding-up or similar case or proceeding is pending, or a certificate of the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee for the benefit of creditors, agent or other Person making such payment or distribution, delivered to the Trustee or to the Holders, for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of Senior Indebtedness and other Indebtedness of the Issuer, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article X.

Section 10.11. No Suspension of Remedies.

Nothing contained in this Article X shall limit the right of the Trustee or the Holders to take any action to accelerate the maturity of the Notes pursuant to Article VI or to pursue any rights or remedies hereunder or under applicable law, subject to the rights, if any, under this Article X of the holders, from time to time, of Senior Indebtedness.

ARTICLE XI

GUARANTEE OF NOTES

Section 11.01. Guarantee.

Subject to the provisions of this Article XI, each Guarantor, by execution of a Guarantee, will jointly and severally unconditionally guarantee to each Holder and to the Trustee, on behalf of the Holders, (i) the due and punctual payment of the principal of, and premium, if any, and interest, if any, on each Note (including any Additional Notes upon issuance in accordance with Section 2.19), when and as the same shall become due and payable, whether at maturity, by acceleration or otherwise, the due and punctual payment of interest on the overdue principal of, and premium, if any, and interest, if any, on the Notes (including any Additional Notes upon issuance in accordance with Section 2.19), to the extent lawful, and the due and punctual performance of all other Obligations of the Issuer to the Holders or the Trustee (including without limitation amounts due the Trustee under Section 7.07) all in accordance with the terms of such Note and this Indenture, and (ii) in the case of any extension of time of payment or renewal of any Notes (including any Additional Notes upon issuance in accordance with Section 2.19) or any of such other Obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, at stated maturity, by acceleration or otherwise. Each Guarantor, by execution of a Guarantee, will agree that its obligations hereunder shall be absolute and unconditional, irrespective of, and shall, to the extent permitted by law, be unaffected by, any invalidity, irregularity or unenforceability of any such Note or this Indenture, any failure to enforce the provisions of any such Note or this Indenture, any waiver, modification or indulgence granted to the Issuer with respect thereto by the Holder of such Note or the Trustee, or any other circumstances that may otherwise constitute a legal or equitable discharge of a surety or such Guarantor.

Each Guarantor, by execution of a Guarantee, shall waive, to the extent permitted by law, diligence, presentment, demand for payment, filing of claims with a court in the event of merger or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest or notice with respect to any such Note or the Indebtedness evidenced thereby and all demands whatsoever, and will covenant that the Guarantee will not be discharged as to any such Note except by payment in full of the principal thereof, premium, and interest, if any, thereon and as provided in Section 9.01 hereof. Each Guarantor, by execution of a Guarantee, shall further agree that, as between such Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, (i) the maturity of the Obligations guaranteed hereby may be accelerated as provided in Article VI of this Indenture for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Obligations guaranteed hereby, and (ii) in the event of any declaration of acceleration of such Obligations as provided in Article VI of this Indenture, such Obligations (whether or not due and payable) shall forthwith become due and payable by each Guarantor for the purpose of this Guarantee. In addition, without limiting the foregoing provisions, upon the effectiveness of an acceleration under Article VI of this Indenture, the Trustee shall promptly make a demand for payment on the Notes under the Guarantee provided for in this Article XI and not discharged. Failure to make such a demand shall not affect the validity or enforceability of the Guarantee upon any Guarantor.

A Guarantee shall not be valid or become obligatory for any purpose with respect to a Note until the certificate of authentication on such Note shall have been signed by or on behalf of the Trustee.

A Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against the Issuer for liquidation or reorganization, should the Issuer become insol-

vent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of the Issuer's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Notes are, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee on the Notes, whether as a "voidable preference," "fraudulent transfer" or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Notes shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

No stockholder, officer, director, employer or incorporator, past, present or future, of any Guarantor, as such, shall have any personal liability under this Guarantee by reason of his, her or its status as such stockholder, officer, director, employer or incorporator.

A Guarantor, by execution of a Guarantee, will have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders or the Trustee under such Guarantee.

Section 11.02. Execution and Delivery of Guarantees.

A Guarantee shall be executed on behalf of a Guarantor by the manual or facsimile signature of an Officer of such Guarantor in the form attached hereto as Exhibit F.

If an Officer of a Guarantor whose signature is on the Guarantee no longer holds that office, such Guarantee shall be valid nevertheless.

Section 11.03. Limitation of Guarantee.

The Obligations of each Guarantor are limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guarantor (including, without limitation, any guarantees of Senior Indebtedness) and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the Obligations of such other Guarantor under its Guarantee or pursuant to its contribution Obligations under this Indenture, result in the obligations of such Guarantor under the Guarantee (i) not constituting a fraudulent conveyance or fraudulent transfer, or (ii) not being such that there would be reasonable grounds to believe such Guarantor would not be able to meet the applicable financial tests, under applicable federal, state, provincial or territorial law. Each Guarantor that makes a payment or distribution under a Guarantee will be entitled to a contribution from each other Guarantor in a *pro rata* amount based on the Adjusted Net Assets of each Guarantor.

Section 11.04. Additional Guarantors.

Any Person may become a Guarantor by executing and delivering to the Trustee (a) a supplemental indenture in form and substance satisfactory to the Trustee, which subjects such Person to the provisions of this Indenture as a Guarantor, and (b) an Opinion of Counsel to the effect that such supplemental indenture has been duly authorized and executed by such Person and constitutes the legal, valid, binding and enforceable obligation of such Person (subject to such customary exceptions concerning fraudulent conveyance laws, creditors' rights and equitable principles as may be acceptable to the Trustee in its discretion).

Section 11.05. Release of Guarantor.

A Guarantor shall be automatically and unconditionally released and discharged from all of its obligations under its Guarantee if:

(1) (a) at any time that such Guarantor is released from all of its obligations under all of its Guarantees of payment by the Issuer of any Indebtedness of the Issuer under the Senior Secured Credit Facilities (it being understood that a release subject to contingent reinstatement is still a release, and that if any such Guarantee is so reinstated, such Guarantee shall also be reinstated to the extent that such Guarantor would then be required to provide a Guarantee), (b) a controlling interest in or substantially all of its assets or Capital Stock is sold, in each case in a transaction in compliance with the provisions of this Indenture, (c) such Guarantor merges with or into, or consolidates with or amalgamates with, or transfers all or substantially all of its assets to, another Person otherwise in compliance with the provisions of this Indenture, or (d) such Guarantor is designated an Unrestricted Subsidiary; and

(2) such Guarantor has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to such transaction have been complied with.

In addition, the Guarantees will be released upon a defeasance or covenant defeasance with respect to the Notes in accordance with the provisions of this Indenture.

Section 11.06. Guarantee Obligations Subordinated to Senior Indebtedness of a Guarantor.

Each Guarantor, by execution of a Guarantee, shall covenant and agree, and each Holder, by its acceptance thereof, will likewise covenant and agree, that to the extent and in the manner hereinafter set forth in this Article XI, the Indebtedness represented by the Guarantee and the payment of the principal of, premium, if any, and interest on the Notes pursuant to such Guarantee by such Guarantor are hereby expressly made subordinate and subject in right of payment as provided in this Article XI to the prior indefeasible payment and satisfaction in full in cash of all existing and future Senior Indebtedness of such Guarantor.

This Section 11.06 and the following Sections 11.07 through 11.14 shall constitute a continuing offer to all Persons who, in reliance upon such provisions, become holders of or continue to hold Senior Indebtedness of any Guarantor; and such provisions are made for the benefit of the holders of Senior Indebtedness of each Guarantor; and such holders are made obligees hereunder and they or each of them may enforce such provisions.

Section 11.07. Payment Over of Proceeds upon Dissolution, etc., of a Guarantor.

In the event of (a) bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to a Guarantor or its assets; (b) liquidation or dissolution or other winding-up of a Guarantor (c) assignment for the benefit of creditors of a Guarantor, or (d) marshalling of assets or liabilities of a Guarantor, except, in each case, in connection with the merger or consolidation of a Guarantor or its liquidation or dissolution following the transfer of substantially all of its assets, upon the terms and conditions permitted under the circumstances described under Section 5.01 (all of the foregoing events described in clauses (a) through (d) referred to herein individually as a "Guarantor Bankruptcy Proceeding" and collectively as "Guarantor Bankruptcy Proceedings"), the holders of Senior Indebtedness of a Guarantor will be entitled to receive payment and satisfaction in full in cash of all amounts due on or in respect of all Senior Indebtedness of a Guarantor before the Holders are entitled to receive or retain any payment

or distribution of any kind on account of the Notes (except that Holders may receive payments in the form of Permitted Junior Securities or of amounts previously deposited in trust in accordance with the defeasance provisions of this Indenture described under Article IX).

Any payment or distribution of assets of a Guarantor of any kind or character, whether in cash, property or securities, by set-off or otherwise, to which the Holders or the Trustee would be entitled but for the provisions of this Article XI shall be paid by the liquidating trustee or agent or other Person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the holders of Senior Indebtedness of a Guarantor or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness of a Guarantor may have been issued, ratably according to the aggregate amounts remaining unpaid on account of the Senior Indebtedness of a Guarantor held or represented by each, to the extent necessary to make payment in full in cash of all Senior Indebtedness of a Guarantor remaining unpaid, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness of a Guarantor.

In the event that, notwithstanding the foregoing, the Trustee or any Holder receives any payment or distribution of assets of a Guarantor of any kind, whether in cash, property or securities, including, without limitation, by way of set-off or otherwise, in respect of the Notes before all Senior Indebtedness of a Guarantor is paid and satisfied in full in cash, then such payment or distribution will be held by the recipient in trust for the benefit of holders of Senior Indebtedness of a Guarantor and will be immediately paid over or delivered to the holders of Senior Indebtedness of a Guarantor or their representative or representatives to the extent necessary to make payment in full of all Senior Indebtedness of a Guarantor remaining unpaid, after giving effect to any concurrent payment or distribution, or provision therefor, to or for the holders of Senior Indebtedness of a Guarantor.

The consolidation of a Guarantor with, or the merger of a Guarantor with or into, another Person or the liquidation or dissolution of a Guarantor following the conveyance, transfer or lease of its properties and assets substantially as an entirety to another Person upon the terms and conditions set forth in Article V shall not be deemed a dissolution, winding-up, liquidation, reorganization, assignment for the benefit of creditors or marshaling of assets and liabilities of a Guarantor for the purposes of this Article XI if the Person formed by such consolidation or the surviving entity of such merger or the Person that acquires by conveyance, transfer or lease such properties and assets substantially as an entirety, as the case may be, shall, as a part of such consolidation, merger, conveyance, transfer or lease, comply with the conditions set forth in Article V.

Section 11.08. Suspension of Guarantee Obligations When Senior Indebtedness of a Guarantor in Default.

(a) Unless Section 11.07 shall be applicable, upon the occurrence of a Payment Default on Designated Senior Indebtedness, no payment or distribution (other than a payment or distribution in the form of Permitted Junior Securities or of amounts previously deposited in trust in accordance with the defeasance provisions described under Article IX) of any kind or character (including, without limitation, cash, property and any payment or distribution that may be payable or deliverable by reason of the payment of any other Indebtedness of such Guarantor being subordinated to the payment of its Obligations on its Guarantee) may be made by or on behalf of such Guarantor or any Restricted Subsidiary of such Guarantor, including, without limitation, by way of set-off or otherwise, for or on account of its Obligations on its Guarantee or for or on account of the purchase or redemption or other acquisition of its Obligations under its Guarantee, and neither the Trustee nor any Holder or owner of any Notes shall take or receive from any Guarantor or any Restricted Subsidiary of such Guarantor, directly or indirectly in any manner, payment in respect of all or any portion of its Obligations on its Guarantee commencing on

the date of receipt by the Trustee of written notice from the representative of the holders of Designated Senior Indebtedness that constitutes Senior Indebtedness of a Guarantor (the "Guarantor Representative") of the occurrence of such Payment Default, and in any such event, such prohibition shall continue until such Payment Default is cured, waived in writing or otherwise ceases to exist. At such time as the prohibition set forth in the preceding sentence shall no longer be in effect, subject to the provisions of the following paragraph, such Guarantor shall resume making any and all required payments in respect of its Obligations under its Guarantee, including any missed payments.

(b) Unless Section 11.07 shall be applicable, upon the occurrence of a Non-Payment Default on Designated Senior Indebtedness that constitutes Senior Indebtedness of a Guarantor, no payment or distribution (other than a payment or distribution of amounts previously deposited in trust in accordance with the defeasance provisions described under Article IX) of any kind or character (including, without limitation, cash, property and any payment or distribution that may be payable or deliverable by reason of the payment of any other Indebtedness of such Guarantor being subordinated to the payment of its Obligations on its Guarantee) may be made by such Guarantor or any Restricted Subsidiary of such Guarantor, including, without limitation, by way of set-off or otherwise, for or on account of its Obligations under its Guarantee, or for or on account of the purchase or redemption or other acquisition of its Obligations under its Guarantee, and neither the Trustee nor any Holder or owner of any Notes shall take or receive from such Guarantor or any Restricted Subsidiary of such Guarantor, directly or indirectly in any manner, payment in respect of or for any portion of its Obligations under its Guarantee for a period (a "Guarantor Payment Blockage Period") commencing on the date of receipt by the Trustee of written notice from the Guarantor Representative of such Non-Payment Default unless and until (subject to any blockage of payments that may then be in effect under the preceding paragraph) the earliest of the following events:

(1) more than 179 days shall have elapsed since receipt of such written notice by the Trustee,

(2) such Non-Payment Default shall have been cured or waived in writing or shall have ceased to exist or such Designated Senior Indebtedness that constitutes Senior Indebtedness of a Guarantor shall have been paid in full, or

(3) such Guarantor Payment Blockage Period shall have been terminated by written notice to such Guarantor or the Trustee from such Guarantor Representative,

after which, in the case of clause (1), (2) or (3), such Guarantor shall resume making any and all required payments in respect of its Obligations under its Guarantee, including any missed payments. Notwithstanding any other provision of this Indenture, in no event shall a Guarantor Payment Blockage Period commenced in accordance with the provisions of this Section 11.08(b) extend beyond 179 days from the date of the receipt by the Trustee of the written notice referred to above (the "Initial Guarantor Blockage Period"). Any number of additional Guarantor Payment Blockage Periods may be commenced during the Initial Guarantor Blockage Period; *provided, however*, that no such additional Guarantor Payment Blockage Period shall extend beyond the Initial Guarantor Blockage Period. After the expiration of the Initial Guarantor Blockage Period, no Guarantor Payment Blockage Period may be commenced until at least 360 consecutive days have elapsed from the last day of the Initial Guarantor Blockage Period and all scheduled payments of principal, premium and interest on the Notes that have become due have been paid in full in cash. Notwithstanding any other provision of this Indenture, no Non-Payment Default with respect to Designated Senior Indebtedness that constitutes Senior Indebtedness of a Guarantor that existed or was continuing on the date of the commencement of any Guarantor Payment Blockage Period initiated by the Guarantor Representative shall be, or be made, the basis for the commencement of a second Guarantor Payment Blockage Period initiated by the Guarantor Representative, whether or not within the Initial

Guarantor Blockage Period, unless such Non-Payment Default shall have been cured or waived for a period of not less than 90 consecutive days.

(c) In the event that, notwithstanding the foregoing, the Trustee or the Holder of Notes receives any payment or distribution of assets of a Guarantor of any kind, whether in cash, property or securities, including, without limitation, by way of set-off or otherwise, in respect of such Guarantor's Obligations under its Guarantee before all Senior Indebtedness that constitutes Senior Indebtedness of a Guarantor is paid and satisfied in full in cash, then such payment or distribution (other than a payment or distribution of amounts previously deposited in trust in accordance with the defeasance provisions described under Article IX) will be held by the recipient in trust for the benefit of holders of such Senior Indebtedness and will be immediately paid over or delivered to the holders of such Senior Indebtedness or their representative or representatives to the extent necessary to make payment in full of all such Senior Indebtedness remaining unpaid, after giving effect to any concurrent payment or distribution, or provision therefor, to or for holders of such Senior Indebtedness.

Section 11.09. Trustee's Relation to Senior Indebtedness of a Guarantor.

The Trustee and any Paying Agent shall be entitled to all the rights set forth in this Article XI with respect to any Senior Indebtedness of a Guarantor that may at any time be held by it in its individual or any other capacity to the same extent as any other holder of Senior Indebtedness of a Guarantor, and nothing in this Indenture shall deprive the Trustee or any Paying Agent of any of its rights as such holder. Nothing in this Article XI shall apply to claims of, or payments to, the Trustee for its compensation owing pursuant to and in accordance with the first sentence of Section 7.07.

With respect to the holders of Senior Indebtedness of a Guarantor, the Trustee undertakes to perform or to observe only such of its covenants and obligations as are specifically set forth in this Article XI, and no implied covenants or obligations with respect to the holders of Senior Indebtedness of a Guarantor shall be read into this Indenture against the Trustee. The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness of a Guarantor and the Trustee shall not be liable to any holder of Senior Indebtedness of a Guarantor (other than for its willful misconduct or gross negligence) if it shall in good faith mistakenly pay over or deliver to the Holders, the Issuer or any other Person moneys or assets to which any holder of Senior Indebtedness of a Guarantor shall be entitled by virtue of this Article XI or otherwise. Nothing in this Section 11.09 shall affect the obligation of any other such Person, the Issuer, or the Holders to hold such money or assets for the benefit of, and to pay such money or assets over to, the holders of the Senior Indebtedness of a Guarantor or their applicable representative or representatives.

Section 11.10. Subrogation to Rights of Holders of Senior Indebtedness of a Guarantor.

Upon the payment in full of all amounts payable under or in respect of all Senior Indebtedness of a Guarantor, the Holders shall be subrogated to the rights of the holders of such Senior Indebtedness of a Guarantor to receive payments and distributions of cash, property and securities of such Guarantor made on such Senior Indebtedness of a Guarantor until all amounts due to be paid under the Guarantee shall be paid in full. For the purposes of such subrogation, no payments or distributions to holders of Senior Indebtedness of a Guarantor of any cash, property or securities to which Holders would be entitled except for the provisions of this Article XI and no payments over pursuant to the provisions of this Article XI to holders of Senior Indebtedness of a Guarantor by Holders, shall, as among each Guarantor, its creditors other than holders of Senior Indebtedness of a Guarantor and the Holders, be deemed to be a payment or distribution by such Guarantor to or on account of such Senior Indebtedness of a Guarantor.

If any payment or distribution to which the Holders would otherwise have been entitled but for the provisions of this Article XI shall have been applied, pursuant to the provisions of this Article XI, to the payment of all amounts payable under Senior Indebtedness of a Guarantor, then and in such case, the Holders shall be entitled to receive from the holders of such Senior Indebtedness of a Guarantor at the time outstanding any payments or distributions received by such holders of Senior Indebtedness of a Guarantor in excess of the amount sufficient to pay all amounts payable under or in respect of such Senior Indebtedness of a Guarantor in full in cash.

Section 11.11. Guarantee Subordination Provisions Solely To Define Relative Rights.

The subordination provisions of this Article XI are and are intended solely for the purpose of defining the relative rights of the Holders on the one hand and the holders of Senior Indebtedness of a Guarantor on the other hand. Nothing contained in this Article XI or elsewhere in this Indenture or in the Notes is intended to or shall (a) impair, as among each Guarantor, its creditors other than holders of its Senior Indebtedness of a Guarantor and the Holders, the obligation of such Guarantor, which is absolute and unconditional, to make payments to the Holders in respect of its Obligations on its Guarantee in accordance with its terms; or (b) affect the relative rights against such Guarantor of the Holders and creditors of such Guarantor other than the holders of the Senior Indebtedness of a Guarantor; or (c) prevent any Holder from exercising all remedies otherwise permitted by applicable law upon a Default or an Event of Default under this Indenture, subject to the rights, if any, under this Article XI of the holders of Senior Indebtedness of a Guarantor (1) in any case, proceeding, dissolution, liquidation or other winding-up, assignment for the benefit of creditors or other marshaling of assets and liabilities of any Guarantor referred to in Section 11.07, to receive, pursuant to and in accordance with such Section, cash, property and securities otherwise payable or deliverable to such Holder, or (2) under the conditions specified in Section 11.08, to prevent any payment prohibited by such Section or enforce their rights pursuant to Section 11.08(c).

The failure by any Guarantor to make a payment in respect of its Obligations on its Guarantee by reason of any provision of this Article XI shall not be construed as preventing the occurrence of a Default or an Event of Default hereunder.

Section 11.12. Trustee To Effectuate Subordination.

Each Holder by his acceptance of a Guarantee agrees to be bound by such provisions and authorizes and directs the Trustee, on his behalf, to take such action as may be necessary or appropriate to effectuate the subordination provisions in this Article XI and appoints the Trustee his attorney-in-fact for any and all such purposes, including, in the event of any Guarantor Bankruptcy Proceeding or other dissolution, winding-up, liquidation or reorganization of a Guarantor whether in bankruptcy, insolvency, receivership proceedings, or otherwise, the prompt and timely filing of a claim for the unpaid balance of the Indebtedness of such Guarantor owing to such Holder in the form required in such proceedings and the causing of such claim to be approved. If the Trustee does not file such a claim prior to 30 days before the expiration of the time to file such a claim, the holders of Senior Indebtedness of a Guarantor, or any Guarantor Representative, may, and hereby are authorized to, file such a claim on behalf of Holders of the applicable Notes.

Section 11.13. Notice to Trustee.

(a) The Issuer shall give prompt written notice to a Responsible Officer of the Trustee of any facts known to the Issuer, and any Guarantor shall give prompt written notice to a Responsible Officer of the Trustee of any fact known to such Guarantor, which would prohibit the making of any payment to or by the Trustee at its Corporate Trust Office in respect of the Guarantees pursuant to the

provisions of this Article XI. Notwithstanding the provisions of this Article XI or any other provision of this Indenture, the Trustee shall not be charged with knowledge of the existence of any facts that would prohibit the making of any payment to or by the Trustee in respect of the Guarantees, unless and until the Trustee shall have received written notice thereof from the Issuer or a holder of Senior Indebtedness of a Guarantor or from any trustee, fiduciary, representative, or agent therefor; and, prior to the receipt of any such written notice, the Trustee, subject to the provisions of this Section 11.13, shall be entitled in all respects to assume that no such facts exist; *provided, however*, that if the Trustee shall not have received the written notice referred to in this Section 11.13 at least two Business Days prior to the date upon which by the terms hereof any such money may become payable for any purpose under this Indenture (including, without limitation, the payment of the principal of, premium, if any, or interest on any Note), then, anything herein contained to the contrary notwithstanding but without limiting the rights and remedies of the holders of Senior Indebtedness of a Guarantor or any trustee, fiduciary, representative, or agent therefor, the Trustee shall have full power and authority to receive such money and to apply the same to the purpose for which such money was received and shall not be affected by any notice to the contrary that may be received by it less than two Business Days prior to such date; nor shall the Trustee be charged with knowledge of the curing of any such applicable default in respect of Designated Senior Indebtedness or the elimination of the act or condition preventing any such payment unless and until the Trustee shall have received an Officers' Certificate to such effect.

(b) In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of Senior Indebtedness of a Guarantor to participate in any payment or distribution pursuant to this Article XI, the Trustee may request such Person to furnish evidence satisfactory to the Trustee as to the amount of Senior Indebtedness of a Guarantor held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article XI, and if such evidence is not furnished, the Trustee, acting in good faith, may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment.

Section 11.14. Application of Certain Article XI Provisions.

The provisions of Sections 11.08, 11.10 and 11.11 shall apply, *mutatis mutandis*, to each Guarantor and their respective holders of Senior Indebtedness of a Guarantor and the rights, duties and obligations set forth therein shall govern the rights, duties and obligations of each Guarantor, the holders of Senior Indebtedness of a Guarantor and the Holders with respect to the Guarantee and all references therein to Article XI shall mean this Article XI.

Each Guarantor, by execution of the Guarantee, will acknowledge that it will receive direct and indirect benefits from the financing arrangements contemplated by this Indenture and that the waiver set forth in this Section 11.14 is knowingly made in contemplation of such benefits.

ARTICLE XII

MISCELLANEOUS

Section 12.01. [Reserved].

Section 12.02. Notices.

Except for notice or communications to Holders, any notice or communication shall be given in writing and delivered in person, sent by facsimile, delivered by commercial courier service or mailed by first-class mail, postage prepaid, addressed as follows:

If to the Issuer:

CanWest MediaWorks Limited Partnership
31st Floor
CanWest Global Place
201 Portage Avenue
Winnipeg, MB R3B 3L7
Canada
Attention: Legal Department
Fax Number: (204) 944-9841

Copy to:

Osler, Hoskin & Harcourt LLP
Box 50
1 First Canadian Place
Toronto, Ontario, Canada M5X 1B8
Attention: Linda Robinson
Fax Number: (416) 862-6666

Copy to:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, New York 10006
Attention: David Lopez
Fax Number: (212) 225-3999

If to the U.S. Trustee:

The Bank of New York
101 Barclay Street
New York, New York 10286
United States
Attention: Vanessa Mack
Fax Number: (212) 815-5803

If to the Canadian Trustee:

BNY Trust Company of Canada
4 King Street West
Suite 101
Toronto, Ontario M5H 1B6
Attn: Senior Trust Officer
Fax Number: (416) 360-1711

Such notices or communications shall be effective when received and shall be sufficiently given if so given within the time prescribed in this Indenture.

The Issuer, any Guarantor or the Trustee by written notice to the others may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Noteholder shall be mailed, at the Issuer's expense, to the Noteholder by first-class mail, postage prepaid, at the Noteholder's address shown on the register kept by the Registrar or Co-Registrar.

Failure to mail a notice or communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders. If a notice or communication to a Noteholder is mailed in the manner provided above, it shall be deemed duly given when so mailed, whether or not the addressee receives it.

In case by reason of the suspension of regular mail service, or by reason of any other cause, it shall be impossible to mail any notice as required by this Indenture, then such method of notification as shall be made with the approval of the Trustee shall constitute a sufficient mailing of such notice.

Section 12.03. Communications by Holders with Other Holders.

Noteholders may communicate pursuant to TIA § 312(b) with other Noteholders with respect to their rights under this Indenture or the Notes. The Issuer, any Guarantor, the Trustee, the Registrar and anyone else shall have the protection of TIA § 312(c).

Section 12.04. Certificate and Opinion as to Conditions Precedent.

Upon any request or application by the Issuer or any Guarantor to the Trustee to take any action under this Indenture, the Issuer or such Guarantor shall furnish to the Trustee:

(1) an Officers' Certificate (which shall include the statements set forth in Section 12.05 below) stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(2) an Opinion of Counsel (which shall include the statements set forth in Section 12.05 below) stating that, in the opinion of such counsel, all such conditions precedent have been complied with.

Section 12.05. Statements Required in Certificate and Opinion.

Each certificate and opinion with respect to compliance by or on behalf of the Issuer or any Guarantor with a condition or covenant provided for in this Indenture shall include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, it or he has made such examination or investigation as is necessary to enable it or him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether or not, in the opinion of such Person, such covenant or condition has been complied with.

Section 12.06. Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or meetings of Noteholders. The Registrar and Paying Agent may make reasonable rules for their functions.

Section 12.07. Business Days; Legal Holidays.

A "Business Day" is a day that is not a Legal Holiday. A "Legal Holiday" is a Saturday, a Sunday, a federally-recognized holiday or a day on which banking institutions are not required to be open in the State of New York or the Province of Manitoba. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period.

Section 12.08. Governing Law.

THIS INDENTURE AND THE NOTES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO AGREES TO SUBMIT TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE OR THE NOTES.

Section 12.09. Agent for Service; Submission to Jurisdiction; Waiver of Immunities.

By the execution and delivery of this Indenture, the Issuer and, by execution and delivery of this Indenture or a supplemental indenture in accordance with Article VIII hereof, each Guarantor (i) acknowledges that it will, by separate written instrument, designate and appoint CanWest International Corp., a Delaware corporation (and any successor entity) (the "Process Agent"), as its authorized agent upon which process may be served in any suit, action or proceeding arising out of or relating to the Notes or this Indenture that may be instituted in any federal or state court in the State of New York, Borough of Manhattan, or brought under federal or state securities laws or brought by the Trustee (whether in its individual capacity or in its capacity as Trustee hereunder), and acknowledges that the Process Agent has accepted such designation, (ii) submits to the non-exclusive jurisdiction of any such court in any such suit, action or proceeding, and (iii) agrees that service of process upon the Process Agent and written notice of said service to it (mailed or delivered to its Chief Financial Officer at its principal office as specified in Section 12.02), shall be deemed in every respect effective service of process upon it in any such suit or proceeding. The Issuer and any Guarantor further agree to take any and all action, including the execution and filing of any and all such documents and instruments as may be necessary to continue such designation and appointment of the Process Agent, in full force and effect so long as this Indenture shall be

in full force and effect; *provided* that the Issuer may and shall (to the extent the Process Agent ceases to be able to be served on the basis contemplated herein), by written notice to the Trustee, designate such additional or alternative agents for service of process under this Section 12.09 that (i) maintains an office located in the Borough of Manhattan, The City of New York in the State of New York, (ii) are either (x) counsel for the Issuer or (y) a corporate service company that acts as agent for service of process for other Persons in the ordinary course of its business and (iii) agrees to act as agent for service of process in accordance with this Section 12.09. Such notice shall identify the name of such agent for process and the address of such agent for process in the Borough of Manhattan, The City of New York, State of New York. Upon the written request of any Holder, the Trustee shall deliver such information to such Holder. Notwithstanding the foregoing, there shall, at all times, be at least one agent for service of process for the Issuer and the Guarantors, if any, appointed and acting in accordance with this Section 12.09.

To the extent that the Issuer or any Guarantor has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its Property, the Issuer and each Guarantor hereby irrevocably waives such immunity in respect of its obligations under this Indenture and the Notes, to the extent permitted by law.

Section 12.10. No Adverse Interpretation of Other Agreements.

This Indenture may not be used to interpret another indenture, loan, security or debt agreement of the Issuer or any Subsidiary thereof. No such indenture, loan, security or debt agreement may be used to interpret this Indenture.

Section 12.11. No Recourse Against Others.

No recourse for the payment of the principal of or premium, if any, or interest, on any of the Notes, or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Issuer or any Guarantor in this Indenture or in any supplemental indenture, or in any of the Notes, or because of the creation of any Indebtedness represented thereby, shall be had against any stockholder, officer, director or employee, as such, past, present or future, of the Issuer or of any successor corporation or against the property or assets of any such stockholder, officer, employee or director, either directly or through the Issuer or any Guarantor, or any successor corporation thereof, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Indenture and the Notes are solely obligations of the Issuer and the Guarantors, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any stockholder, officer, employee or director of the Issuer or any Guarantor, or any successor corporation thereof, because of the creation of the Indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this Indenture or the Notes or implied therefrom, and that any and all such personal liability of, and any and all claims against every stockholder, officer, employee and director, are hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issuance of the Notes. It is understood that this limitation on recourse is made expressly for the benefit of any such shareholder, employee, officer or director and may be enforced by any of them.

Section 12.12. Successors.

All agreements of the Issuer and any Guarantor in this Indenture and the Notes shall bind their respective successors. All agreements of the Trustee, any additional trustee (including any co-trustee) and any Paying Agent in this Indenture shall bind its successor.

Section 12.13. Multiple Counterparts.

The parties may sign multiple counterparts of this Indenture. Each signed counterpart shall be deemed an original, but all of them together represent one and the same agreement.

Section 12.14. Table of Contents, Headings, etc.

The table of contents, cross-reference sheet and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 12.15. Separability.

Each provision of this Indenture shall be considered separable and if for any reason any provision that is not essential to the effectuation of the basic purpose of this Indenture or the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 12.16. Conversion of Judgment Currency.

The Issuer and each Guarantor, if any, covenants and agrees that the following provisions shall apply to conversion of currency for any judgments outstanding against the Issuer or any Guarantor with respect to the Notes, the Guarantees, if any, and this Indenture:

(a) (i) If for the purpose of obtaining judgment in, or enforcing the judgment of, any court in any country, it becomes necessary to convert into a currency (the "judgment currency") an amount due in any other currency (the "Base Currency"), then the conversion shall be made at the Rate of Exchange prevailing on the Business Day before the day on which the judgment is given or the order of enforcement is made, as the case may be (unless a court shall otherwise determine).

(ii) If there is a change in the Rate of Exchange prevailing between the Business Day before the day on which the judgment is given or an order of enforcement is made, as the case may be (or such other date as a court shall determine), and the date of receipt of the amount due, the Issuer or the relevant Guarantor, as the case may be, will pay such additional (or, as the case may be, such lesser) amount, if any, as may be necessary so that the amount paid in the judgment currency when converted at the Rate of Exchange prevailing on the date of receipt will produce the amount in the Base Currency originally due.

(b) In the event of the winding-up of the Issuer or any Guarantor at any time while any amount or damages owing under the Notes, the Guarantees, if any, and this Indenture, or any judgment or order rendered in respect thereof, shall remain outstanding, the Issuer or any Guarantor, as the case may be, shall indemnify, protect and hold the Holders and the Trustee harmless against any deficiency arising or resulting from any variation in Rates of Exchange between (1) the date as of which the equivalent of the amount in United States dollars due or contingently due under the Notes, the Guarantees, if any, and this Indenture (other than under this Subsection (b)) is calculated for the purposes of such winding-up and (2) the final date for the filing of proofs of claim in such winding-up. For the purpose of this Subsection (b), the final date for the filing of proofs of claim in the winding-up of the Issuer or any Guarantor, as the case may be, shall be the date fixed by the liquidator or otherwise in accordance with the relevant provisions of applicable law as being the latest practicable date as at which liabilities of the Issuer or any Guarantor, as the

case may be, may be ascertained for such winding-up prior to payment by the liquidator or otherwise in respect thereto.

(c) The obligations contained in Subsections (a)(ii) and (b) of this Section 12.16 shall constitute separate and independent obligations of the Issuer and any Guarantors from their other respective obligations under the Notes, the Guarantees, if any, and this Indenture, shall give rise to separate and independent causes of action against the Issuer and each Guarantor, shall apply irrespective of any waiver or extension granted by any Holder or the Trustee or any of them from time to time and shall continue in full force and effect notwithstanding any judgment or order or the filing of any proof of claim in the winding-up of the Issuer or any Guarantor for a liquidated sum in respect of amounts due hereunder (other than under Subsection (b) above) or under any such judgment or order. Any such deficiency as aforesaid shall be deemed to constitute a loss suffered by the Holders or the Trustee, as the case may be, and no proof or evidence of any actual loss shall be required by the Issuer or any Guarantor or the liquidator or otherwise or any of them. In the case of Subsection (b) above, the amount of such deficiency shall not be deemed to be reduced by any variation in Rates of Exchange occurring between the said final date and the date of any liquidating distribution.

(d) The Trustee shall have no duty or liability with respect to monitoring or enforcing this Section 12.16.

Section 12.17. Documents in English.

The parties to this Agreement have expressly requested that this Agreement and all related notices, amendments and other documents be drafted in the English language. Les parties à la présente convention ont expressément exigé que cette convention et tous les avis, modifications et autres documents y afférents soient rédigés en langue anglaise seulement.

Section 12.18. Limitation of Liability.

It is expressly understood and agreed by the parties hereto that (a) this Indenture is executed and delivered by The Bank of New York and BNY Trust Company of Canada, not individually or personally but solely as Trustee under this Indenture, in the exercise of the powers and authority conferred and vested in it, (b) nothing herein contained shall be constructed as creating any liability on The Bank of New York or BNY Trust Company of Canada, individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties who are signatories to this Indenture and by any Person claiming by, through or under such parties and (d) under no circumstances shall The Bank of New York or BNY Trust Company of Canada be personally liable for the payment of any indebtedness or expenses of the Issuer or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Issuer under this Indenture.

[Signature Pages Follow]

** NOTIFICATION & STATUS REPORT **

DATE/TIME
Wed, 11 Jul 2007 13:28:45

REMOTE CSID
416 446 5423

DURATION PAGES
00:40 2

STATUS
New

416 446 5423


GLOBAL COMMUNICATIONS

07/11/07 14:07 P.002/002

IN WITNESS WHEREOF, the parties have caused this Indenture to be duly executed all as of the date and year first written above.

CANWEST MEDIAWORKS LIMITED
PARTNERSHIP

by its general partner, CANWEST MEDIAWORKS
(CANADA) INC.

By: 
Name: David Lamb
Title: VP CFO

CANWEST MEDIAWORKS PUBLICATIONS INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

CANWEST BOOKS INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties have caused this Indenture to be duly executed all as of the date and year first written above.

CANWEST MEDIAWORKS LIMITED
PARTNERSHIP

by its general partner, CANWEST MEDIAWORKS
(CANADA) INC.

By: _____
Name:
Title:

CANWEST MEDIAWORKS PUBLICATIONS INC.

confidential
confidential

By: _____
Name:
Title:

By: _____
Name:
Title:

CANWEST BOOKS INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

From:

07/12/2007 16:40 #023 P.001/004

THE BANK OF NEW YORK,
not in its individual capacity, but solely as U.S.
Trustee

By: Vanessa Mack
Name: **VANESSA MACK**
Title: **VICE PRESIDENT**

BNY TRUST COMPANY OF CANADA,
not in its individual capacity, but solely as Canadian
Trustee

By: _____
Name:
Title:

confidential
confidential

THE BANK OF NEW YORK,
not in its individual capacity, but solely as U.S.
Trustee

By: _____
Name:
Title:

BNY TRUST COMPANY OF CANADA,
not in its individual capacity, but solely as Canadian
Trustee

By: George A. Bragg
Name: GEORGE A. BRAGG
Title: VICE-PRESIDENT

confidential

confidential

[FORM OF NOTE]

CUSIP []

CANWEST MEDIAWORKS LIMITED PARTNERSHIP

No. []

U.S.\$[]

9.25% SENIOR SUBORDINATED NOTE DUE 2015

CANWEST MEDIAWORKS LIMITED PARTNERSHIP, a limited partnership formed under the laws of the Province of Ontario (the "Issuer," through its general partner, CanWest Media-Works (Canada) Inc., for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of U.S.\$[] on August 1, 2015.

Interest Payment Dates: February 1 and August 1, commencing February 1, 2008.

Record Dates: January 15 and July 15.

Reference is made to the further provisions of this Note contained herein, which will for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Issuer has caused this Note to be signed manually or by facsimile by its duly authorized officers.

**CANWEST MEDIAWORKS LIMITED
PARTNERSHIP**

by its general partner, CANWEST MEDIAWORKS
(CANADA) INC.

By: _____

Name:

Title:

Dated:

Certificate of Authentication:

This is one of the 9.25% Senior Subordinated Notes due 2015 referred to in the within-mentioned Indenture.

confidential
confidential

THE BANK OF NEW YORK,
not in its individual capacity, but solely as U.S.
Trustee

Authorized Signatory

BNY TRUST COMPANY OF CANADA,
not in its individual capacity, but solely as Canadian
Trustee

By: _____

Authorized Signatory

[REVERSE OF NOTE]

CANWEST MEDIAWORKS LIMITED PARTNERSHIP

9.25% SENIOR SUBORDINATED NOTE DUE 2015

1. Interest. CANWEST MEDIAWORKS LIMITED PARTNERSHIP, a limited partnership formed under the laws of the Province of Ontario (the "Issuer"), promises to pay, until the principal hereof is paid or made available for payment, interest on the principal amount set forth on the face hereof at a rate of 9.25% per annum. Interest hereon will accrue from and including the most recent date to which interest has been paid or, if no interest has been paid, from and including July 13, 2007 to but excluding the date on which interest is paid. Interest shall be payable in arrears on each February 1 and August 1 commencing February 1, 2008. Interest will be computed on the basis of a 360-day year of twelve 30-day months. For purposes of the *Interest Act* (Canada), the yearly rate of interest that is equivalent to the rate payable hereunder is the rate multiplied by the actual number of days in the year and divided by 360. The Issuer shall pay interest on overdue principal and on overdue interest (to the full extent permitted by law) at the rate borne by the Notes.

2. Method of Payment. The Issuer will pay interest hereon (except defaulted interest) to the Persons who are registered Holders at the close of business on January 15 or July 15 next preceding the Interest Payment Date (whether or not a Business Day). Holders must surrender Notes to a Paying Agent to collect principal payments. The Issuer will pay principal, premium, if any, and interest on the Notes in the manner set forth in Article II of the Indenture. Interest may be paid by check mailed to the Holder entitled thereto at the address indicated on the register maintained by the Registrar for the Notes.

3. Paying Agent and Registrar. Initially, The Bank of New York, in its capacity as U.S. Trustee (the "U.S. Trustee"), will act as U.S. Paying Agent and U.S. Registrar. The Issuer may change any Paying Agent or Registrar without notice to any Holder. Neither the Issuer nor any of its Affiliates may act as Paying Agent or Registrar.

4. Indenture. The Issuer issued the Notes under an Indenture dated as of July 13, 2007 (the "Indenture") between the Issuer through its general partner, CanWest MediaWorks (Canada) Inc., the Guarantors, the U.S. Trustee and BNY Trust Company of Canada, as co-trustee (the "Canadian Trustee" and, together with the U.S. Trustee, the "Trustee"). This is one of an issue of Notes of the Issuer issued, or to be issued, under the Indenture. Capitalized and certain other terms used herein and not otherwise defined have the meanings set forth in the Indenture. The Notes are general unsecured senior subordinated obligations of the Issuer. The Issuer shall be entitled to issue Additional Notes pursuant to Section 2.19 of the Indenture. All Notes issued under the Indenture are treated as a single class of securities under the Indenture. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture for a statement of all such terms. To the extent permitted by applicable law, in the event of any inconsistency between the terms of this Note and the terms of the Indenture, the terms of the Indenture shall control. This is one of the Notes referred to in the Indenture.

5. Additional Amounts. The Issuer will pay to the Holders of Notes such Additional Amounts as may become payable under Section 4.26 of the Indenture.

6. Optional Redemption.

The Notes will be redeemable, at the Issuer's option, in whole or in part, at any time and from time to time on and after August 1, 2011 and prior to the Maturity Date at the following redemption prices (expressed as a percentage of principal amount), *plus* accrued and unpaid interest, if any, to the relevant Redemption Date (subject to the right of Holders of record on the relevant Regular Record Date to receive interest due on the relevant Interest Payment Date), if redeemed during the 12-month period commencing on August 1 of the years set forth below:

<u>Period</u>	<u>Redemption Price</u>
2011	104.625%
2012	102.313%
2013 and thereafter	100.000%

Such redemption may be made upon notice mailed by first-class mail to the registered address of each Holder to be redeemed, in accordance with the Indenture. The Issuer may provide in such notice that payment of the redemption price and the performance of the Issuer's obligations with respect to such redemption may be performed by another Person. Any such redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, including but not limited to the occurrence of a Change of Control.

At any time prior to August 1, 2011, Notes may also be redeemed or purchased (by the Issuer or any other Person) in whole or in part, at the Issuer's option, at a price equal to 100% of the principal amount thereof *plus* the Applicable Premium as of, and accrued but unpaid interest, if any, to, the Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date). Such redemption or purchase may be made upon notice mailed by first-class mail to the registered address of each Holder of Notes to be redeemed or purchased, in accordance with the Indenture. The Issuer may provide in such notice that payment of the Redemption Price and performance of the Issuer's obligations with respect to such redemption or purchase may be performed by another Person. Any such redemption, purchase or notice may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, including but not limited to the occurrence of a Change of Control.

"Applicable Premium" means, at any Redemption Date, the greater of (i) 1.0% of the principal amount of such Note and (ii) the excess of (A) the present value at such Redemption Date of (1) the redemption price of such Note on August 1, 2011 (such redemption price being that described in the first paragraph of this "Optional Redemption" section) plus (2) all required remaining scheduled interest payments due on such Note through such date, computed using a discount rate equal to the Treasury Rate plus 50 basis points, over (B) the principal amount of such Note on such Redemption Date; and, as calculated by the Issuer or on its behalf by such Person the Issuer shall designate; *provided* that such calculation shall not be a duty or obligation of the Trustee.

"Treasury Rate" means, with respect to a Redemption Date, the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H. 15(519) that has become publicly available at least two Business Days prior to such Redemption Date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such Redemption Date to August 1, 2011; *provided, however*, that if the period from the Redemption Date to such date is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the Redemption Date to such date is less than

one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

Notwithstanding the foregoing, the Issuer may redeem in the aggregate up to (i) 35% of the original principal amount of the Notes at any time and from time to time prior to August 1, 2010 at a redemption price equal to 109.25% of the aggregate principal amount so redeemed, plus accrued and unpaid interest, if any, to the Redemption Date, out of the net cash proceeds of one or more Equity Offerings; *provided* that at least 65% of the principal amount of Notes originally issued (which amount includes the original principal amount of Additional Notes) shall remain outstanding immediately after the occurrence of any such redemption and that any such redemption occurs within 90 days following the closing of any such Equity Offering.

In the event of a redemption of fewer than all of the Notes, the Trustee shall select the Notes to be redeemed in compliance with the requirements of the principal national securities exchange, if any, on which such Notes are listed or, if such Notes are not then listed on a national securities exchange, on a *pro rata* basis, by lot or in such other manner as the Trustee in its sole discretion shall deem fair and equitable. The Notes will be redeemable in whole or in part upon not less than 30 nor more than 60 days' prior written notice, mailed by first class mail to a Holder's last address as it shall appear on the register maintained by the Registrar. On and after any redemption date, interest will cease to accrue on the Notes or portions thereof called for redemption as long as sufficient funds to effect such redemption are deposited by or on behalf of the Issuer with the Paying Agent.

7. Tax Redemption. The Notes will be redeemable, in whole but not in part, at the option of the Issuer, upon not less than 30 nor more than 60 days' prior written notice mailed by first class mail to each Holder of Notes at its address appearing on the Register maintained by the Registrar, at 100% of the principal amount thereof, plus accrued and unpaid interest thereon, if any, to the redemption date, if the Issuer or any Guarantor is or would become obligated to pay, on the next date on which any amount would be payable with respect to the Notes, any Additional Amounts pursuant to Section 4.26 of the Indenture as a result of a change in, or amendment to, the laws (or any regulation or rulings promulgated thereunder) of any Taxing Jurisdiction, or any change in, or amendment to, any administrative or other official position regarding the application or interpretation of such laws, regulations or rulings (including, without limitation, a ruling by a court of competent jurisdiction), which change or amendment is announced on or after the Issue Date; *provided* that the Issuer or such Guarantor determines, in its business judgment, that the obligation to pay such Additional Amounts cannot be avoided by the use of reasonable measures available to the Issuer or such Guarantor (not including substitution of the obligor under the Notes). No such notice of redemption may be given later than 180 days after the Issuer first becomes liable to pay any Additional Amounts as a result of such change or amendment.

8. Notice of Redemption. Notice of redemption will be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed at his registered address. On and after the Redemption Date, unless the Issuer defaults in making the redemption payment, interest will cease to accrue on Notes or portions thereof called for redemption.

9. Offers to Purchase. The Indenture provides that upon the occurrence of a Change of Control or an Asset Sale, and subject to further limitations contained therein, the Issuer shall make an offer to purchase outstanding Notes in accordance with the procedures set forth in the Indenture.

10. [Reserved].

11. Denominations, Transfer, Exchange. The Notes are in registered form without coupons in minimum denominations of U.S.\$2,000 and integral multiples of U.S.\$1,000. A Holder may

register the transfer or exchange of Notes in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay to it any taxes and fees required by law or permitted by the Indenture. The Registrar need not register the transfer of or exchange any Notes or portion of a Note selected for redemption, or register the transfer of or exchange any Notes for a period of 15 days before a mailing of notice of redemption.

12. Persons Deemed Owners. The registered Holder of this Note may be treated as the owner of this Note for all purposes.

13. Unclaimed Money. If money for the payment of principal or interest remains unclaimed for two years, the Trustee or a Paying Agent will pay the money back to the Issuer (or, if appropriate, any Guarantors) at its written request. After such time, Holders entitled to the money must look to the Issuer and any Guarantors for payment as unsecured general creditors unless applicable "abandoned property" law designates another Person.

14. Amendment, Supplement, Waiver, Etc. The Issuer, any Guarantor and the Trustee may, without the consent of the Holders of any outstanding Notes, amend, waive or supplement the Indenture or the Notes for certain specified purposes, including, among other things, curing ambiguities, defects or inconsistencies and making any change that does not adversely affect the rights of any Holder. Other amendments and modifications of the Indenture or the Notes may be made by the Issuer, any Guarantor and the Trustee with the written consent of the Holders of not less than a majority of the aggregate principal amount of then outstanding Notes, subject to certain exceptions requiring the written consent of the Holders of the particular Notes to be affected.

15. Restrictive Covenants. The Indenture imposes certain limitations on the ability of the Issuer and the Restricted Subsidiaries to, among other things, incur additional indebtedness, make payments in respect of their Capital Stock or certain indebtedness, make certain Investments, create or incur liens, enter into transactions with Affiliates, enter into agreements restricting the ability of Restricted Subsidiaries to pay dividends and make distributions, issue Preferred Stock of any Restricted Subsidiaries of the Issuer, enter into sale and leaseback transactions and on the ability of the Issuer to merge or consolidate with any other Person or transfer all or substantially all of the Issuer's or any Guarantor's assets. Such limitations are subject to a number of important qualifications and exceptions. Pursuant to Section 4.04 of the Indenture, the Issuer must annually report to the Trustee in writing on compliance with such limitations.

16. Successor Corporation. When a successor corporation assumes all the obligations of its predecessor under the Notes and the Indenture and the transaction complies with the terms of Article V of the Indenture, the predecessor corporation will, except as provided in Article V, be released from those obligations.

17. Defaults and Remedies. Events of Default are set forth in the Indenture. Subject to certain limitations in the Indenture, if an Event of Default (other than an Event of Default specified in Section 6.01(7) or (8) of the Indenture with respect to the Issuer or any Restricted Subsidiary) occurs and is continuing, the Trustee or the Holders of not less than 25% in aggregate principal amount of then outstanding Notes may, by written notice to the Trustee and the Issuer, declare all principal of and accrued interest on all Notes to be immediately due and payable and such amounts shall become immediately due and payable. If an Event of Default specified in Section 6.01(7) or (8) of the Indenture occurs with respect to the Issuer or any Restricted Subsidiary, the principal amount of and interest on, all Notes shall *ipso facto* become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may require indemnity reasonably satisfactory to it before it enforces the Inden-

ture or the Notes. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding Notes may, in writing, direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal, premium, if any, or interest or a default in the observance or performance of any of the obligations of the Issuer under Article IV of the Indenture) if it determines in its sole discretion that withholding notice is in the Holders' best interests.

18. Trustee Dealings with Issuer. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Issuer, any Guarantor or their Affiliates, and may otherwise deal with the Issuer, any Guarantor or their Affiliates, as if it were not a Trustee.

19. No Recourse Against Others. No director, officer, employee incorporator or securityholder, of the Issuer or any Guarantor shall have any liability for any obligations of the Issuer or any Guarantor under the Notes, the Indenture or the Guarantees or for a claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

20. Discharge. The Issuer's obligations pursuant to the Indenture will be discharged, except for obligations pursuant to certain sections thereof, subject to the terms of the Indenture, upon the payment of all the Notes or upon the irrevocable deposit with the Trustee of U.S. dollars or U.S. Government Obligations sufficient to pay when due principal of and interest on the Notes to maturity or redemption, as the case may be.

21. Authentication. This Note shall not be valid until the Trustee manually signs the certificate of authentication on the other side of this Note.

22. Defeasance and Covenant Defeasance. The Indenture contains provisions for defeasance of the entire indebtedness on this Note and for defeasance of certain covenants in the Indenture upon compliance by the Issuer and the Guarantors with certain conditions set forth in the Indenture.

23. CUSIP Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Note Identification Procedures, the Issuer and the Guarantors have caused CUSIP Numbers to be printed on the Notes and have directed the Trustee in writing to use CUSIP numbers in notices of redemption as a convenience to Holders of the Notes. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

24. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

25. Governing Law. THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO AGREES TO SUBMIT TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS NOTE.

THE ISSUER WILL FURNISH TO ANY HOLDER UPON WRITTEN REQUEST
AND WITHOUT CHARGE A COPY OF THE INDENTURE. REQUESTS MAY BE MADE TO:

CanWest MediaWorks Limited Partnership
31st Floor
CanWest Global Place
201 Portage Avenue
Winnipeg, MB R3B 3L7
Canada
Attention: Legal Department

confidential
confidential

ASSIGNMENT

I or we assign and transfer this Note to:

(Insert assignee's social security or tax I.D. number)

(Print or type name, address and zip code of assignee)

and irrevocably appoint:

agent to transfer this Note on the books of the Issuer. The agent may substitute another to act for him.

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee: _____

SIGNATURE GUARANTEE

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

OPTION OF HOLDER TO ELECT PURCHASE

If you want to accept the offer to have all or any part of this Note purchased by the Issuer pursuant to Section 4.10 or Section 4.21 of the Indenture, check the appropriate box:

Section 4.10 Section 4.21

If you want to have only part of the Note purchased by the Issuer pursuant to Section 4.10 or Section 4.21 of the Indenture, state the amount you elect to have purchased:

U.S.\$ _____
(integral multiple of U.S.\$1.00)

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature Guaranteed

SIGNATURE GUARANTEE

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

[FORM OF LEGEND FOR 144A NOTES]

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, THE SECURITIES ACT, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION AND IN ACCORDANCE WITH THE TRANSFER RESTRICTIONS CONTAINED IN THE INDENTURE UNDER WHICH THIS NOTE WAS ISSUED.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND (2) AGREES THAT IT WILL NOT PRIOR TO THE DATE THAT IS TWO YEARS AFTER THE LATER OF (A) THE ORIGINAL ISSUE DATE HEREOF (OR OF ANY PREDECESSOR OF THIS SECURITY) AND (B) THE LAST DAY ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY OR ANY PREDECESSOR OF THIS SECURITY (THE "RESALE RESTRICTION TERMINATION DATE"), OFFER, SELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) TO THE ISSUER OR ANY OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A INSIDE THE UNITED STATES, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATIONS UNDER THE U.S. SECURITIES ACT, PURSUANT TO RULE 904 OF REGULATIONS (PROVIDED THAT SUCH NON-U.S. PERSONS AGREE NOT TO RESELL OR OTHERWISE TRANSFER THE SECURITIES IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT, EXCEPT IN ACCORDANCE WITH APPLICABLE CANADIAN SECURITIES LAWS) OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. AS USED HEREIN, THE TERMS "UNITED STATES" AND "U.S. PERSON" HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATIONS UNDER THE U.S. SECURITIES ACT.

[FORM OF ASSIGNMENT FOR RULE 144A NOTE]

I or we assign and transfer this Note to:

(Insert assignee's social security or tax I.D. number)

(Print or type name, address and zip code of assignee)

and irrevocably appoint:

Agent to transfer this Note on the books of the Issuers. The Agent may substitute another to act for him.

[Check One]

(a) this Note is being transferred in compliance with the exemption from registration under the Securities Act provided by Rule 144A thereunder.

or

(b) this Note is being transferred other than in accordance with (a) above and documents are being furnished that comply with the conditions of transfer set forth in this Note and the Indenture.

If none of the foregoing boxes is checked, the Trustee or Registrar shall not be obligated to register this Note in the name of any person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Sections 2.16 and 2.17 of the Indenture shall have been satisfied.

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee: _____

SIGNATURE GUARANTEE

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

[FORM OF LEGEND FOR REGULATION S NOTE]

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, THE SECURITIES ACT, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION AND IN ACCORDANCE WITH THE TRANSFER RESTRICTIONS CONTAINED IN THE INDENTURE UNDER WHICH THIS NOTE WAS ISSUED.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S (WITHIN THE MEANING OF RULE 903(c)(2) OF REGULATION S UNDER THE U.S. SECURITIES ACT) AND (2) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS "U.S. PERSON" and "OFFSHORE TRANSACTION" HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE U.S. SECURITIES ACT.

THE SECURITIES EVIDENCED HEREOF HAVE NOT BEEN THE SUBJECT OF ANY PROSPECTUS FILED UNDER THE SECURITIES LAWS OF ANY CANADIAN PROVINCE OR TERRITORY. THE HOLDER OF THE SECURITY BY ITS ACCEPTANCE HEREOF REPRESENTS, IF IT IS A RESIDENT OF CANADA, THAT IT IS PURCHASING THE SECURITIES IN A TRANSACTION THAT IS EXEMPT FROM THE PROSPECTUS REQUIREMENTS OF APPLICABLE CANADIAN SECURITIES LAWS. THE SALE OF THE SECURITIES TO IT QUALIFIES FOR AN EXEMPTION FROM THE PROSPECTUS FILING AND DELIVERY OBLIGATIONS UNDER APPLICABLE CANADIAN PROVINCIAL OR TERRITORIAL SECURITIES LAWS (PROVIDED THAT APPLICABLE FILING OBLIGATIONS ARE SATISFIED AND ANY APPLICABLE FEES ARE PAID), AND IT HAS PROVIDED SUCH INFORMATION AND MADE SUCH REPRESENTATIONS TO THE SELLER OF THE SECURITIES AS MAY BE REASONABLY NECESSARY FOR THE SELLER TO RELY ON SUCH EXEMPTIONS AND AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE DATE ON WHICH RESALE RESTRICTIONS TERMINATE UNDER APPLICABLE SECURITIES LAWS.

[FORM OF ASSIGNMENT FOR REGULATION S NOTE]

I or we assign and transfer this Note to:

(Insert assignee's social security or tax I.D. number)

(Print or type name, address and zip code of assignee)

and irrevocably appoint:

Agent to transfer this Note on the books of the Issuers. The Agent may substitute another to act for him.

[Check One]

(a) this Note is being transferred in compliance with the exemption from registration under the Securities Act provided by Rule 144A thereunder.

OR

(b) this Note is being transferred other than in accordance with (a) above and documents are being furnished that comply with the conditions of transfer set forth in this Note and the Indenture.

If none of the foregoing boxes is checked, the Trustee or Registrar shall not be obligated to register this Note in the name of any person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Sections 2.16 and 2.17 of the Indenture shall have been satisfied.

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee: _____

SIGNATURE GUARANTEE

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

TO BE COMPLETED BY PURCHASER IF (a) ABOVE IS CHECKED

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933 and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuers as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated: _____

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EXHIBIT D

[FORM OF LEGEND FOR GLOBAL NOTE]

Any Global Note authenticated and delivered hereunder shall bear a legend (which would be in addition to any other legends required in the case of a Rule 144A Note or Regulation S Note) in substantially the following form:

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE OF A DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (A NEW YORK CORPORATION) ("DTC") TO THE ISSUERS OR THEIR AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

Form of Certificate to Be Delivered
in Connection with Transfers
Pursuant to Regulation S

Attention:

Re: CANWEST MEDIAWORKS LIMITED PARTNERSHIP (the "Issuer") 9.25% Senior Subordinated Notes due 2015 (the "Notes")

Dear Sirs:

In connection with our proposed sale of U.S.\$ _____ aggregate principal amount of the Notes, we confirm that such sale has been effected pursuant to and in accordance with Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and, accordingly, we represent that:

- (1) the offer of the Notes was not made to a U.S. person or to a person in the United States;
- (2) either (a) at the time the buy offer was originated, the transferee was outside the United States or we and any person acting on our behalf reasonably believed that the transferee was outside the United States, or (b) the transaction was executed in, on or through the facilities of a designated off-shore securities market and neither we nor any person acting on our behalf knows that the transaction has been pre-arranged with a buyer in the United States;
- (3) no directed selling efforts have been made in the United States in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S, as applicable;
- (4) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act;
- (5) we have advised the transferee of the transfer restrictions applicable to the Notes (including that such Notes may not be resold or otherwise transferred in Canada or to or for the benefit of a Canadian resident, except pursuant to an exemption from the prospectus and registration requirements under applicable Canadian securities laws); and
- (6) if the circumstances set forth in Rule 904(c) under the Securities Act are applicable, we have complied with the additional conditions therein.

You are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

Very truly yours,

[Name of Transferee]

By: _____

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confidential

[FORM OF GUARANTEE]

THE OBLIGATIONS OF THE GUARANTORS TO THE HOLDERS OF NOTES PURSUANT TO THIS GUARANTEE AND THE INDENTURE DATED AS OF JULY 13, 2007, BY AND AMONG CANWEST MEDIAWORKS (CANADA) INC. ON BEHALF OF CANWEST MEDIAWORKS LIMITED PARTNERSHIP (THE "ISSUER"), THE GUARANTORS NAMED THEREIN (THE "GUARANTORS") AND THE TRUSTEES NAMED THEREIN (THE "INDENTURE") ARE EXPRESSLY SET FORTH IN ARTICLE XI OF THE INDENTURE, AND REFERENCE IS HEREBY MADE TO SUCH INDENTURE FOR THE PRECISE TERMS OF THIS GUARANTEE. THE TERMS OF THE INDENTURE, INCLUDING WITHOUT LIMITATION ARTICLE XI, ARE INCORPORATED HEREIN BY REFERENCE.

Each of the Guarantors hereby, jointly and severally, unconditionally guarantees to each Noteholder, irrespective of the validity and enforceability of the Indenture, the Notes or the obligations of the Issuer thereunder, that: (a) the principal of and premium and interest on the Notes shall be promptly paid in full when due, whether at the Maturity Date, by acceleration, redemption or otherwise, and interest on the overdue principal of (and any premium) and interest on the Notes, if any, if lawful, and all other obligations of the Issuer to the Noteholders thereunder shall be promptly paid in full or performed, all in accordance with the terms thereof; and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at the Maturity Date, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay the same immediately. Each Guarantor hereby agrees that its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or the Indenture, the absence of any action to enforce the same, any waiver or consent by any Noteholder with respect to any provisions thereof, the recovery of any judgment against the Issuer, any action to enforce the same or any other circumstance that might otherwise constitute a legal or equitable discharge or defense of a Guarantor. Each Guarantor hereby waives, to the extent permitted by law, diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest, notice and all demands whatsoever and covenants that, subject to Article XI of the Indenture, this Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes and the Indenture.

If any Noteholder is required by any court or otherwise to return to the Issuer or Guarantors, or any custodian, trustee, liquidator or other similar official acting in relation to either the Issuer or Guarantors, any amount paid to such Noteholder, this Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect. Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Noteholders in respect of any obligations guaranteed hereby until such time as the Indebtedness of the Issuer evidenced by the Note shall have been paid in full. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Noteholders, on the other hand, (a) the Maturity Date of the obligations guaranteed hereby may be accelerated as provided in Section 6.02 of the Indenture for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations Guaranteed hereby, and (b) in the event of any declaration of acceleration of such obligations as provided in Section 6.02 of the Indenture, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for

the purpose of this Guarantee. The Guarantors shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Noteholders under the Guarantees.

The obligations of each Guarantor under this Guarantee are junior and subordinated to the Senior Indebtedness of such Guarantor to the extent in the manner provided for in Article XI of the Indenture.

Each Guarantor, and by its acceptance of Notes, each Noteholder, hereby confirms that it is the intention of all such parties that this Guarantee not constitute a fraudulent transfer or conveyance for purposes of any Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal, state, provincial or territorial law to the extent applicable to any Guarantee. To effectuate the foregoing intention, the Noteholders and the Guarantors hereby irrevocably agree that the obligations of each Guarantor under this Guarantee and Article XI of the Indenture shall be limited to the maximum amount as will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under Article XI of the Indenture, result in the obligations of such Guarantor under this Guarantee not constituting a fraudulent transfer or conveyance.

This is a continuing Guarantee and shall remain in full force and effect and shall be binding upon the undersigned Guarantors and their respective successors and assigns to the extent set forth in the Indenture until full and final payment of all of the Issuer's obligations under the Notes and the Indenture and shall inure to the benefit of the Noteholders and their successors and assigns and, in the event of any transfer or assignment of rights by any Noteholder, the rights and privileges herein conferred upon that party shall automatically extend to and be vested in such transferee or assignee, all subject to the terms and conditions hereof and of Article XI of the Indenture. Notwithstanding the foregoing, any Guarantor that satisfies the provisions of Section 11.05 of the Indenture shall be released of its obligations hereunder.

THIS GUARANTEE SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, each of the Guarantors has caused this Guarantee to be signed by a duly authorized officer.

Date: _____

[NAME OF GUARANTOR], as Guarantor

By: _____

Name:

Title:

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[FORM OF AUTHENTICATION ORDER]

CANWEST MEDIAWORKS LIMITED PARTNERSHIP

CanWest Global Place
201 Portage Avenue
31st Floor
Winnipeg, MB R3B 3L7
Canada

July 13, 2007

The Bank of New York
101 Barclay Street
New York, New York 10286
United States
Attention: Vanessa Mack

BNY Trust Company of Canada
Suite 1101
4 King Street West
Toronto, Ontario M5H 1B6
Attention: George A. Bragg

confidential
confidential

Re: Authentication Order:
9.25% Senior Subordinated Notes due 2015

Ladies and Gentlemen:

There has heretofore been delivered to you, as Trustees under the Indenture dated as of July 13, 2007 (the "Indenture"), among CanWest MediaWorks (Canada) Inc. in its capacity as general partner of CanWest MediaWorks Limited Partnership (the "Issuer"), the guarantors named therein, The Bank of New York and BNY Trust Company of Canada, one or more global certificates (the "Global Notes") evidencing U.S.\$400,000,000 aggregate principal amount of the Issuer's 9.25% Senior Subordinated Notes due 2015 (the "Notes").

Pursuant to Section 2.03 of the Indenture, you, as Trustees, are hereby authorized and directed to authenticate the Notes on July 13, 2007, to register the Notes in the name of Cede & Co., the nominee of The Depository Trust Company ("DTC"), and to hold the Global Notes, when so authenticated and registered, as custodian for DTC.

In rendering this authentication order, we have read the provisions of the Indenture as we have deemed relevant, and have examined and investigated such other matters as we have deemed necessary, to enable us to express an informed opinion as to whether the conditions precedent set forth in the Indenture relating to the issuance of the Notes have been complied with. Based upon the foregoing, in our

opinion all conditions precedent to the issuance of the Notes contained in the Indenture have been complied with.

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Very truly yours,

CANWEST MEDIAWORKS LIMITED PARTNERSHIP

by its general partner, CANWEST MEDIAWORKS
(CANADA) INC.

By: _____

Name:

Title:

confidential

confidential

Receipt of the Global Notes is hereby acknowledged this 13th day of July, 2007.

THE BANK OF NEW YORK,
not in its individual capacity, but solely as U.S.
Trustee

By: _____
Name:
Title:

BNY TRUST COMPANY OF CANADA,
not in its individual capacity, but solely as Canadian
Trustee

By: _____
Name:
Title:

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confidential