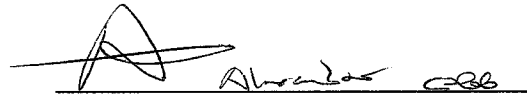


This is Exhibit "S" to the Affidavit of  
THOMAS C. STRIKE sworn before me  
this 7th day of January, 2010.

  
\_\_\_\_\_  
Commissioner for Taking Affidavits



## NEWS RELEASE

For Immediate Release  
August 3, 2009

### **Canwest Limited Partnership ceases payments under 9.25% senior subordinated notes**

**WINNIPEG** - Canwest Global Communications Corp. ("Canwest") announced today that its subsidiary, Canwest Limited Partnership (the "Limited Partnership"), will not make the August 1, 2009 payment of interest of approximately US\$18.5 million on its outstanding 9.25% senior subordinated notes due 2015. Under the terms of the notes, the noteholders will not be in a position to demand payment of the approximately US\$400 million principal amount of outstanding notes prior to September 1, 2009.

The non payment of interest will provide the Limited Partnership with the ability to continue to operate its business in the ordinary course, as it works to effect a restructuring transaction. Management of the Limited Partnership is in discussions with its senior lenders regarding the current financial circumstances of the Limited Partnership.

The Limited Partnership owns and operates 12 major daily newspapers, 26 community newspapers, more than 80 online operations as well as other publications and national services. It does not include the National Post newspaper or its related online operations.

#### **Forward Looking Statements:**

*This news release contains certain forward-looking statements about the objectives, strategies, financial conditions, results of operations and businesses of Canwest. Statements that are not historical facts are forward-looking and are subject to important risks, uncertainties and assumptions. These statements are based on our current expectations about our business and the markets in which we operate, and upon various estimates and assumptions. The results or events predicted in these forward-looking statements may differ materially from actual results or events if known or unknown risks, trends or uncertainties affect our business, or if our estimates or assumptions turn out to be inaccurate. As a result, there is no assurance that the circumstances described in any forward-looking statement will materialize. Significant and reasonably foreseeable factors that could cause our results to differ materially from our current expectations are discussed in the section entitled "Risk Factors" contained in our Annual Information Form for the year ended August 31, 2008 dated November 24, 2008 filed by Canwest Global Communications Corp. with the Canadian securities commissions (available on SEDAR at [www.sedar.com](http://www.sedar.com)), as updated in our most recent Management's Discussion and Analysis for the three and nine months ended May 31, 2009. Unless required by law, we disclaim any intention or obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason.*

**About Canwest Global Communications Corp.**

Canwest Global Communications Corp. ([www.canwest.com](http://www.canwest.com)), (TSX: CGS and CGS.A.) an international media company, is Canada's largest media company. In addition to owning the Global Television Network, Canwest is Canada's largest publisher of English language daily newspapers and owns, operates and/or holds substantial interests in conventional television, out-of-home advertising, specialty cable channels, and web sites in Canada, New Zealand, Australia, Indonesia, Singapore, the United Kingdom and the United States.

-30-

For further information:

**Media Contact:**

John Douglas, Vice President, Public Affairs

Tel: (204) 953-7737

[jdouglas@canwest.com](mailto:jdouglas@canwest.com)


**Investor Contact:**

Hugh Harley, Director, Investor Relations

Tel: (204) 953-7731

[hharley@canwest.com](mailto:hharley@canwest.com)

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

  
\_\_\_\_\_  
Commissioner for Taking Affidavits

**TRANSITION AND REORGANIZATION  
AGREEMENT**

**by and among**

**CANWEST GLOBAL COMMUNICATIONS CORP.,**

**CANWEST LIMITED PARTNERSHIP / CANWEST  
SOCIETE EN COMMANDITE,**

**CANWEST MEDIA INC.,**

**CANWEST PUBLISHING INC. / PUBLICATIONS  
CANWEST INC.,**

**CANWEST TELEVISION LIMITED  
PARTNERSHIP.,**

**and**

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST**

**Dated as of October 26, 2009**

## TRANSITION AND REORGANIZATION AGREEMENT

TRANSITION AND REORGANIZATION AGREEMENT (this "Agreement"), dated as of October 26, 2009, by and among Canwest Global Communications Corp. ("Canwest Global"), Canwest Limited Partnership / Canwest Societe en Commandite ("Canwest LP"), Canwest Media Inc. ("CMI"), Canwest Publishing Inc. / Publications Canwest Inc. ("CPI"), Canwest Television Limited Partnership ("Television LP"), and The National Post Company / La Publication National Post (the "National Post Company") (the "Parties" and each, a "Party").

### WITNESSETH:

WHEREAS, Canwest Global is a Canadian media company with interests in (i) free-to-air television stations and subscription-based specialty television channels and (ii) publishing and digital media operations.

WHEREAS, Canwest Global's free-to-air television broadcast business and subscription-based specialty television channels are carried on through the CMI Entities (as defined below) and Canwest Global's publishing business is carried on through Canwest LP (Canwest LP's general partner, Canwest (Canada) Inc.), and its subsidiaries (namely CPI, Canwest Books Inc. ("CBI") and Canwest Canada Inc. collectively the "LP Entities") and the National Post Company.

WHEREAS, prior to 2005 all of the businesses which were wholly-owned by Canwest Global, including all of the businesses now operated by the CMI Entities and all of the businesses now operated by the LP Entities, were operated by a single corporate entity, namely Canwest MediaWorks Inc. ("MediaWorks") (since renamed CMI). As one unified business, all business critical and support services, including executive services, information technology, human resources, accounting and finance, were shared amongst MediaWorks and its subsidiaries.

WHEREAS, in 2005 Canwest LP was formed to acquire all of MediaWorks' newspaper publishing and digital media entities (excluding the *National Post*) and to operate such businesses, as well as certain of the shared services operations, as part of a planned income trust spin-off of CMI's newspaper publishing and digital media assets. The income trust spin-off was completed in October 2005. The *National Post* was excluded from the income trust spin-off and remained with the other entities wholly-owned by Canwest Global in the form of a general partnership – The National Post Company.

WHEREAS, when the publishing and digital media entities operated by MediaWorks were spun-off to Canwest LP, there was a recognition that the corporate services that had previously been shared between the various entities in the Canwest enterprise would need to continue, but that the cost of the provision of such services should be on commercially reasonable terms. Accordingly, MediaWorks and Canwest LP formalized the existing shared services arrangements by entering into various inter-entity agreements which governed the provision and cost allocation of the applicable services (the "Shared Services Arrangements").

WHEREAS, notwithstanding that the *National Post* was segregated from the other Canwest publications as part of the income trust spin-off in 2005, it has at all times retained a close connection and been intertwined with the operation and publication of the newspapers of Canwest LP, and, following the income trust spin-off, the two entities continued to share many business critical services. The multitude of fundamental operations that were, and continue to be, conducted by the LP Entities on behalf of the *National Post* rendered it functionally dependent on the Shared Services Arrangements and the operational synergies that have been developed between the *National Post* and the family of publications of the LP Entities.

WHEREAS, in 2007 Canwest LP effected a going-private transaction of the income trust and, since July 2007, Canwest LP has been a 100% wholly-owned indirect subsidiary of Canwest Global. Although Canwest LP was repatriated with the rest of the Canwest enterprise, it has nonetheless continued to maintain a separate debt structure and credit facilities from CMI and has continued to participate in and be bound by the Shared Services Arrangements. This interdependence has been mutually beneficial to the LP Entities and CMI Entities, but has also, unintentionally, resulted in certain misalignment of personnel and services.

WHEREAS, both the CMI Entities and the LP Entities have experienced significant deterioration in their financial performance over the past 12-18 months and, due to their independent debt structures, have been forced to pursue independent restructuring and recapitalization plans. Following the negotiation of a consensual "pre-packaged" recapitalization transaction (the "**CMI Recapitalization Transaction**") with an ad hoc committee (the "**Ad Hoc Committee**") representing approximately 72% of the holders of the 8% senior subordinated notes due in 2012 (the "**8% Senior Subordinated Notes**"), CMI and certain of its affiliates (the "**CMI Entities**") sought and were granted protection under the *Companies' Creditors Arrangement Act (Canada)* ("**CCAA**") on October 6, 2009. The purpose, intention and expected result of the Recapitalization Transaction is to ensure that as many as possible of the businesses operated by the CMI Entities continue as going concerns thereby preserving enterprise value for stakeholders and maintaining employment for as many employees as possible.

WHEREAS, Canwest LP is currently in default of certain of its financial covenants under its existing credit arrangements and has failed to make certain principal and interest payments in respect of those arrangements. Canwest LP recently entered into a forbearance agreement (the "**LP Forbearance Agreement**") with its senior lenders (the "**LP Senior Secured Lenders**") wherein those lenders have agreed not to take any steps to demand immediate payment or enforce the security held in support of Canwest LP's senior secured credit facilities in order to afford the LP Entities and the LP Senior Secured Lenders an opportunity to attempt to negotiate a consensual pre-packaged restructuring, recapitalization or reorganization of the LP Entities (a "**Pre-Pack**"). The LP Forbearance Agreement is subject to the satisfaction of certain milestones including reaching an agreement on the realignment of the Shared Services Arrangements and the principal terms of a Pre-Pack.

WHEREAS, both the LP Forbearance Agreement and the CMI Recapitalization Transaction contemplate that the CMI Entities and the LP Entities are to agree on an orderly transition and disentanglement and/or realignment of the existing Shared Services Arrangements. In addition, the Term Sheet governing the CMI Recapitalization Transaction (the "**Recapitalization Term Sheet**") required that a definitive agreement in respect of a transfer of

the *National Post* to Canwest LP be entered into on terms acceptable to the Ad Hoc Committee by no later than October 15, 2009. As negotiations with Canwest LP to effect such a transfer had advanced but had not concluded by that date, the Ad Hoc Committee subsequently extended the date by which such an agreement is required to close until October 30, 2009.

WHEREAS, to that end, and recognizing that both an agreement in respect of the Shared Service Arrangements and the transfer of the *National Post* are necessary for the restructuring of Canwest Global, the CMI Entities and the LP Entities wish to enter into this Agreement that recognizes and acknowledges the terms of: (i) an agreement entered into by and between Canwest Global, Canwest LP, CMI, CPI, Television LP, and the National Post Company that provides for a restructuring of the Shared Services as a means to properly realign the Shared Services and personnel (the "New Shared Services Agreement"); and (ii) an agreement entered into by and between the National Post Company and CPI that provides for a going concern transition of the assets and business of the National Post Company (the "National Post Transition Agreement").

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements, provisions and covenants contained in this Agreement, the Parties hereby agree as follows:

## ARTICLE I

### INTERPRETATION

Section 1.1. References; Interpretation. References in this Agreement to any gender include references to all genders, and references to the singular include references to the plural and vice versa. Unless the context otherwise requires, the words "include", "includes" and "including" when used in this Agreement shall be deemed to be followed by the phrase "without limitation". Unless the context otherwise requires, references in this Agreement to Articles, Sections, Annexes, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Annexes, Exhibits and Schedules to, this Agreement. Unless the context otherwise requires, the words "hereof", "hereby" and "herein" and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Article, Section or provision of this Agreement.

Section 1.2. Schedules. The schedules to this Agreement, listed below, are an integral part of this Agreement:

<u>Schedule</u>	<u>Description</u>
1	New Shared Services Agreement
2	National Post Transition Agreement



## ARTICLE II

### THE TRANSITION AND REORGANIZATION

Section 2.1. Subject to the terms and conditions of this Agreement, the Parties shall consummate the transactions contemplated hereby and by the New Shared Services Agreement and National Post Transition Agreement at the same time (the consummation of each scheduled agreement being a condition to the consummation of the other) in accordance with their respective terms and as soon as reasonably practicable following making of an Order from the Ontario Superior Court of Justice (Commercial List) under the CCAA authorizing the consummation of the transactions contemplated hereby (the "Effective Time").

Section 2.2. As more specifically described therein, under the New Shared Services Agreement, the parties thereto have agreed that during fiscal 2010, the costs for the existing Shared Services Arrangements will continue in each cost centre at the existing allocations, as amended by the New Shared Services Agreement, until a specified date, at which time the Shared Services Arrangements will either cease to be provided to the service recipient or will be renegotiated on commercial terms, as applicable. Expense allocations will be reduced as and to the extent that the personnel providing the existing Shared Services Arrangements are transferred from the service provider to the service recipient. The New Shared Services Agreement also addresses certain employee-related matters, including a realignment of those employees who are currently misaligned and a transfer of certain misaligned pension plan participants to a pension plan which is sponsored by the appropriate party.

Section 2.3. As more specifically described therein, the National Post Transition Agreement provides that the *National Post* will be transitioned as a going concern to a newly-incorporate subsidiary of CPI ("CPI Subco"). CPI Subco will offer employment to all of the National Post Company's employees and will assume the National Post Company's obligations and liabilities under the National Post Company's pension plan.

Section 2.4. It is the intent of the Parties that from and after the consummation of the transactions contemplated hereby and by the New Shared Services Agreement and National Post Transition Agreement, the businesses of the CMI Entities and the LP Entities will be conducted independently as separate entities.

## ARTICLE III

### MISCELLANEOUS

Section 3.1. Complete Agreement; Construction This Agreement, including the Schedules shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter. In the event of any inconsistency between this Agreement and any Schedule hereto, the Schedule shall prevail.

Section 3.2. Counterparts. This Agreement may be executed in more than one counterparts all of which shall be considered one and the same agreement, and shall become

effective when one or more such counterparts have been signed by each of the Parties and delivered to the other Parties.

Section 3.3. Survival of Agreement. Except as otherwise contemplated by this Agreement, the New Shared Services Agreement or the National Post Transition Agreement, all covenants and agreements of the Parties contained in this Agreement, the New Shared Services Agreement and the National Post Transition Agreement shall survive the Effective Time and remain in full force and effect in accordance with their applicable terms.

Section 3.4. Amendments. This Agreement may not be modified or amended except by an agreement in writing signed by each of the Parties.

Section 3.5. Assignment. This Agreement shall not be assignable, in whole or in part.

Section 3.6. Successors. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors.


Section 3.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 3.8. Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The Parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 3.9. Interpretation. The Parties have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting or causing any instrument to be drafted.


IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

**CANWEST GLOBAL COMMUNICATIONS  
CORP.**

By:   
Name: John E. Maguire  
Title: Chief Financial Officer


By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Senior Vice-President & General  
Counsel

**CANWEST LIMITED PARTNERSHIP /  
CANWEST SOCIETE EN COMMANDITE** by  
its general partner **CANWEST (CANADA) INC.**

By:   
Name: John E. Maguire  
Title: Director

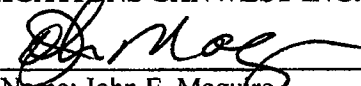
By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Director

**CANWEST MEDIA INC.**

By:   
Name: John E. Maguire  
Title: Chief Financial Officer


By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Senior Vice-President & General  
Counsel

**CANWEST PUBLISHING INC. /  
PUBLICATIONS CANWEST INC.**

By:   
Name: John E. Maguire  
Title: Vice-President

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Vice-President

**CANWEST TELEVISION LIMITED  
PARTNERSHIP by its general partner  
CANWEST TELEVISION GP INC.**

By:   
Name: John E. Maguire  
Title: Vice-President

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Vice-President

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner CANWEST MEDIA INC.**

By:   
Name: John E. Maguire  
Title: Director

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Director

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner NATIONAL POST HOLDINGS LTD.**

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: President

By: \_\_\_\_\_  
Name: Riva R. Richard  
Title: Secretary

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

**CANWEST GLOBAL COMMUNICATIONS  
CORP.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Chief Financial Officer

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Senior Vice-President & General  
Counsel

**CANWEST LIMITED PARTNERSHIP /  
CANWEST SOCIETE EN COMMANDITE** by  
its general partner **CANWEST (CANADA) INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Director

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Director

**CANWEST MEDIA INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Chief Financial Officer

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Senior Vice-President & General  
Counsel

**CANWEST PUBLISHING INC. /  
PUBLICATIONS CANWEST INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Vice-President

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Vice-President

**CANWEST TELEVISION LIMITED  
PARTNERSHIP by its general partner  
CANWEST TELEVISION GP INC.**

By: \_\_\_\_\_

Name: John E. Maguire  
Title: Vice-President

By: \_\_\_\_\_

Name: Thomas C. Strike  
Title: Vice-President

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner CANWEST MEDIA INC.**

By: \_\_\_\_\_

Name: John E. Maguire  
Title: Director

By: \_\_\_\_\_

Name: Richard M. Leipsic  
Title: Director

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner NATIONAL POST HOLDINGS LTD.**

By: \_\_\_\_\_

Name: Richard M. Leipsic  
Title: President

By: \_\_\_\_\_

Name: Riva R. Richard  
Title: Secretary

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.


**CANWEST GLOBAL COMMUNICATIONS  
CORP.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Chief Financial Officer

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Senior Vice-President & General  
Counsel

**CANWEST LIMITED PARTNERSHIP /  
CANWEST SOCIETE EN COMMANDITE** by  
its general partner **CANWEST (CANADA) INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Director

By:  \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Director

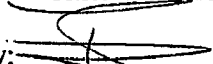
**CANWEST MEDIA INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Chief Financial Officer

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Senior Vice-President & General  
Counsel

**CANWEST PUBLISHING INC. /  
PUBLICATIONS CANWEST INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Vice-President

By:  \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Vice-President

**CANWEST TELEVISION LIMITED  
PARTNERSHIP by its general partner  
CANWEST TELEVISION GP INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Vice-President

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Vice-President

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner CANWEST MEDIA INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Director

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Director

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner NATIONAL POST HOLDINGS LTD.**

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: President

By: \_\_\_\_\_  
Name: Riva R. Richard  
Title: Secretary



**CANWEST TELEVISION LIMITED  
PARTNERSHIP by its general partner  
CANWEST TELEVISION GP INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Vice-President

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Vice-President

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner CANWEST MEDIA INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Director

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Director

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner NATIONAL POST HOLDINGS LTD.**

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: President

By:   
Name: Riva R. Richard  
Title: Secretary

**SCHEDULE A – NATIONAL POST TRANSITION AGREEMENT**

## NATIONAL POST TRANSITION AGREEMENT

This Agreement is made as of October 26, 2009, between

**THE NATIONAL POST COMPANY / LA PUBLICATION  
NATIONAL POST**, a general partnership governed by the laws of  
Ontario

(the "Transferor")

and

**CANWEST PUBLISHING INC. / PUBLICATIONS  
CANWEST INC.**, a corporation governed by the laws of Canada

("CPI")

### RECITALS

A. The Transferor operates the Business as a partnership pursuant to the NP Partnership Agreement.

B. The Transferor desires to sell, and CPI desires to purchase through a new wholly-owned subsidiary, the Business, as more particularly set out herein, subject to the terms and conditions hereof.

FOR VALUE RECEIVED, the parties agree as follows:

### ARTICLE 1 – INTERPRETATION

#### Section 1.1 Definitions

In this Agreement:

- (1) "Accounts Payable" has the meaning given to it in Section 3.1(1).
- (2) "Accounts Receivable" means all accounts receivable, notes receivable, loans receivable and other evidences of indebtedness and rights to receive payments of the Transferor related to the Business at the Closing Time, other than (i) the CMI Receivables and (ii) the Print Receivables, and in each case the security arrangements and collateral securing the repayment and satisfaction of the foregoing.
- (3) "Accrued Expenses" has the meaning given to it in Section 3.1(2).
- (4) "Accrued Salaries" has the meaning given to it in Section 3.1(4).

- (5) **“Administrative Agent”** means The Bank of Nova Scotia, in its capacity as Administrative Agent on behalf of the lenders under the Credit Facility.
- (6) **“Affiliate”** of a Person means any Person that directly or indirectly controls, is controlled by, or is under common control with, that Person, and for greater certainty includes a subsidiary; and **“control”** and any derivation thereof means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities or otherwise.
- (7) **“Agreement”** means this National Post transition agreement and all schedules to this agreement.
- (8) **“Applicable Employee Laws”** means all Applicable Laws relating to employment and labour, including, without limitation, those relating to wages, hours of work, notice of termination and severance pay, employment or labour standards, collective bargaining, labour or industrial relations, pension benefits, human rights, pay equity, employment equity, workers’ compensation or workplace safety and insurance, employer health tax, employment or unemployment insurance, income tax withholdings, Canada Pension Plan, occupational health and safety and hazardous substances.
- (9) **“Applicable Law”** means, in respect of any Person, property, transaction, event or other matter, any present or future law, statute, regulation, code, ordinance, principle of common law or equity, municipal by-law, treaty or Order, domestic or foreign, applicable to that Person, property, transaction, event or other matter and, whether or not having the force of law, all applicable requirements, requests, official directives, rules, consents, approvals, authorizations, guidelines, and policies of any Governmental Authority having or purporting to have authority over that Person, property, transaction, event or other matter and regarded by such Governmental Authority as requiring compliance.
- (10) **“Approval and Vesting Order”** has the meaning given to it in Section 10.1(1)(a).
- (11) **“Assignment and Assumption Agreement”** has the meaning given to it in Section 6.5(1).
- (12) **“Assumed Liabilities”** has the meaning given to it in Section 3.1.
- (13) **“Assumed Liabilities Estimate”** has the meaning given to it in Section 9.1(3).
- (14) **“Benefit Plans”** means the group insurance, dental insurance, disability, death benefit, health and welfare, hospitalization, vacation, vacation pay, unemployment and other employee benefit plans, arrangements, policies, practices and other similar arrangements under which (i) Employees or (ii) the dependants or beneficiaries of such Employees, are entitled to payments or to which the Transferor or any Affiliate or subsidiary thereof, makes or is required to make contributions, for the benefit of such Employees or their dependants or beneficiaries, other than (a) plans established by statute or required to be maintained or contributed to under Applicable Employee Laws (b) any Pension Plans and (c) supplemental employee retirement plans or arrangements.

- (15) **"Books and Records"** means the Financial Records and all other books, records, files and papers of the Transferor related to the Business including drawings, engineering information, computer programs (including source code), software programs, manuals and data, sales and advertising materials, sales and purchase correspondence, trade association files, research and development records, lists of present and former customers, suppliers and personnel, employment and other records, and all records, data and information stored electronically, digitally or on computer-related media, but excluding in each case any portion thereof that does not relate to the Business.
- (16) **"Business"** means the business of owning, operating and publishing the daily newspaper known as the "National Post", including the activities related thereto listed on Schedule 1.1(16).
- (17) **"Business Day"** means a day on which banks are open for business in the City of Toronto but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario.
- (18) **"Canwest GP"** means Canwest (Canada) Inc.
- (19) **"Canwest LP"** means Canwest Limited Partnership.
- (20) **"CBCA"** means the *Canada Business Corporations Act*.
- (21) **"CCAA"** means *Companies' Creditors Arrangement Act* (Canada).
- (22) **"CCAA Court"** means the Ontario Superior Court of Justice (Commercial List).
- (23) **"CCAA Proceedings"** means any proceedings commenced by any of the CMI CCAA Applicants pursuant to the CCAA under which they may seek an arrangement or compromise with any of their creditors and includes any orders granted with respect thereto.
- (24) **"Claims"** includes claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions, informations or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing.
- (25) **"Closing"** means the successful completion of the Transaction.
- (26) **"Closing Date"** means the day of the granting of the Approval and Vesting Order by the CCAA Court or such other day as the parties may agree but not later than the Outside Date.
- (27) **"Closing Time"** means the time of Closing on the Closing Date.
- (28) **"CMI"** means Canwest Media Inc.
- (29) **"CMI CCAA Applicants"** means Canwest Global Communications Corp., CMI, MBS Productions Inc., Yellow Card Productions Inc., Canwest Global Broadcasting Inc./Radiodiffusion Canwest Global Inc., Canwest Television GP Inc., Fox Sports World Canada

Holdco Inc., Global Centre Inc., Multisound Publishers Ltd., Canwest International Communications Inc., Canwest Irish Holdings (Barbados) Inc., Western Communications Inc., Canwest Finance Inc./Financiere Canwest Inc., NP Holdings, Canwest International Management Inc., Canwest International Distribution Limited, Canwest MediaWorks Turkish Holdings (Netherlands) B.V., CGS International Holdings (Netherlands) B.V., CGS Debenture Holdings (Netherlands) B.V., CGS Shareholdings (Netherlands) B.V., CGS NZ Radio Shareholdings (Netherlands) B.V., 4501063 Canada Inc., 4501071 Canada Inc., 30109, LLC, and CanWest MediaWorks (US) Holdings Corp.

(30) **"CMI Entities"** means Canwest Media Inc. and its subsidiaries other than Canwest GP, Canwest LP and its subsidiaries.

(31) **"CMI Payables"** means all Liabilities as of the Closing Time owed by the Transferor to any of the CMI Entities.

(32) **"CMI Receivables"** means all Liabilities owing to the Transferor by any of the CMI Entities.

(33) **"Contracts"** means contracts, subscriptions, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which the Transferor is bound or under which the Transferor has, or will have, any liability or contingent liability, in each case, relating exclusively to the Business, the Transferred Assets or the Assumed Liabilities (in each case, whether written or oral, express or implied), and includes quotations, orders, proposals or tenders which remain open for acceptance and warranties and guarantees.

(34) **"CPI Senior Lender Approval"** means the unconditional approval of the Transaction in writing by the Administrative Agent for and on behalf of lenders holding, in the aggregate, a minimum of 50.1% of the outstanding amount of the aggregate advances under the Credit Facility.

(35) **"Credit Facility"** means the Credit Agreement dated as of July 10, 2007 between CanWest LP (under its former name Canwest MediaWorks Limited Partnership), as borrower, the guarantors party thereto from time to time as guarantors, the lenders party thereto from time to time as lenders and the Administrative Agent, as amended from time to time to the date hereof and as may be further amended, supplemented, restated or otherwise modified from time to time.

(36) **"Deferred Revenue"** has the meaning given to it in Section 3.1(3).

(37) **"Employees"** means those: (a) individuals who are employed by the Transferor on a full-time, part-time or temporary basis immediately prior to the Closing Date (including, for greater certainty, such employees who are on leave); and (b) individuals listed at Schedule 1.1(37), whether or not they are employed by the Transferor immediately prior to the Closing Date.

(38) **"Encumbrance"** means any charge, mortgage, lien, pledge, claim, restriction, security interest or other encumbrance whether created or arising by agreement, statute or otherwise at law, attaching to property, interests or rights, whether or not they constitute specific or floating charges as those terms are understood under the Applicable Law of the Province of Ontario.

- (39) **"Equipment"** means all machinery, equipment, office equipment, furniture, spare parts, dies, tooling, tools, computer hardware, supplies and accessories in each case of the Transferor and relating to the Business at the Closing Time.
- (40) **"Excluded Assets"** has the meaning given to it in Section 2.2.
- (41) **"Existing Shared Services Agreements"** means any written shared administrative and/or advisory service agreements existing among any of the CMI Entities or Canwest LP, CPI or their subsidiaries as supplemented by the unwritten agreements described in Schedule 1.1(41) and past practice.
- (42) **"Financial Records"** means all books of account and other financial data and information of the Transferor related to the Business or related to the Transferred Assets or the Transferred Assets, includes all records, data and information stored electronically, digitally or on computer-related media, but excludes in each case any portion thereof that does not relate to the Business.
- (43) **"GAAP"** means generally accepted accounting principles in effect in Canada as at the date of this Agreement, including the accounting recommendations published in the Handbook of the Canadian Institute of Chartered Accountants.
- (44) **"Goodwill"** means the goodwill of the Transferor related to the Business at the Closing Time including the right to represent the Transferee as carrying on the Business in continuation of, and in succession to, the Transferor.
- (45) **"Governmental Authority"** means any domestic or foreign government, including any federal, provincial, state, territorial or municipal government, and any government department, body, ministry, agency, tribunal, commission, board, court, bureau or other authority exercising or purporting to exercise executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government.
- (46) **"GST"** means goods and services or harmonized sales tax imposed under the GST Act.
- (47) **"GST Act"** means Part IX of the *Excise Tax Act* (Canada).
- (48) **"Inventory"** means all inventories of the Transferor related primarily to the Business at the Closing Time, including all finished goods, work in progress, raw materials, manufacturing supplies, spare parts, packaging materials and all other materials and supplies used or consumed in the production of finished goods.
- (49) **"Intellectual Property"** means, in whatever format, all registered trade-marks and unregistered trade-marks, trade names, logos, commercial symbols, industrial designs, copyrights, patents, licences, sublicences, proprietary computer software rights, inventions, business plans, certifications, applications, registrations, trade secrets, patterns, drawings, formulas, specifications, technical information, merchandising information and materials, research and development data, concepts, methods, procedures, designs and all other intellectual and industrial property of the Transferor pertaining primarily to or used primarily in connection with the Business and/or the Transferred Assets existing as of the Closing Date and any goodwill associated therewith, but excluding any intellectual property licensed by the Transferor from

third parties if the consent of the third party is required to an assignment of the applicable license agreement and such consent is not obtained.

(50) **"Interim Period"** means the period from the date of this Agreement to and including the Closing Date.

(51) **"Liabilities"** of a Person means all indebtedness, obligations and other liabilities of that Person whether absolute, accrued, contingent, fixed or otherwise, or whether due or to become due.

(52) **"Licences"** means authorizations, approvals, including environmental approvals, licences or permits issued to the Transferor relating exclusively to the Business or any of the Transferred Assets by or from any Governmental Authority.

(53) **"Material Adverse Change"** means any change that is materially adverse to the operations or condition of the Business, financial or otherwise; but shall exclude any change arising out of, resulting from or attributable to (a) an event or series of events or circumstances affecting (i) the Canadian or global economy generally or capital or financial markets generally, including changes in interest or exchange rates, (ii) political conditions generally of Canada or (iii) the newspaper industry in general, (b) a decline in the price of the products of the Business; (c) an increase in the price of raw materials used in the Business (d) the negotiation, execution, announcement or consummation of the transactions contemplated by, or the performance of obligations under, this Agreement, (e) the identity of, or the effects of any facts or circumstances relating to, CPI or its Subsidiaries, (f) any changes or prospective changes in Applicable Law or GAAP or the enforcement or interpretation thereof, (g) actions required to be taken or omitted pursuant to this Agreement or taken with CPI's consent or not taken, in each case, because CPI unreasonably withheld, delayed or conditioned its consent, (h) the effect of any action taken by CPI or its Subsidiaries with respect to the Transaction, (i) any hostilities, acts of war, sabotage, terrorism or military actions, or any escalation or worsening of any such hostilities, acts of war, sabotage, terrorism or military actions, (j) any change or development in the business, financial condition, results of operations or credit, financial strength or other ratings of the Transferor or any of its Affiliates, (k) any voluntary or involuntary bankruptcy, reorganization, insolvency, moratorium, rehabilitation, liquidation, conservatorship, administrative supervision or similar proceeding involving the Transferor or any of its Affiliates, (l) the credit, financial strength or other ratings of, or the value of any of the investment assets of, the Transferor, (m) any failure by the Transferor or the Business to achieve any earnings, premiums written, or other financial projections or forecasts (it being understood that the cause or causes of any such failure may be deemed to constitute in and of itself and themselves, a Material Adverse Change and may be taken into account in determining whether a Material Adverse Change has occurred or would be reasonably likely to occur), and (n) any matter set forth in Schedule 1.1(53).

(54) **"Material Consents"** means those consents listed on Schedule 1.1(54).

(55) **"Material Contracts"** means Contracts involving aggregate payments to or by the Vendor in any fiscal year in excess of \$100,000 and/or Contracts which, if breached or not transferred to the Transferee, would have a material adverse effect on the Business.

(56) **"Maximum Amount"** means \$6,300,000.



- (57) **"Monitor"** means FTI Consulting Canada Inc. in its capacity as Monitor in the CCAA Proceedings.
- (58) **"NP Holdings"** means National Post Holdings Ltd.
- (59) **"NP Partners"** means CMI and NP Holdings and **"NP Partner"** means either of them.
- (60) **"NP Partnership Agreement"** means the partnership agreement in respect of the Transferor dated August 31, 2005, between CMI (as successor by amalgamation to Global Communications Limited and Global Television Network Inc.) and NP Holdings.
- (61) **"October Funding Amount"** means the absolute value of the amount that is equal to (a) the aggregate amount of cash received by the Transferor or on behalf of the Transferor by CMI entities during the month of October 2009; less (b) the aggregate amount of disbursements made by the Transferor or on behalf of the Transferor by CMI entities in respect of the Transferor's operating expenses during the month of October 2009.
- (62) **"Order"** means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.
- (63) **"Ordinary Course of Business"** means the ordinary and usual course of the routine daily affairs of the Business, consistent with past practice, but having regard to the fact that the CMI CCAA Applicants are subject to the CCAA Proceedings.
- (64) **"Outside Date"** means October 31, 2009.
- (65) **"Party"** means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **"Parties"** means every Party.
- (66) **"Pension Plans"** means all pension plans in which the Transferor participates or is otherwise required to contribute to in respect of the Transferred Employees that are "registered pension plans" as that term is defined in subsection 248(1) of the *Income Tax Act* (Canada), and which are sponsored, maintained or administered by any of the CMI Entities, or by CPI and the Canwest Limited Partnership (and their subsidiaries).
- (67) **"Permitted Encumbrances"** means the Encumbrances described in Schedule 1.1(67).
- (68) **"Person"** is to be broadly interpreted and includes an individual, a partnership, a corporation, a trust, a joint venture, any Governmental Authority, any trade union, any employee association or any incorporated or unincorporated entity or association of any nature and the executors, administrators, or other representatives of an individual in such capacity.
- (69) **"Personal Information"** means any factual or subjective information, recorded or not, about an individual, including any record that can be manipulated, linked or matched by a reasonably foreseeable method to identify an individual, but does not include the name, title or business address or telephone number of an employee of the Business.
- (70) **"Prepaid Expenses"** means prepaid expenses relating to the Business at the Closing Time.

- (71) **"Print Payables"** means all Liabilities as of the Closing Time owed by the Transferor to Canwest GP, Canwest LP, CPI or any of their subsidiaries.
- (72) **"Print Receivables"** means all Liabilities owing to the Transferor by any of Canwest GP, CPI, Canwest LP or any of their subsidiaries.
- (73) **"QST"** means provincial sales tax imposed under the QST Act.
- (74) **"QST Act"** means the *Québec Sales Tax Act*.
- (75) **"Senior Executives"** has the meaning given to it in Section 6.2(1).
- (76) **"Stayed Payables"** has the meaning given to it Section 3.3.
- (77) **"Steering Committee"** means the steering committee of the lenders under the Credit Facility formed by the Administrative Agent from time to time.
- (78) **"Subsidiary"** has the meaning given in the CBCA.
- (79) **"Taxes"** includes all present and future taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges of any nature imposed by any Governmental Authority, including income, capital (including large corporations), withholding, consumption, sales, use, transfer, goods and services or other value-added, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, health, education, business, school, property, local improvement, development, education development and occupation taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and charges, and other assessments or similar charges in the nature of a tax including Canada Pension Plan and provincial pension plan contributions, employment insurance and unemployment insurance premiums and workers compensation premiums, together with all fines, interest, penalties on or in respect of, or in lieu of or for non-collection of, those taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges, whether disputed or not.
- (80) **"Transaction"** means the transaction relating to the transition of the National Post Business from the Transferor to the Transferee contemplated by this Agreement.
- (81) **"Transferee"** means 4513401 Canada Inc.
- (82) **"Transferee's Pension Plan"** has the meaning given to it in Section 6.5(5)(b).
- (83) **"Transferor Senior Lender Approval"** means the unconditional approval of the Transaction in writing by (a) CIT Business Credit Canada Inc.; and (b) the Ad Hoc Committee of holder of 8% senior subordinated notes of CMI.
- (84) **"Transferor's Pension Plan"** means the National Post Retirement Plan registered in Ontario under the *Ontario Pension Benefits Act* with the Financial Services Commission of Ontario - Registration No. 1075928.
- (85) **"Transfer Price/Transition Cost"** means the amount that is equal to (a) the aggregate of (i) \$2,000,000; (ii) the aggregate amount of the Accrued Expenses, the Accounts Payable, the

Print Payables, and the Accrued Salaries; (iii) the Deferred Revenue assumed by the Transferee; and (iv) the lesser of (A) 50% of the October Funding Amount; and (B) \$1,000,000; less (b) the amount by which the Assumed Liabilities Estimate exceeds the Maximum Amount.

(86) **"Transferred Assets"** means the right, title and interest of the Transferor in and to the (i) Accounts Receivable, (ii) Prepaid Expenses, (iii) Inventory, (iv) Equipment, (v) Contracts and Licences, (vi) Intellectual Property, (vii) Goodwill; (viii) Books and Records; and (ix) Print Receivables, and the interest of CanWest Global Communications Corp. in any of the registered intellectual property listed on Schedule 1.1(49), but excluding the Excluded Assets.

(87) **"Transferred Employee"** means an Employee who accepts an offer of employment by the Transferee and who begins employment with the Transferee.

### Section 1.2 Best of Knowledge

Any statement in this Agreement expressed to be made to "the best of the knowledge of the Transferor" and any other references to the knowledge of the Transferor shall be understood to be made on the basis of the actual knowledge of Messrs. Thomas Strike, John Maguire and/or Richard Leipsic, after diligent inquiry, of the relevant subject matter or on the basis of such knowledge of the relevant subject matter as such Person would have had if he had conducted such diligent inquiry.

### Section 1.3 Additional Rules of Interpretation

- (1) **Gender and Number.** In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and *vice versa*.
- (2) **Headings and Table of Contents.** The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.
- (3) **Section References.** Unless the context requires otherwise, references in this Agreement to Articles, Sections or Schedules are to Articles, Sections or Schedules of this Agreement.
- (4) **Words of Inclusion.** Wherever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation" and the words following "include", "includes" or "including" shall not be considered to set forth an exhaustive list.
- (5) **References to this Agreement.** The words "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.
- (6) **Statute References.** Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include, unless the context

otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith and which are legally binding.

(7) **Document References.** All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, include all schedules and exhibits attached thereto.

(8) **Writing.** References to "in writing", "written" and similar expressions include material that is printed, handwritten, typewritten, faxed, emailed, or otherwise capable of being visually reproduced at the point of reception.

(9) **Currency.** Unless otherwise specified, all references to money amounts are to lawful currency of Canada.

(10) **No Strict Construction.** The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

(11) **Time Periods.** Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

#### Section 1.4 Schedules

The following are the schedules annexed to this Agreement and incorporated by reference and deemed to be part hereof:

Schedule 1.1(16)	-	Business
Schedule 1.1(37)	-	Employees
Schedule 1.1(41)	-	Existing Shared Services Agreements
Schedule 1.1(49)	-	Intellectual Property
Schedule 1.1(54)	-	Material Consents
Schedule 1.1(67)	-	Permitted Encumbrances
Schedule 4.2	-	Allocation of Transfer Price/Transition Cost for Tax Purposes
Schedule 6.7	-	Estimated Post Retirement Benefits Statement
Schedule 8.1(1)(g)	-	Contracts and Licenses
Schedule 8.1(1)(j)	-	Tangible Personal Property
Schedule 8.1(1)(l)	-	Litigation
Schedule 8.1(1)(p)	-	Transferor's Pension and Benefit Plans

## ARTICLE 2 – PURCHASE AND SALE

### Section 2.1 Transferred Assets

Upon and subject to the terms and conditions of this Agreement, at the Closing Time, the Transferor shall cause the transfer of, and CPI shall cause the Transferee to accept the transfer of,

the Transferred Assets and the undertaking of the Business as a going concern, free and clear of all Encumbrances (other than Permitted Encumbrances) pursuant to the Approval and Vesting Order, when granted.

### **Section 2.2 Excluded Assets**

Notwithstanding anything in this Agreement to the contrary the following assets, properties, rights and interests of the Transferor (the "Excluded Assets") shall be excluded from and shall not constitute Transferred Assets:

- (1) **Insurance.** The benefit of all insurance policies related to the Business.
- (2) **Corporate Records.** All of the corporate charters, minute and share record books and corporate seals of the Transferor.
- (3) **Rights Under Agreement.** All of the Transferor's rights under this Agreement.
- (4) **CMI Receivables.** All CMI Receivables.
- (5) **Cash.** All cash, certificates of deposits, bank deposits, commercial paper, treasury bills and other cash equivalents of the Transferor.

## **ARTICLE 3 -- ASSUMPTION OF LIABILITIES**

### **Section 3.1 Assumed Liabilities**

On the terms and subject to the conditions contained in this Agreement, CPI shall cause the Transferee, at the Closing Time, to assume and agree to pay, perform and discharge when due only the following Liabilities of the Transferor to the extent they were incurred in the Ordinary Course of Business and subject to Section 3.3 (collectively, the "Assumed Liabilities"):

- (1) **Accounts Payable.** Provided such amounts have not been due for more than 90 days, all trade and other accounts payable and other amounts related to the Business owing to any Person as of the Closing Time other than the CMI Payables, to the extent that such Liabilities would be required by GAAP to be reflected on a balance sheet of the Business as current liabilities (collectively, the "Accounts Payable").
- (2) **Accrued Expenses.** Provided such amounts have not been due for more than 90 days, all Liabilities of the Transferor in respect of operating expenses related to the Business incurred as of Closing Time but which are not yet due and payable as of the Closing Time, including accruals for vacation pay, customer rebates and allowances for product returns (collectively, the "Accrued Expenses").
- (3) **Deferred Revenue.** All Liabilities of the Transferor in respect of prepaid circulation and advertising revenues which are required by GAAP to be reflected as deferred revenue on a balance sheet of the Business (collectively, the "Deferred Revenue").

- (4) **Employees.** All Liabilities of the Transferor in respect of the Transferred Employees including wages owing up to and including the Closing Date as well as any amounts due to any Employees for their expenses under the Transferor's credit card program in accordance with the Transferor's policies for such program and expenses (the "Accrued Salaries").
- (5) **Transferor's Pension Plan.** The Transferor's Pension Plan and the Transferor's rights, duties, obligations and liabilities with respect to the Transferor's Pension Plan and its related trust or other funding medium and any of the Transferor's rights, liabilities and obligations in respect of Transferred Employees under any other Pension Plans.
- (6) **Benefit Plans.** The Benefit Plans and any of the Transferor's rights, duties, obligations and liabilities with respect to the Benefit Plans.
- (7) **Contracts, etc.** All Liabilities of the Transferor for the period from and after the Closing Date under the Contracts, Licences and Permitted Encumbrances, including all Liabilities in respect of the Transferor's or the NP Partners' corporate credit card programs provided that nothing in this Section 3.1(7) shall be construed as limiting the Liabilities assumed by the Transferee under any other provision of Section 3.1.
- (8) **Print Intercompany Liabilities.** All Liabilities of the Transferor under the Print Payables.
- (9) **Existing Shared Services.** All Liabilities of the Transferor for the period from and after the Closing Date under the Existing Shared Services Agreements as they may be restructured with the agreement of CPI provided that nothing in this Section 3.1(9) shall be construed as limiting the Liabilities assumed by the Transferee under any other provision of Section 3.1.
- (10) **Other.** All other obligations or Liabilities to be assumed by the Transferee as specifically provided for under this Agreement.

### **Section 3.2 Retained Liabilities**

Except as specifically provided in this Agreement, neither the Transferee nor CPI shall assume and shall not be obliged to pay, perform or discharge any Liabilities of the Transferor which arise or relate to the Business or otherwise. Without limiting the generality of the foregoing, neither the Transferee nor CPI shall have any obligations in respect of any of the following Liabilities:

- (1) **Transaction Expenses.** All Liabilities for legal, accounting, audit and investment banking fees, brokerage commissions and any other expenses incurred by the Transferor with respect to the Transaction.
- (2) **Contracts, etc.** All Liabilities of the Transferor in respect of any breach of representation, warranty or covenant contained in, or for any claim for indemnification pursuant to, any Contract or Licence to the extent that such breach or claim arose out of the performance or non-performance thereunder by the Transferor, prior to the Closing Time, regardless of when such breach or claim is asserted.

- (3) **Employees.** All Liabilities of the Transferor, in respect of severance payments, damages for wrongful dismissal and all related costs in respect of the termination by the Transferor of the employment of any Employee who does not accept the Transferee's offer of employment referred to in Section 6.2.
- (4) **Product Liabilities.** All Liabilities in respect of injury to or death of Persons or damage to or destruction of property not constituting part of the Transferred Assets, including product liability Claims and worker's compensation Claims arising out of the conduct of the Business prior to the Closing Time, regardless of when any such Liability is asserted, including any Liability for consequential or punitive damages in connection with the foregoing.
- (5) **Indebtedness.** All Liabilities of the Transferor in respect of borrowed money including any related party or third party debt, but excluding any Print Payables.
- (6) **CMI Payables.** All Liabilities of the Transferor and/or the NP Partners under the CMI Payables, but excluding any amounts due pursuant to the Existing Shared Services Agreements.
- (7) **Stayed Payables.** All Liabilities in respect of Stayed Payables for which an election and consent have been delivered in accordance with Section 3.3.

### Section 3.3 Stayed Liabilities

This Section 3.3 applies to the applicable Accounts Payable which are subject to a stay pursuant to the CCAA Proceedings ("Stayed Payables"). The Transferor may elect by notice in writing to the Transferee, prior to the time for appearing in the CCAA Court as contemplated in Section 5.1, to exclude any portion of the Stayed Payables from the Assumed Liabilities, but subject to the written consent of the Transferee acting reasonably which consent or refusal, if applicable, (i) shall be delivered by as soon as possible but in any event no later than 10 am on Thursday, October 29, 2009 (provided that such notice of election is delivered by Transferee to Transferor no later than 5pm on Wednesday, October 28, 2009) and (ii) may be for all or part of the elected Stayed Payables. If no consent or refusal is provided by Transferee to Transferor for all or part of the elected Stayed Payables, then the Transferee shall be deemed to have consented to the part for which no consent or refusal was delivered.

## ARTICLE 4 – TRANSFER PRICE/TRANSITION COST

### Section 4.1 Payment of the Transfer Price/Transition Cost

- (1) CPI shall, or shall cause the Transferee to, satisfy the Transfer Price/Transition Cost:
- (a) as to an amount that is equal to:
- (i) the aggregate of (A) \$2,000,000; and (B) the lesser of (I) 50% of the October Funding Amount and (II) \$1,000,000; less
- (ii) the amount by which the Assumed Liabilities Estimate exceeds the Maximum Amount, by payment of such amount to the Transferor on the Closing Date;

by way of wire transfer of immediately available funds or certified cheque from a major Canadian bank listed in Schedule I to the *Bank Act* (Canada); and

- (b) as to an amount equal to the total of the Accrued Expenses, Accounts Payable, the Print Payables, and the Accrued Salaries, by the assumption on the Closing Date of the Accrued Expenses, Accounts Payable, the Print Payables, the Accrued Salaries; and
- (c) as to an amount equal to the Deferred Revenue, by set-off against the amount owing by the Transferor to the Transferee under Section 7.3(2).

(2) For purposes of payment of the Transfer Price/Transition Cost pursuant to Section 4.1(1)(a), the Transferor shall provide to the Transferee a good faith estimate of the October Funding Amount calculated as near as commercially practicable to the Closing Time. The payment by the Transferee at the Closing Time shall be based on such estimate provided that the Transferor and the Transferee shall agree, acting reasonably, to arrangements for a reserve from the Transfer Price/Transition Cost in an amount not to exceed \$100,000 to be held on terms satisfactory to each acting reasonably and to be used to settle any amount due as between the Transferor and the Transferee as a result of the difference between the estimated October Funding Amount and the finally determined October Funding Amount; provided that the Transferee shall be required to overfund an amount equal to the reserve for purposes of funding any payment due from the Transferee to the Transferor. The Transferor and the Transferee shall also agree, acting reasonably, on a process for making such final determination with a view to settling the final payment on or before the date which is 10 Business Days following Closing.

#### **Section 4.2 Allocation of Transfer Price/Transition Cost for Tax Purposes**

CPI shall cause the Transferee to allocate and the NP Partners and the Transferor shall allocate the Transfer Price/Transition Cost among the Transferred Assets in a manner that is consistent with the methodology set out in Schedule 4.2. The Transferor and the NP Partners shall, and CPI shall cause the Transferee to, file in mutually agreeable form all returns and elections required or desirable under the *Income Tax Act* (Canada) or any applicable provincial taxing statute in a manner consistent with such methodology.

### **ARTICLE 5 – ORDERS**

#### **Section 5.1 Orders**

Following, but not prior to, (i) confirmation satisfactory to the Transferor in its sole discretion that the applicable lenders have authorized the CPI Senior Lender Approval and Transferor Senior Lender Approval to be delivered on Closing, and (ii) satisfaction or waiver of the condition set out in Section 10.2(1)(f), the Transferor shall appear before the CCAA Court in respect of a motion for the Approval and Vesting Order as promptly as reasonably possible.

#### **Section 5.2 Consultation; Notification**

(1) The Transferor and CPI shall cooperate with filing and prosecuting the Approval and Vesting Order motion, and obtaining entry of the Approval and Vesting Order, and the Transferor shall deliver to CPI prior to filing, and as early in advance as is practicable to permit



adequate and reasonable time for CPI and its counsel to review and comment, copies of all of the Transferor's proposed pleadings, motions, notices, statements schedules, applications, reports and other material papers to be filed by the Transferor in connection with such motions and relief requested therein and any challenges thereto.

(2) If the Approval and Vesting Order or any other order of the CCAA Court relating to this Agreement shall be appealed by any Person (or a petition for *certiorari* or motion for rehearing, re-argument or stay shall be filed with respect thereto), the Transferor agrees to, and to cause its Affiliates to, take all commercially reasonable steps, and use their commercially reasonable efforts, including incurring reasonable expenses, to defend against such appeal, petition or motion, and CPI agrees to, and shall cause its Affiliates to, cooperate in such efforts. CPI and the Transferor shall take all commercially reasonable steps, and use their commercially reasonable efforts, to obtain an expedited resolution of such appeal; provided, however, that, subject to the conditions set forth herein, nothing in this Section 5.2 shall preclude the Parties from consummating the transactions contemplated hereby if the Approval and Vesting Order shall have been entered and shall not have been stayed, modified, revised or amended.

## ARTICLE 6 - EMPLOYEE MATTERS

### Section 6.1 Employee List

The Transferor will provide CPI with a complete and accurate list of all Employees forthwith following the execution of this Agreement, which will include each Employee's name, address, age, date of hire, position, compensation (including, if applicable, salary, hourly rate, annual salary, bonus, commissions), annual vacation entitlement, accrued and outstanding vacation pay, full-time/part-time status, whether the NP Employee is active or on leave and, if on leave, what type of leave and expected return to work date. The Transferor has listed on Schedule 1.1(37) all individuals who occupy positions with the Transferor but who: (a) are on the payroll of one of the other CMI Entities or Canwest LP, CPI or one of their subsidiaries; and/or (b) are currently employed pursuant to an employment contract or offer letter from one of the CMI Entities or Canwest LP, CPI or one of their subsidiaries.

### Section 6.2 Offers

(1) Prior to the Closing Date, CPI shall cause the Transferee to offer employment, effective as of the Closing Date and conditional on Closing, to all Employees (including senior management of the Transferor) on terms and conditions which are in the aggregate substantially similar to the terms and conditions on which such Employees are employed immediately prior to the Closing Date, including a form of employment agreement if such Employees have an employment agreement currently; provided that (i) the senior executives who currently are entitled to each of the existing SERA, RCA and stock options (the "Senior Executives") will not be offered a SERA, RCA or stock options but may, in the Transferee's sole discretion, be offered a KERP; (ii) the offer by the Transferee to such Senior Executives will confirm that the Transferee has no liability in respect of the existing SERA, RCA and stock options without limiting any existing rights that the Senior Executives may have against CPI in respect of such SERA, RCA or stock options; and (iii) such offer will include a condition that the Senior Executives provide a confirmation and undertaking in favour of the Transferor and the NP Partners that (a) confirms that none of the Transferor or the NP Partners has any liability in

respect of the existing SERA, RCA and stock options and (b) undertakes not to assert or pursue a claim in respect of the existing SERA, RCA and stock options against any such party.

(2) CPI acknowledges and agrees that (i) the Transferor makes no representation or warranty that any Employee will accept employment with the Transferee and (ii) the acceptance by Employees of offers of employment with the Transferee shall not constitute a condition to CPI's obligation to complete the Transaction.

### **Section 6.3 Vacation Pay**

For the avoidance of doubt, the Assumed Liabilities under Section 3.1(4) include the assumption of all accrued and unpaid vacation pay due and owing for the period up to the Closing Date to be paid to the Employees who have accepted offers of employment with the Transferee.

### **Section 6.4 Assignment and Assumption of Benefit Plans**

(1) Effective as of the Closing Date, the Transferor shall assign and transfer to the Transferee and CPI shall cause the Transferee to assume the Benefit Plans and the Transferor's duties, obligations and Liabilities with respect to the Benefit Plans, and all agreements related thereto. Effective as of the Closing Date, CPI shall cause the Transferee to accept the assignment and transfer and assumption of the Benefit Plans and all obligations, Liabilities, duties, and responsibilities under the Benefit Plans. The Transferor agrees to do all things necessary to effect the assignment and transfer of the Benefit Plans to the Transferee. CPI shall cause the Transferee to do all things necessary to assume the Benefit Plans.

(2) Where length of service is used to determine eligibility to participate in and vesting under the Benefit Plans, Transferred Employees shall receive service credit under the Benefit Plans for their period of service with both Transferor and Transferee.

(3) Any Transferred Employee who is a participant in the Benefit Plans as at the day immediately preceding the Closing Date shall be eligible to remain a participant in and accrue benefits under the Benefit Plans on and after the Closing Date without interruption in coverage or service, in accordance with, and subject to, the terms of the Benefit Plans.

(4) Any Transferred Employee who is eligible and has chosen not to be a participant in the Benefit Plans as at the day immediately preceding the Closing Date shall be eligible to become a participant in and accrue benefits under the Benefit Plans on and after the Closing Date in accordance with, and subject to, the membership, eligibility and coverage requirements of the Benefit Plans.

(5) Up to the Closing Date, the Transferor will be responsible for all the premium calculations and deductions, communications and the completion of all forms and reports relating to the Transferred Employees in respect of the Benefit Plans. On and after the Closing Date, CPI and the Transferee will be responsible for all premium calculations and deductions, communications and the completion of all forms and reports relating to the Transferred Employees in respect of the Benefit Plans.

### **Section 6.5 Assignment and Assumption of Transferor's Pension Plan**

(1) Effective as of the Closing Date, the Transferor shall assign and transfer to the Transferee and CPI shall cause the Transferee to assume the Transferor's Pension Plan and the Transferor's rights, duties, obligations and Liabilities with respect to the Transferor's Pension Plan and its related trust or other funding medium (the "Fund"), and all agreements related thereto. Effective as of the Closing Date, CPI shall cause the Transferee to accept the assignment and transfer and shall assume all obligations, Liabilities, duties, rights and responsibilities required of it as the successor employer of the Transferor's Pension Plan and Fund pursuant to the terms thereof and Applicable Law ("Assignment and Assumption Agreement").

(2) The Transferor agrees to do all things necessary to effect the assignment and transfer of its sponsorship of the Transferor's Pension Plan to the Transferee. Without limiting the generality of the foregoing, the Transferor agrees to cause to be filed with applicable federal and provincial regulatory authorities as soon as possible after the Closing Date, such documents as may be required by Applicable Law or under the terms of the Transferor's Pension Plan or Fund with respect to the assumption of sponsorship of the Transferor's Pension Plan and Fund as provided hereunder. CPI shall cause the Transferee to do all things required of it under Applicable Law to establish that it is a successor sponsor to the Transferor under the terms of the Transferor's Pension Plan as provided hereunder. Without limiting the generality of the foregoing, CPI shall cause the Transferee to file with the applicable federal and provincial authorities, as soon as possible following the Closing Date, such documentation as may be required to establish the Transferee in such capacity.

(3) With respect to the administration of the Transferor's Pension Plan from and after the Closing Date, the Transferor shall be entitled to direct, or cause to be directed, the funding agent of the Transferor's Pension Plan in accordance with the instructions given to the Transferor by the Transferee in connection herewith.

(4) After the sponsorship and administration of the Transferor's Pension Plan and Fund has transferred to the Transferee, the Transferor shall not have any further obligation or Liability with respect to the Transferor's Pension Plan and Fund. The Transferor shall be responsible for satisfying any and all governmental reporting and disclosure requirements applicable to Transferor's Pension Plan and Fund and for all benefit calculations, communication and completion of all other forms and reports in respects of the Transferor's Pension Plan up to the Closing Date. The Transferee shall be responsible for satisfying any and all governmental reporting and disclosure requirements applicable to Transferor's Pension Plan and Fund and for all benefit calculations, communication and completion of all other forms and reports on and after the Closing Date. The Transferor shall cooperate with the Transferee with respect to reporting such requirements in the plan year in which the Closing Date occurs. Prior to and following the Closing Date, the Transferor shall use all reasonable efforts to provide the Transferee such books, records, and other relevant data relating to the Transferor's Pension Plan and within its control or access, that the Transferee shall reasonably request.

(5) If any Governmental Authority refuses to approve or permit the transactions contemplated herein:

- (a) CPI shall, or shall cause the Transferee to, at its own expense, appeal such determination until all rights of appeal are exhausted or the parties agree in

writing to abandon such appeals. The Transferor shall, at its own cost, provide all such information and documentation as the Transferee may reasonably require to prosecute any such appeal, and shall co-operate with the Transferee;

- (b) if required Governmental Authority approval in respect of the Transferor's Pension Plan cannot be obtained, and the Transferee has exhausted or abandoned all appeals without obtaining the required approval, the Transferor's Pension Plan shall not be assigned to or assumed by the Transferee and CPI shall cause the Transferee to establish or amend, effective as of Closing Date, a pension plan (the "Transferee's Pension Plan") to provide benefits in compliance with all Applicable Laws applicable to the rights of the Transferred Employees and in respect of the employment of the Transferred Employees on and after the Closing Date on terms and conditions no less favourable, in the aggregate, than those provided under the Transferor's Pension Plan;
- (c) For certainty, in the unlikely event that the Assignment and Assumption Agreement does not receive regulatory approval, the parties agree and intend to use their best efforts to ensure that the rights of the Transferred Employees are protected in the transition from the Transferor's Pension Plan to the Transferee's Pension Plan.

#### Section 6.6 Benefit Plans

- (1) As at Closing Date, and at its own expense, CPI shall cause the Transferee to (i) make available to each Transferred Employee and his or her eligible beneficiaries, group benefit plans to provide life insurance, health care, dental care and disability and other group non-pension benefits which have terms and conditions for the period on and after the Closing Date which are in the aggregate no less favourable than the benefits provided under the relevant Transferor's Benefit Plans, (ii) assume all the Transferor's Benefit Plans, and all liabilities and obligations thereunder, that relate to Employees of the Transferor, including any such plans, policies and arrangements that relate to Employees of the Transferor who, as of the Closing Date, are receiving or entitled to receive long-term disability or short-term disability benefits, and (iii) assume the Transferor's liabilities and obligations under any other benefit plan, policy or arrangement that relates principally to Employees of the Transferor. Any such plans assumed or established by the Transferee under this section shall be referred to herein as the "Transferee's Benefit Plans".
- (2) Any Transferred Employee who is eligible and has chosen not to be a participant in the Transferor's Benefit Plans as at the day immediately preceding the Closing Date shall be eligible to become a participant in and accrue benefits under the Transferee's Benefit Plans on and after the Closing Date in accordance with, and subject to, the membership, eligibility and coverage requirements of the Transferee's Benefit Plans.
- (3) Up to the Closing Date, the Transferor will be responsible for the administration of all the premium calculations and deductions, communications and the completion of all forms and reports relating to the Benefit Plans. On and after the Closing Date, CPI and the Transferee will be responsible for the administration of all premium calculations and deductions, communications and the completion of all forms and reports relating to the Benefit Plans.

### **Section 6.7 Post-Retirement Benefits**

(1) Attached as Schedule 6.7 to this Agreement is a written statement (the "Estimated Post Retirement Benefits Statement") that sets forth the Transferor's actuarially determined estimate of future post-retirement benefit obligations as of August 31, 2009 or more currently if available, and any other post-employment benefits falling under applicable accounting standards, as at the Closing Date and provided by the Transferor to the Transferred Employees and payable on and after retirement or termination of employment, as the case may be, calculated and using actuarial assumptions in compliance with applicable accounting standards (the "Estimated Post Retirement Benefits Amount"); provided, however, that such Estimated Post Retirement Benefits Amount does not include the applicable amount for the Employees listed on Schedule 1.1(37).

(2) CPI shall assume liability for continuing to provide post-retirement benefits or post-employment benefits to Transferred Employees following the retirement or termination of employment of such Transferred Employees after the Closing Date.

### **Section 6.8 Independent Contractors**

(1) The Transferor will provide CPI with a complete and accurate list of all independent contractors who provide services to the Transferor in respect of the Business, including but not limited to all freelance writers and photographers, forthwith following the execution of this Agreement, which list will include each contractor's name, address, the nature of the services provided, term of engagement, fees and any other types of compensation, number of hours of work to be performed by the contractor, and any special arrangements.

(2) Contracts with all independent contractors relating to the Business, including but not limited to freelance writers and photographers, which are assignable shall be assigned by the Transferor to the Transferee effective on the Closing Date. Where consent to assignment of any independent contractor agreement is required, the Transferor covenants to use its commercially reasonable efforts to assist the Transferee in obtaining such consent as soon as reasonably possible.

(3) In respect of independent contractor agreements relating to the Business where consent to assignment is refused or withheld, the Transferor, after advising the Transferee, shall serve notice of termination upon such independent contractors and will be responsible for any and all Claims arising from termination of such agreements, whether asserted prior to, on or after the Closing Date. The Transferor shall also be solely responsible for any and all Claims by or in respect of any: (i) independent contractors or former independent contractors of the Business; or (ii) Governmental Authority in respect of any such independent contractors or former independent contractors of the Business, in each case to the extent that such Claims are based on facts, circumstances or events that arose or existed prior to the Closing Date, and are in respect of the period prior to the Closing Date, whether such Claims are asserted prior to, on or after the Closing Date.

## ARTICLE 7 – TAX MATTERS

### Section 7.1 Goods and Services Tax and Québec Sales Tax

- (1) The Transferor hereby represents and warrants
  - (a) that it is duly registered for the purposes of the GST Act; and
  - (b) that it is duly registered for the purposes of the QST Act.
- (2) CPI hereby covenants that on or before the Closing Date Transferee:
  - (a) will be duly registered for the purposes of the GST Act; and
  - (b) will be duly registered for the purposes of the QST Act.
- (3) CPI hereby represents and warrants that the Transferee is acquiring under this Agreement all or substantially all of the property that can reasonably be regarded as being necessary for it to carry on the Business as a business.
- (4) The Transferor shall, and CPI shall cause the Transferee to jointly make the elections provided for under subsection 167(1.1) of the GST Act and under section 75 of the QST Act so that no GST or QST will be payable in respect of the transactions contemplated by this Agreement. CPI shall cause the Transferee to jointly complete the election forms with the Transferor (more particularly described as form GST-44 and QST form FP-2044-V) in respect of such elections and CPI shall cause the Transferee to file the said election forms no later than the due date for the Transferee's GST and QST returns for the first reporting period in which GST or QST, as applicable, would, in the absence of such elections, become payable in connection with the transactions contemplated by this Agreement.

### Section 7.2 Provincial Retail Sales Taxes

On or before the Closing Date, CPI will provide the Transferor with the Transferee's retail sales tax registration number and a prescribed purchase exemption certificate for qualifying production equipment and machinery, and with respect to inventories of goods held for resale or for incorporation into goods to be held for sale for the purposes of substantiating exemptions from the Tax exigible under the *Retail Sales Tax Act* (Ontario). On the Closing Date the Transferee shall pay to the Transferor any Tax payable under such Act in connection with the acquisition of the Transferred Assets under this Agreement not covered by the purchase exemption certificate, all in accordance with the provisions of that Act, the Regulations made thereunder, and the Ministry's administrative policies.

### Section 7.3 Income Tax Act Election

- (1) The Transferor shall, and CPI shall cause the Transferee to, as soon as possible after the Closing Date, jointly execute an election under section 22 of the *Income Tax Act* (Canada) and section 184 of the *Québec Taxation Act* and any other equivalent provision of a provincial taxing statute with respect to the sale of the Accounts Receivable and shall designate therein the portion of the Transfer Price/Transition Cost allocated to the Accounts Receivable pursuant to

Section 4.2 as the consideration paid by Transferee for the Accounts Receivable. CPI shall cause the Transferee to and each of the NP Partners shall file such elections forthwith after the execution thereof (and, in any event, with their respective Tax returns for the taxation year in which the Transaction occurs).

(2) As consideration for the Transferee undertaking all future obligations in connection with the Deferred Revenue, the Transferor shall pay the Transferee an amount equal to the Deferred Revenue and the Transferor and the Transferee shall jointly execute and file an election pursuant to subsection 20(24) of the Income Tax Act (Canada), and the corresponding provisions of any applicable provincial Tax legislation, in prescribed manner and within the prescribed time limits in respect of such amount paid.

#### **Section 7.4 GST, QST**

For greater certainty, CPI shall cause the Transferee to pay the Transferor an amount equal to the Transferor's "net tax" under the GST Act and the QST Act for the GST and QST reporting periods ending October 31, 2009 (the "Reporting Periods"). Alternatively, CPI shall cause the Transferee to pay (i) the "net tax" under the GST Act directly to the Canada Revenue Agency, and (ii) the "net tax" under the QST Act directly to Revenu Quebec. Such "net tax" amount shall be included in the Accounts Payable hereunder and shall be paid two (2) Business Days prior to the Transferor's filing deadline for the GST and QST returns for the Reporting Periods.

### **ARTICLE 8 – REPRESENTATIONS AND WARRANTIES**

#### **Section 8.1 Transferor's Representations**

- (1) The Transferor represents and warrants to CPI as follows:
  - (a) **Existence** – The Transferor is a general partnership existing under the laws of Ontario. Each of the NP Partners is a corporation existing under the laws of its jurisdiction of incorporation and has the corporate power and capacity to own or lease its property and to carry on its business as now conducted in each jurisdiction in which it owns or leases property or carries on business.
  - (b) **Corporate Power and Due Authorization; Enforceability** – Subject to the issuance of the Approval and Vesting Order, the Transferor has the power and capacity through the NP Partners to enter into and perform its obligations under this Agreement. Subject to the issuance of the Approval and Vesting Order, this Agreement has been duly authorized, executed and delivered by each NP Partner and is a valid and binding obligation of each NP Partner that is enforceable against each in accordance with its terms, subject to the order of the CCAA Court dated October 6, 2009 and subject, as to enforcement, to bankruptcy, insolvency and other laws affecting creditors' rights generally and to general principles of equity.
  - (c) **Transferred Assets** – Except for the Permitted Encumbrances and for any Transferred Assets owned by other CMI Entities as described on

Schedule 1.1(49), the NP Partners, as partners of the Transferor, are the legal and beneficial owners of the Transferred Assets, free and clear of all Encumbrances. The Transferred Assets together with, as applicable, assets which are already owned by CPI and/or Canwest LP, are all of the assets and undertaking necessary for the continued conduct of the Business after Closing in substantially the same manner as the Business was conducted by the Transferor prior to Closing.

- (d) **No Contravention** – Provided the Transferor Senior Lender Approval, the CPI Senior Lender Approval, the Approval and Vesting Order and the Material Consents are obtained, none of the entering into of this Agreement, the sale of the Transferred Assets, or the performance by the Transferor or the NP Partners of any of their other obligations under this Agreement will contravene, breach or result in any default under the Transferor's or the NP Partners' organizational documents or, under any material agreement, other legally binding instrument, licence, permit, statute, regulation, order, judgment, decree or Applicable Law to which the Transferor or the NP Partners is a party or by which the Transferor or the NP Partners may be bound.
- (e) **Compliance with Applicable Law** – The Business is being conducted in compliance in all material respects with all Applicable Laws.
- (f) **Liabilities** – Except for the Assumed Liabilities and the Liabilities of the Transferor listed in Section 3.2, there are no liabilities of the Transferor or of the NP Partners related to the Business of any kind whatsoever (whether accrued, absolute, contingent or otherwise).
- (g) **Contracts, Licenses, Collective Agreements** – Schedule 8.1(1)(g) sets forth a list of the Material Contracts that have not been listed on any other schedule. A complete and correct copy of each of the Material Contracts listed on Schedule 8.1(1)(g) together with any amendments has been provided to CPI. None of the NP Partners or the Transferor is in default under any Material Contracts listed on Schedule 8.1(1)(g) and none of the NP Partners or the Transferor is aware of any material breaches thereof by any other parties thereto except where such default or breach would not cause either individually or in the aggregate a material adverse effect on the Business. Without limiting the foregoing, none of the Transferor, or the NP Partners is a party to or bound by any collective bargaining agreement, labour contract, letter of understanding, memorandum of understanding, letter of intent, voluntary recognition agreement or other legally binding commitment to any labour union, trade union, employee association or similar entity in respect of any Employees or contractors rendering services to the Transferor, nor is any of them currently conducting negotiations with any labour union, trade union, employee association or similar entity and during the period of five years preceding the date of this Agreement there has been no attempt to organize, certify or establish any labour union, employee association or similar entity in relation to any of the employees of the Transferor, or any NP Partner.



- (h) **Real Property** – None of the Transferor, or the NP Partners has any right, title or interest in any real property, except for the real property leases set out on Schedule 8.1(1)(g).
- (i) **Intellectual Property** – Schedule 1.1(49) lists and contains a complete description of all patents, trademarks, trade names, trade mark applications and registrations, trade name registrations, domain names, service marks, designs, copyrights, copyright applications and registrations and industrial designs, domestic or foreign, and other intellectual property (i) which have been registered or for which applications have been filed on behalf of the Transferor; or (ii) which relate exclusively to the Business and have been registered or for which applications have been filed on behalf of Affiliates of the Transferor; and (iii) other than listed in Schedule 1.1(49), there is no such registered intellectual property which is material to the Business.
- (j) **Tangible Personal Property** – All Equipment which is material is located at 1450 Don Mills Road, Toronto, Ontario, except for racking and newspaper boxes at retail outlets located across Canada, 3 computer servers located at facilities in Winnipeg, Manitoba and racking and newspaper boxes held in storage in a third party warehouse in Mississauga, Ontario.
- (k) **Payments** – Since March 1, 2009, other than pursuant to the Existing Shared Services Agreements, the Transferor has not made any payments in respect of the Business to the CMI Entities except in accordance with the terms and conditions of any Contracts and Licences.
- (l) **No Litigation** – Except as set out on Schedule 8.1(1)(l), there is no material action, suit, proceeding, arbitration or, to the knowledge of the Transferor, any investigation by any person, nor any arbitration, administrative or other proceeding by or before any Governmental Authority or, to the knowledge of the Transferor, pending or threatened against or affecting the Transferor in connection with the Business or any of the Transferred Assets, except, in each case, (i) the CCAA Proceedings; and (ii) any action, suit, proceeding, arbitration or investigation that, if determined adversely to the Transferor, would not have, either individually or in the aggregate, a material adverse effect on the Business.
- (m) **Ordinary Course of Business and Material Adverse Change** – Since January 1, 2009, the Transferor has conducted the Business in the Ordinary Course of Business and there has not been any Material Adverse Change, in each case having regard to the Transferor's distressed financial condition. Without limiting the foregoing, since October 1, 2009 and except for the Stayed Payables, (i) the Transferor has paid its Accrued Expenses and Accounts Payable in accordance with its practice prior to the CCAA Proceedings and (ii) the Accrued Expenses and Accounts Payable are no more aged in aggregate than at September 30, 2009.
- (n) **Income tax Act** – Each NP Partner is not a non-resident of Canada under the *Income Tax Act* (Canada).

- (o) **Environmental** – Except as would not have a Material Adverse Change, there are no hazardous substances on, in or under any property or facilities, operated by the Business (except hazardous substances used in the Ordinary Course of the Business and which have been used, stored, handled, treated and disposed of in all material respects in accordance with all applicable environmental Applicable Law).
- (p) **Transferor's Pension and Benefit Plans** –
- (i) Schedule 8.1(1)(p) lists all of the Transferor's Pension Plans and Benefit Plans.
  - (ii) The Transferor has furnished and made available to CPI true and complete copies of the written texts of the Transferor's Pension Plan and of the funding agreements thereof, as amended to date, and where no written text exists, a written summary of the material terms thereof.
  - (iii) The Transferor's Pension Plan and the Transferor's Benefit Plans have been, registered (where required), invested and administered, in all material respects, in accordance with the terms thereof and with all Applicable Employee Laws.
  - (iv) The Transferor's Pension Plan may be assigned to the Transferee as contemplated in this Agreement, subject only to approvals required by Applicable Employee Laws.
  - (v) The Transferor's Pension Plan is not a multi-employer pension plan as defined under the provisions of Applicable Employee Laws.
  - (vi) All employee data necessary to administer each of the Transferor's Benefit Plans and the Transferor's Pension Plan is, to the knowledge of the Transferor, true and correct in all material respects.
  - (vii) To the knowledge of Transferor, there are no outstanding defaults or violations by any party to any Transferor's Benefit Plan or to the Transferor's Pension Plan and no taxes, penalties or fees are owing or exigible under the Transferor's Pension Plan.
  - (viii) All contributions or premiums required to be made by the Transferor to the Transferor's Pension Plan and the Transferor's Benefit Plans under the terms of each such plan or by any Applicable Employee Laws have been made.
  - (ix) The Transferor's Pension Plan, and any related trust or other funding medium thereunder, is not subject to any pending or, to the knowledge of Transferors, threatened or anticipated, investigation, examination or other proceeding, action or claim initiated by any Governmental Authority by any Employee or beneficiary covered under Transferor's Pension Plan, or

otherwise involving any such Transferor's Pension Plan or by any other party (other than routine claims for benefits).

- (x) As at the Closing Date, none of the Benefit Plans, other than the Pension Plans provides benefits to former employees or the beneficiaries or dependants of such former employees.

(2) CPI and the Transferee are informed and sophisticated parties, and have engaged expert financial advisors, experienced in the evaluation and purchase of property and assets such as the Transferred Assets and the Assumed Liabilities as contemplated hereunder. CPI and the Transferee have undertaken such investigations and have been provided with and have evaluated those documents and information as have been provided to them by the Transferor in relation to this Agreement. CPI and the Transferee ACKNOWLEDGE AND AGREE THAT THE BUSINESS AND THE TRANSFERRED ASSETS ARE SOLD "AS IS, WHERE IS", WITH ALL FAULTS, WITHOUT ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN FACT OR BY LAW WITH RESPECT TO THE BUSINESS OR THE TRANSFERRED ASSETS AND WITHOUT ANY RECOURSE TO THE TRANSFERORS OR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, SHAREHOLDERS, REPRESENTATIVES OR ADVISORS, OTHER THAN FOR FRAUD OR AS OTHERWISE EXPRESSLY PROVIDED HEREIN. CPI AND THE TRANSFEEE AGREE TO ACCEPT THE BUSINESS AND THE TRANSFERRED ASSETS AND THE ASSUMED LIABILITIES IN THE CONDITION, STATE AND LOCATION THEY ARE IN ON THE CLOSING DATE BASED ON THEIR OWN INSPECTION, EXAMINATION AND DETERMINATION WITH RESPECT TO ALL MATTERS AND WITHOUT RELIANCE UPON ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF ANY NATURE MADE BY OR ON BEHALF OF OR IMPUTED TO THE TRANSFERORS, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT. Unless specifically stated in this Agreement, no representation, warranty, term or condition, understanding or collateral agreement, whether statutory (including under the *Sale of Goods Act* (Ontario)), express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, is being given by the Transferor in this Agreement or in any instrument furnished in connection with this Agreement, as to title, outstanding liens, description, fitness for purpose, merchantability, quantity, condition, quality, value, suitability, durability, assignability or marketability thereof, or in respect of any other matter or thing whatsoever including the respective rights, titles and interests of the Transferors, if any, therein and wherever all or part of the Business or the Transferred Assets are situated, and all of the same are expressly excluded. Without limiting the generality of the foregoing, CPI and the Transferee acknowledge that none of the Transferors makes any representation or warranty with respect to: (i) any projections, estimates or budgets delivered to or made available to CPI or the Transferee of future revenues, future results of operations (or any component thereof), future collection of Accounts Receivable, future cash flows or future financial condition (or any component thereof) of the Transferred Assets, the Business or the future operations of the Business; or (ii) any other information or documents made available to CPI or the Transferee, accountants or advisors with respect to the Business or the Transferred Assets, in each case, except as expressly set forth in this Agreement.

### Section 8.2 CPI's Representations

CPI represents and warrants to the Transferor that:

- (a) **Existence** – Each of CPI and the Transferee is a corporation validly existing and duly organized under the laws of its jurisdiction of incorporation and has the corporate power and capacity and is duly qualified to own or lease its property and to carry on its business as now conducted in each jurisdiction in which it owns or leases property or carries on business.
- (b) **Corporate Power and Due Authorization** – CPI has the corporate power and capacity to enter into and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by CPI and is a valid and binding obligation of CPI, enforceable against CPI in accordance with its terms subject, as to enforcement, to bankruptcy, insolvency and other laws affecting creditors' rights generally and to general principles of equity.
- (c) **No Contravention** – None of the entering into of this Agreement, the purchase of the Transferred Assets, the payment of the Transfer Price/Transition Cost, or the performance by CPI of any of its other obligations under this Agreement or the performance by the Transferee of the acts and obligations to be performed by it under this Agreement will contravene, breach or result in any default under CPI's or the Transferee's organizational documents or, under any material agreement, other legally binding instrument, licence, permit, statute, regulation, order, judgment, decree or Applicable Law to which CPI or the Transferee is a party or by which CPI or the Transferee may be bound.
- (d) **Steering Committee Approval** – The Steering Committee has provided its written approval of the Transaction.
- (e) **Investment Canada** – Neither CPI nor the Transferee is a non-Canadian person as defined in the *Investment Canada Act*.
- (f) **No Breach of Representation and Warranty** – To the best of the knowledge of the Transferee, the Transferor is not in breach of any representation or warranty contained in Section 8.1. For purposes of the foregoing, "best of the knowledge of the Transferee" shall be understood to be made on the basis of the actual knowledge of Messrs. Doug Lamb and/or Dennis Skulsky, after diligent inquiry, of the relevant subject matter or on the basis of such knowledge of the relevant subject matter as such Persons would have had if they had conducted such diligent inquiry.

### **Section 8.3 No Survival of Representations and Warranties**

The representations and warranties contained in this Agreement and in all certificates and documents delivered pursuant to or contemplated by this Agreement shall not survive the Closing and shall merge as of Closing.

## ARTICLE 9 – COVENANTS

### Section 9.1 Interim Period

- (1) The covenants of the Transferor in Section 9.1(2) shall be subject to the CCAA Proceedings and any orders by the CCAA Court.
- (2) During the Interim Period, unless consented to by CPI, the Transferor shall:
  - (a) carry on the Business in the Ordinary Course of Business and:
    - (i) perform its obligations under agreements, contracts and instruments related to or affecting the Business and the Transferred Assets and not agree to any material modification, amendment, waiver, termination or replacement of any of the Contracts and Licences; and
    - (ii) not enter into or assume any agreement, contract or commitment related to the Business, except (a) purchases of supplies and sales of Inventory in the Ordinary Course of Business; (b) advertising and subscription agreements or arrangements in the Ordinary Course of Business; and (c) agreements, contracts or commitments which, individually or in the aggregate, are not material to the Business, nor otherwise make any material change in the conduct of the Business;
  - (b) to the extent reasonably practicable having regard to the CCAA proceedings, preserve intact its present business organization, use all reasonable efforts to keep available the services of its present officers and the Employees and preserve its relationships with customers, suppliers and others having business dealings with it and take any and all such further actions reasonably requested by CPI to the end that the Business shall not be impaired in any material respect at the Closing Date and not sell, lease, transfer, assign, convey or otherwise dispose of any property or assets of the Business (other than sales of Inventory and collection of Accounts Receivable in the Ordinary Course of Business) and shall not commence any process to solicit expressions of interest, bids or offers for the Business or the assets of the Business;
  - (c) not make any payments to any of the CMI Entities or Canwest GP, Canwest LP, CPI or their subsidiaries except in accordance with the terms and conditions of the Existing Shared Services Agreements and past practice;
  - (d) give CPI and its consultants and advisors reasonable access to the Transferred Assets during regular business hours prior to the Closing Time for the purpose of enabling CPI to conduct such inspections of the Transferred Assets, and the premises, books, records, property and assets of the Transferor relating to the Business wherever they may be located, which right of access shall include the right to inspect and appraise such property and assets as CPI deems appropriate. Such inspection shall only be conducted during normal business hours in the presence of a representative of the Transferor or one of its designees, if so required at the discretion of the Transferor;

- (e) not solicit or encourage any inquiries or proposals or initiate discussions or negotiations with, or provide any information to any third party (other than in furtherance of this Agreement and the Transaction to Canwest LP, the Monitor or the advisors to the ad hoc committee of holders of 8% Senior Subordinated Notes issued by CMI or any of their respective advisors) concerning the acquisition of all or any part of the Business or the Transferred Assets; and
- (f) not (a) increase the compensation of any Employee or of any director, officer, consultant, contractor, agency employee or agent of the Business providing services to the Business; (b) improve the Transferor's Benefit Plans or Pension Plans in any manner, (c) pay to or for the benefit of, or agree to pay to or for the benefit of, any Employee or any director, officer, consultant, contractor, agency employee or agent of the Transferor providing services to the Business any pension or retirement allowance or other benefit not required by the Transferor's Benefit Plans or Pension Plans or contracts with Employees; or (d) commit to any new or renewed employee pension, disability, bonus, commission, deferred or incentive compensation, salary continuation, supplemental unemployment, termination or severance, profit sharing, share purchase, stock option, stock appreciation, phantom stock option, retirement, group insurance, hospitalization, death benefit, sick leave, holiday, vacation, overtime, medical, dental, health and welfare or other Employee benefit plan, agreement, policy, practice or other arrangement relating to the Business; nor will the Transferor amend, in any material respect, any of the arrangements referred to in this Section 9.1 now in existence to the extent they relate to the Business;
- (3) on or before the date which is 1 Business Day before the Closing Date, the Transferor shall have provided to the Transferee a good faith estimate of the amount of the Assumed Liabilities contemplated by Section 3.1(1) through Section 3.1(4) (the "Assumed Liabilities Estimate"); provided that if the Transferee has not consented to (or has refused) the exclusion of any or all of the Stayed Payables requested in accordance with Section 3.3, the Transferor shall have the right to provide the Transferee with an amended Assumed Liabilities Estimate. For greater certainty, nothing in this Agreement shall be construed as limiting Transferor's ability to pay any Liabilities, including Stayed Payables.

### **Section 9.2 Publicity**

Except as required by Applicable Law and except as disclosed in any filings made in connection with the CCAA Proceedings, none of the Transferor, CPI or the Transferee or any of their respective directors, officers, employees, Affiliates, partners, agents or representatives shall issue a press release or make any public statement regarding the Transaction without the prior written consent of the other Parties, which consent shall not be unreasonably withheld, conditioned or delayed.

## **ARTICLE 10 – CONDITIONS**

### **Section 10.1 Conditions – Mutual**

- (1) The obligations of the Transferor and CPI are subject to the conditions that:

- (a) an order (the "Approval and Vesting Order") shall have been made by the CCAA Court approving this Agreement and the Transaction and vesting all the right, title and interest of:
  - (i) the Transferor in the Transferred Assets held by it; and
  - (ii) the applicable title holder of the Transferred Assets listed on Schedule 1.1(49);

in each case, free and clear of all liens, security interests and other Encumbrances (including under section 146 of the *Workplace Safety and Insurance Act* (Ontario), or equivalent legislative provisions of other applicable jurisdictions), other than Permitted Encumbrances, upon the delivery of a certificate by the Monitor to the Transferee indicating that all matters to be completed prior to the consummation of the Transaction have been satisfied or waived, in a form to be agreed by the parties acting reasonably and which shall include an exemption of the transactions contemplated by this Agreement from the requirements of the *Bulk Sales Act* (Ontario);

- (b) as at the Closing Date, the Approval and Vesting Order shall not have been stayed, varied or vacated, and no order shall have been issued to restrain or prohibit the completion of the Transaction; and
- (c) as at the Closing Date, no action or proceedings shall be pending or threatened to restrain or prohibit the completion of the Transaction contemplated by this Agreement.

(2) The parties hereto acknowledge that the foregoing conditions are for the mutual benefit of the Transferor on the one hand and CPI on the other hand.

#### **Section 10.2 Conditions – CPI**

- (1) The obligation of CPI to complete the Transaction is subject to the following conditions being fulfilled or performed at or prior to the Closing Time:
  - (a) CPI shall have received CPI Senior Lender Approval;
  - (b) the Material Consents shall have been received;
  - (c) all representations and warranties of the Transferor contained in this Agreement shall be true as of the Closing Date in all material respects with the same effect as though made on and as of that date;
  - (d) no material loss of or material damage to the Transferred Assets shall have occurred on or before the Closing Date;
  - (e) the Assumed Liabilities Estimate shall not, in the aggregate, exceed the Maximum Amount by more than \$2 million;

- (f) with respect to Employees, (i) the Senior Executives shall have accepted the offer contemplated by Section 6.2(1); (ii) with respect to the Employees who received the offer contemplated by Section 6.2(1), not more than 10% shall have indicated to the Transferor or the Transferee that they do not intend to accept such offers; and (iii) any Transferred Employee who currently has an employment agreement with a party other than the Transferor shall have entered into a new employment agreement with the Transferee; and
- (g) the Transferor shall have performed each of its obligations under this Agreement in all material respects to the extent required to be performed on or before the Closing Date provided that, for purposes of the condition contemplated by this Section 10.2(1)(g) only, the covenants of the Transferor in Section 9.1(2) shall not be subject to Section 9.1(1).

(2) The foregoing conditions are for the exclusive benefit of CPI. Any of the foregoing conditions may be waived by CPI in whole or in part. Any such waiver shall be binding on CPI only if made in writing.

#### **Section 10.3 Conditions – Transferor**

(1) The obligation of the Transferor to complete the Transaction is subject to the following conditions being fulfilled or performed at or prior to the Closing Time:

- (a) the Transferor shall have received the Transferor Senior Lender Approval;
- (b) the Assumed Liabilities Estimate shall not, in the aggregate, exceed the Maximum Amount;
- (c) all representations and warranties of CPI contained in this Agreement shall be true as of the Closing Date in all material respects with the same effect as though made on and as of that date;
- (d) CPI shall have performed each of its obligations under this Agreement in all material respects to the extent required to be performed on or before the Closing Date; and
- (e) The confirmation and undertakings of the Senior Executives described in Section 6.2(1)(iii) shall have been delivered to the Transferor.

(2) The foregoing conditions are for the exclusive benefit of the Transferor. Any of the foregoing conditions may be waived by the Transferor in whole or in part. Any such waiver shall be binding on the Transferor only if made in writing.

#### **Section 10.4 Commercially Reasonable Efforts**

Each of the Parties shall use commercially reasonable efforts to cause each of the conditions to be fulfilled or performed at or before the time specified for closing to the extent within the control of any of such Parties, respectively.



### Section 10.5 Non-Satisfaction of Conditions

- (1) If any condition set out in this Article 10 is not satisfied or performed prior to the time specified therefor, the party for whose benefit the condition is provided may:
- (a) waive compliance with the condition in whole or in part in its sole discretion by written notice to the other parties and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or
  - (b) elect, on written notice to the other parties, to terminate this Agreement before Closing; provided that the Parties obligations under Section 9.2 shall survive any such termination.
- (2) If the Closing has not occurred on or before the Outside Date because a condition set out in this Article 10 is not satisfied or performed or waived prior to the Outside Date, the obligations of the Transferor on the one hand and CPI on the other hand pursuant to this Agreement shall be at an end (except the obligations of the Partners under Section 9.2) and this Agreement shall automatically be terminated with effect as of the Outside Date; provided that, if a Condition is not satisfied because a Party is in breach of this Agreement, then such Party shall remain liable in respect of such breach.

## ARTICLE 11 – CLOSING

### Section 11.1 Closing

The completion of the Transaction shall take place at the offices of Osler, Hoskin & Harcourt LLP, 1 First Canadian Place, Toronto, Ontario at the Closing Time or as otherwise determined by mutual agreement of the parties in writing.

### Section 11.2 The Transferee's Deliveries on Closing

At or before the Closing Time, the CPI shall, or in the case of clauses (a), (b), (c), (d), (f) and (g) shall cause the Transferee to, execute and deliver the following, each of which shall be in form and substance satisfactory to the Transferor, acting reasonably:

- (a) payment of the balance of the Transfer Price/Transition Cost contemplated under Article 4;
- (b) an assignment agreement with respect to the assignment of any trademarks from each of the Transferor and/or any other applicable holder listed on Schedule 1.1(49);
- (c) appropriate exemption certificates, as required by Section 7.2;
- (d) an assumption agreement in respect of the Assumed Liabilities in favour of the Transferor;

- (e) a certificate dated as of the Closing Date, confirming that all of the representations and warranties of CPI contained in this Agreement are true and correct in all material respects as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- (f) the Assignment and Assumption Agreement with respect to the transfer of the Transferor's Pension Plan, and all of the Transferor's rights, duties, obligations and liabilities with respect to the Transferor's Pension Plan, from the Transferor to the Transferee;
- (g) an acknowledgement dated as of the Closing Date, that each of the conditions precedent in Sections 10.2 and 10.1 of this Agreement have been fulfilled, performed, or waived by CPI as of the Closing Date; and
- (h) such further and other documentation as is referred to in this Agreement or as the Transferor may reasonably require to give effect to this Agreement.

### **Section 11.3 Transferor's Deliveries on Closing**

At or before the Closing Time, the Transferor shall execute and deliver the following, each of which shall be in form and substance satisfactory to CPI, acting reasonably:

- (a) an assignment agreement with respect to the assignment of any trademarks from each of the Transferor and/or any other applicable holder listed on Schedule 1.1(49);
- (b) a certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Transferor contained in this Agreement are true and correct in all material respects as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- (c) the Assignment and Assumption Agreement with respect to the transfer of the Transferor's Pension Plan, and all of the Transferor's rights, duties, obligations and liabilities with respect to the Transferor's Pension Plan, from the Transferor to the Transferee;
- (d) an acknowledgement dated as of the Closing Date, that each of the conditions precedent in Sections 10.3 and 10.1 of this Agreement have been fulfilled, performed, or waived by the Transferor as of the Closing Date; and
- (e) such further and other documentation as is referred to in this Agreement or as CPI may reasonably require to give effect to this Agreement.

### **Section 11.4 Access to Books and Records**

CPI shall preserve or cause the Transferee to preserve, for a period of not less than six (6) years from the Closing Date, the Books and Records in good order and shall provide the Transferor or its representatives with reasonable access thereto during regular business hours,

and a right to make copies thereof, at the Transferor's expense. For the avoidance of doubt, the Transferor shall be entitled to keep copies of the Books and Records following Closing.

### **Section 11.5 Personal Information Privacy**

CPI shall, and shall cause the Transferee to, at all times comply with all applicable protection of personal information legislation, federal or provincial, with respect to Personal Information disclosed or otherwise provided, including any access provided to such Personal Information by the Transferor under this Agreement. CPI shall, and shall ensure that the Transferee shall, only use or disclose such Personal Information for the purposes of reasonably investigating the affairs of the Business and completing the Transaction or, in the case of the Employees, offering employment to the Employees in accordance with this Agreement. CPI, and shall ensure that the Transferee, shall safeguard all Personal Information collected from the Transferor in a manner consistent with the degree of sensitivity of the Personal Information and, furthermore, maintain at all times the security and integrity of the Personal Information. CPI covenants and agrees, on behalf of itself and the Transferee, that it will not make any copies of the Personal Information or any excerpts thereof or in any way re-create the substance or contents of the Personal Information if the Transaction is not completed for any reason, and that any and all Personal Information will be returned to the Transferor or destroyed upon the Transferor's request.

## **ARTICLE 12 – GENERAL**

### **Section 12.1 Further Assurances**

Each of the Parties shall, from time to time after the Closing Date, at the request and expense of the other, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents and further assurances as may be reasonably necessary to give effect to this Agreement.

### **Section 12.2 Notice**

Any notice or other communication under this Agreement shall be in writing and may be delivered personally or transmitted by fax or email, as follows:

- (a) in the case of the Transferor:

Canwest Media Inc.  
31st Floor  
Canwest Global Place  
201 Portage Ave  
Winnipeg, Manitoba R3B 3L7

Fax: 204.947.9841  
Email: rleipsic@canwest.com; and  
jmaguire@canwest.com

Attention: Mr. Richard Leipsic, Senior Vice President and General Counsel and  
Mr. John Maguire, Chief Financial Officer

with a copy to:

Osler, Hoskin & Harcourt LLP  
Box 50, 1 First Canadian Place  
Toronto, Ontario, Canada M5X 1B8

Fax: 416.862.6666  
dmarshall@osler.com

Attention: Doug Marshall

and;

(b) in the case of CPI:

c/o Canwest Limited Partnership  
1450 Don Mills Road  
Don Mills, Ontario  
M3B 2X7

Fax: 416.442.2135  
Email: dlamb@canwest.com

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

Any such notice or other communication, if given by personal delivery, will be deemed to have been given on the day of actual delivery thereof and, if transmitted by fax or email before 5:00 p.m. on a Business Day, will be deemed to have been given on the Business Day, and if transmitted by fax or email after 5:00 p.m. on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission.

### Section 12.3 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Transferor and CPI or by their respective solicitors.

### Section 12.4 Amendment

No amendment, supplement, restatement or termination of any provision of this Agreement is binding unless it is in writing and signed by each Person that is a party to this Agreement at the time of the amendment, supplement, restatement or termination.

**Section 12.5 Waiver**

No waiver of any provision of this Agreement is binding unless it is in writing and signed by all the Parties to this Agreement entitled to grant the waiver. No failure to exercise, and no delay in exercising, any right or remedy, under this Agreement will be deemed to be a waiver of that right or remedy. No waiver of any breach of any provision of this Agreement will be deemed to be a waiver of any subsequent breach of that provision.

**Section 12.6 Remedies Cumulative**

The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a Party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that Party may be entitled.

**Section 12.7 Benefit of Agreement**

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. CPI shall not assign the benefit of this Agreement without the prior written consent of the Transferor, except to the Transferee provided that (i) CPI owns all securities of Transferee and continues to do so until the Closing time; and (ii) CPI shall remain bound by this Agreement and any such assignment shall in no way release CPI from any of its obligations hereunder.

**Section 12.8 Entire Agreement**

This Agreement and the attached Schedules together with the Transition and Reorganization Agreement entered into by and between Canwest Global Communications Corp., Canwest Limited Partnership / Canwest Societe en Commandite, CMI, CPI, Canwest Television Limited Partnership, and the Transferor constitute the entire agreement between the parties with respect to the subject matter and supersede all prior negotiations and understandings. This Agreement may not be amended or modified in any respect except by written instrument executed by the parties.

**Section 12.9 Paramountcy**

If any provision of this Agreement conflicts with any provision of any other agreement, document or instrument executed or delivered by the Transferor and CPI in connection with the Transaction or this Agreement (other than the Transition and Reorganization Agreement referred to Section 12.8) the relevant provision of this Agreement will prevail. And, in the event of any conflict or inconsistency between the provisions of this Agreement (and any other agreement, document or instrument executed or delivered by the Parties in connection with this Agreement) and the provisions of the Transition and Reorganization Agreement referred to in Section 12.8, the relevant provision of the Transition and Reorganization Agreement shall prevail to the extent of such conflict or inconsistency.

**Section 12.10 Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provisions validity or enforceability in any other jurisdiction.

**Section 12.11 Governing Law and Submission to Jurisdiction**

This Agreement shall be governed by and construed in accordance with the Applicable Law of the Province of Ontario and the Applicable Law of Canada applicable therein and each of the parties irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario.

**Section 12.12 Counterparts and Facsimile**

This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by facsimile or electronic transmission and such transmissions shall constitute delivery of an executed copy of this Agreement to the receiving Party.

DATED at Toronto, Ontario as of the date set out above.

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner CANWEST MEDIA INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Director

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Director

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its  
partner NATIONAL POST HOLDINGS LTD.**

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: President

By: \_\_\_\_\_  
Name: Riva R. Richard  
Title: Secretary

**CANWEST PUBLISHING INC. /  
PUBLICATIONS CANWEST INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Vice-President

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Vice-President

## **SCHEDULE 1.1(16) – BUSINESS**

The activities of the National Post include, but are not limited to:

- **Publishing a newspaper;**
- **Publishing Financial Post Business Magazine;**
- **Publishing Post Homes Magazine;**
- **Publishing Golf Magazine;**
- **Publishing Ski Magazine;**
- **Publishing a Holiday Gift Guide;**
- **Publishing Joint Venture and Special Report sections;**
- **Operating nationalpost.com and financialpost.com websites;**
- **Operating the online “Stock Market Challenge”;**
- **Sponsorship of major business programs including 50 Best Managed Companies, Entrepreneur of the Year, CEO of the Year;**
- **Running major business programs in partnership with others including Canadian General Counsel Awards (including Western General Counsel Awards);**
- **Sponsorship of numerous community programs;**
- **Sponsorship of industry and trade programs and events;**
- **Licensing use of content through Infomart and other relationships;**
- **Licensing rights to photos to third parties;**
- **Co-ordinating and running business events;**
- **Operating and licensing FPX, a homegrown stock index;**



**SCHEDULE 1.1(37) – EMPLOYEES**

1. Paul Godfrey
2. Gordon Fisher
3. Roula Tanev
4. Mary-Beth Kellow
5. Katerina Stamogianos
6. Lisa Dwarika
7. Julie Stoddart
8. Janet Whitman

## **SCHEDULE 1.1(41) EXISTING SHARED SERVICES AGREEMENTS**

### **Written Agreements**

Canwest Media Inc. ("CMI") and Canwest Limited Partnership ("Canwest LP")

- 1. Executive Advisory Services Agreement dated October 13, 2005 between Canwest MediaWorks Inc. (now CMI) and Canwest MediaWorks (Canada) Inc. (now Canwest (Canada) Inc.) ("Canwest GP") for and on behalf of Canwest MediaWorks Limited Partnership (now Canwest LP)**

Services: Under the terms of the Executive Advisory Services Agreement, CMI provides, or causes its affiliates or third parties to provide, advisory services to Canwest LP from time to time, including advice regarding corporate development and strategic planning; capital allocation; financing; equity and debt holder relations; insurance and risk management; tax planning; and certain operational matters.

- 2. Partnership Services Agreement dated October 13, 2005 between CMI and Canwest GP for and on behalf of Canwest LP**

Services: Under the terms of the Partnership Services Agreement, CMI provides corporate and administrative services to Canwest LP, including legal (including securities law compliance, corporate records maintenance, contract management and corporate secretarial services); tax compliance and planning; treasury; investor and public relations; corporate development; internal audit; and certain financial reporting services. In addition, CMI provides advisory services on human resources management and capital asset management.

- 3. Sales Representation and Agency Services Agreement dated October 13, 2005 between CMI and Canwest GP for and on behalf of Canwest LP**

Services: Under the terms of the Sales Representation and Agency Services Agreement, CMI provides the publishing group, on an exclusive basis, with national sales representation and certain other related services through its Canwest Media Sales division.

- 4. CanWest Services Agreement dated October 13, 2005 between CMI and Canwest GP for and on behalf Canwest LP**

Services: Under the terms of the CanWest Services Agreement, Canwest LP provides business and administrative services from time to time to CMI. These services include the following: information technology and processing; human resources consulting; payroll services; accounting services; financial statement preparation; business planning; cash flow management; accounts receivable management; capital expenditure planning; pension, disability and other employee benefits administration; and website development and maintenance services. In addition to such business and administrative services, CMI may call upon Canwest LP to provide management services to CMI's broadcast or international operations from time to time, including advice regarding corporate development, corporate allocation, capital expenditure planning and other operational matters.

- 5. Canwest Lease dated October 13, 2005 between CMI, as Tenant, and CanWest MediaWorks Publications Inc. (now "Canwest Publishing Inc.") ("CPI"), as Landlord.**

Premises and Rent: CPI and CMI have entered into a lease of space measuring, in the aggregate, approximately 25,501 square feet on the first, second and third floors of the building located at 1450 Don Mills Road, Don Mills, Ontario.

- 6. National Post Affiliation and Support Services Agreement dated October 13, 2005 between The National Post Company ("NP") and Canwest GP for and on behalf of Canwest LP**

Services: Under the National Post Affiliation and Support Services Agreement, NP is entitled to receive management, administrative and support services from Canwest LP including the following: information technology and processing; human resources consulting; payroll services; accounting services; financial statement preparation; business planning; cash flow management; accounts receivable management; capital expenditure planning; pension, disability and other employee benefits administration; website development and maintenance services; and printing, distribution and circulation services. Canwest LP and NP also provide each other certain affiliation services in order that each may have the benefit of the other's editorial content, cost sharing initiatives and other affiliation initiatives on terms that are consistent with current practices. NP is part of the canada.com network and contributes editorial content to it. NP is provided with access to and provides content to CNS, FPinfomart and Canwest LP's other editorial services.

- 7. National Post Lease dated October 13, 2005 between NP, as Tenant, and CPI, as Landlord.**

Premises and Rent: CPI and NP have entered into a lease of the space currently occupied by NP at 1450 Don Mills Road, Don Mills, Ontario.

- 8. National Post Electronic Storage and Retrieval Agreement dated October 13, 2005 between NP and Canwest GP for and on behalf of Canwest LP**

Services: Under the National Post Electronic Storage and Retrieval Agreement, NP grants to Canwest LP a non-exclusive, world-wide right and license to offer and sublicense all news and editorial materials and photographs contained in the National Post newspaper and the NP's other publications in exchange for a monthly royalty and access to Canwest LP's InfomartServices.

- 9. Affiliation Services Agreement dated October 13, 2005 between CMI and Canwest GP for and on behalf of Canwest LP**

Services: Under the Affiliation Services Agreement, Canwest LP and CMI provide each other certain affiliation services in order that each may have the benefit of the other's editorial content and engage in cost sharing initiatives and other affiliation initiatives.

- 10. Trademarks License Agreement dated October 13, 2005 between Canwest Global Communications Corp. ("CGCC"), Canwest GP for and on behalf of Canwest LP, Canwest GP and Canwest MediaWorks Income Fund**

Services: Under the Trademark License Agreement, CGCC grants to Canwest LP and Canwest GP a non-exclusive, royalty-free, non-transferable license to use some or all of the Canwest trademarks in Canada and to sublicense the use of the Canwest trademarks to their subsidiaries engaged in the publishing business, all subject to the terms and conditions of the agreement.

**11. Cooperation and Confidentiality Agreement dated October 13, 2005 between CGCC", CMI and Canwest GP for and on behalf of Canwest LP**

Services: Under the Cooperation and Confidentiality Agreement, Canwest LP provides certain support and reporting services to the CanWest group, including making available senior officers and other key personnel to participate in investor relations functions; assisting in public relations and government relations initiatives; preparing and delivering information and reports required by the Canwest group for their own reporting and financial needs; assisting in the preparation of other documentation for the Canwest group, including regulatory and tax filings and prospectuses; providing access to documents required for audit, tax, regulatory, litigation or due diligence purposes; assisting the Canwest group in responding to regulatory and other governmental inquiries; providing information to the Canwest group in order to meet their continuous disclosure obligations; responding to inquiries; assisting the Canwest group in defending or prosecuting legal and other proceedings; cooperating with auditors and financial advisors of the Canwest group and providing such persons with information, preparation of reports and analyses; assisting in review of financial records; and providing certificates as the Canwest group may require to comply with their reporting requirements.

In addition, Canwest LP is required to establish and maintain appropriate systems of internal financial controls, securities trading restrictions and disclosure controls with respect to its employees, officers, and directors that are consistent with those in effect from time to time in the Canwest group; coordinate the release of information to the public as the Canwest group may request; and provide the Canwest group and its employees with access to the premises and documentation.

Canwest LP also provides monthly, quarterly and annual reports, weekly sales reports and certain other reports and information to the Canwest group.

**12. Pension Plan Participation Agreement dated September 1, 2005 between CMI and CPI for the CanWest Publications Inc. Retirement Plan (the "Plan")**

Services: CMI is confirmed as a participating employer under the Plan, and CPI provides administrative services for the Plan (including administrative services for participating CMI employees) as the "administrator" within the meaning of the Ontario Pension Benefits Act.

**13. Pension Plan Participation Agreement dated January 1, 2006 between Canwest LP and CPI for the CanWest Publications Inc. Retirement Plan (the "Plan")**

Services: Canwest LP is confirmed as a participating employer under the Plan, and CPI provides administrative services for the Plan (including administrative services for participating Canwest LP employees) as the "administrator" within the meaning of the Ontario Pension Benefits Act.

**14. Pension Plan Participation Agreement dated January 1, 2006 between NP and CPI for the National Post Retirement Plan (the "Plan")**

Services: CPI is confirmed as a participating employer under the Plan, and NP provides administrative services for the Plan (including administrative services for participating CPI employees) as the "administrator" within the meaning of the Ontario Pension Benefits Act.

**15. Pension Plan Participation Agreement dated October 13, 2005 between Canwest LP and CMI for the Retirement Plan for Management and Non-Bargaining Unit Employees of Global Communications Limited (the "Plan")**

Services: Canwest LP is confirmed as a participating employer under the Plan, and CMI provides administrative services for the Plan (including administrative services for participating Canwest LP employees) as the "administrator" within the meaning of the Federal Pension Benefits Standards Act.

**16. Pension Plan Participation Agreement dated January 1, 2006 between Canwest LP and CMI for the Global Communications Limited Employees Pension Plan (the "Plan")**

Services: Canwest LP is confirmed as a participating employer under the Plan, and CMI provides administrative services for the Plan (including administrative services for participating Canwest LP employees) as the "administrator" within the meaning of the Federal Pension Benefits Standards Act.

**17. Insurance Premium Sharing Agreement dated October 13, 2005 between CMI and Canwest GP for and on behalf of Canwest LP**

Services: Under the terms of the Insurance Premium Sharing Agreement, CMI extends the insurance coverage (including comprehensive general liability insurance, personal and property damage insurance, business interruption insurance and such other insurance coverage it deems advisable and prudent) that it negotiates and obtains for itself and its affiliates to Canwest LP, Canwest GP and its subsidiaries in return for the payment by Canwest LP of its proportionate share of insurance policy premiums attributable to such insurance coverage.

**18. Broadcast Services Agreement dated January 1, 2009 between Canwest Television GP Inc. for and on behalf of Canwest Television Limited Partnership ("CTLP") and Canwest GP for and on behalf of Canwest LP**

Services: Under the terms of the Broadcast Services Agreement, Canwest LP provides business and administrative services from time to time to CTLP. These services include the following: information technology and processing; human resources consulting; payroll services; accounting services; financial statement preparation; business planning; cash flow management; accounts receivable management; capital expenditure planning; pension, disability and other employee benefits administration; and website development and maintenance services.

**19. Management and Administrative Services Agreement dated August 15, 2007 between CMI and CW Media Inc. ("CW Media")**

Note: There is no direct contractual relationship between CW Media and Canwest LP. Canwest LP does, however, provide services indirectly to CW Media pursuant to the Management and Administrative Services Agreement between CMI and CW Media.

**Services:** Under the Management and Administrative Services Agreement, CMI has agreed to manage the business, affairs and operations of CW Media and its subsidiaries subject to the provisions of the Shareholders' Agreement between CMI and Goldman Sachs, and has the sole and exclusive control over all of our programming decision, including the selection of programs to be distributed and the terms of their distribution. The services to be provided by CMI (directly and indirectly through its service arrangements with Canwest LP) include the administration of the day-to-day operations including the maintenance of proper and complete records, the preparation of reports, conducting and coordinating relations with other persons including customers, suppliers, lawyers, auditors, technical consultants and other experts, obtaining or assisting in obtaining regulatory approvals, the management, administration, conservation, development, operation and disposal of properties and assets, arranging for necessary financing, providing for and arranging the payment of debts, liabilities and expenses and the execution of deeds, documents and instruments. CMI may also cause CW Media and its subsidiaries to provide services to the Canadian television operations of CMI.

#### **Unwritten or Supplemental Agreements**

##### **20. Sales Representation and Agency Services Arrangement between NP and CPI**

**Services:** Pursuant to arrangements established between CPI and NP in 2007, CPI provides NP with national sales representation and certain other related services, including accounts receivable management (billing, collection and account reconciliation), in exchange for a flat annual fee of \$200,000.

##### **21. Employee Secondment and Cost Reimbursement Arrangements between CMI, CTLP, Canwest Television GP Inc. ("GP"), Canwest LP, CPI and NP**

**Services:** Unwritten arrangements pursuant to which employees of one of Canwest LP, CPI, CMI, CTLP or NP (each, a "Canwest Entity") are seconded to another Canwest Entity in exchange for reimbursement by the second Canwest Entity of all employment costs relating to the employment of the seconded employees.

**Note:** Formal secondment arrangements were entered into in respect of a specified number employees on October 13, 2005 in connection with the establishment of the CanWest MediaWorks Income Fund. Since that time, similar unwritten arrangements have been accommodated between the Canwest Entities from time to time.

##### **22. Accounts Receivable Management Arrangements between Canwest CMI, CTLP, GP, Canwest LP, CPI and NP**

**Services:** In accordance with the Canwest Services Agreement, the Canwest Television Limited Partnership Services Agreement, the National Post Affiliation and Support Services Agreement and the Management and Administrative Services Agreement noted above, Canwest LP provides interactive services, including sales representation services for online advertising, to CMI, CTLP and NP and, indirectly, to CW Media. As a consequence of providing those online sales representation services, Canwest LP routinely bills and collects online advertising revenues on behalf of, and remits revenues to, CMI, CTLP, NP or CW Media, as applicable.

Similarly, in accordance with those same agreements, Canwest LP provides accounts receivable management, including billing, collection and account reconciliations, generally, to CMI, CTLP and NP and, indirectly, to CW Media. As a consequence of providing those accounts receivable management services, Canwest LP routinely collects advertising revenues on behalf of, and remits advertising revenues to, CMI, CTLP, NP or CW Media, as applicable, whether as a consequence of integrated sales initiatives or otherwise.

**23. Centralized Procurement Arrangements between CMI, CTLP, GP, Canwest LP, CPI, NP**

Services: Company-wide procurement services are coordinated centrally through dedicated procurement officers employed by Canwest LP. Pursuant to these arrangements, one of the Canwest Entities will enter into a supply agreement with a third party service provider (Federal Express, Purolator, Air Canada) for the benefit of multiple Canwest Entities. In accordance with the Partnership Services Agreement, the Canwest Services Agreement, the Canwest Television Limited Partnership Services Agreement, the National Post Affiliation and Support Services Agreement and the CW Media Management and Administrative Services Agreement noted above, shared expenses are broken down by the supplier and attributed to each of the Canwest Entities to the extent possible. Where such breakdowns are not reasonably obtainable, the costs of these shared procurement services are allocated internally among the Canwest Entities on a reasonable basis as between the Canwest Entities in a manner consistent with current practices.

**24. Additional Unwritten Agreements**

- Payments to Canwest Publishing Sales for Vancouver office rent, supplies and telephone.
- Payment to Canwest News Service for Ottawa office rent and telephone.

**SCHEDULE 1.1(49) – INTELLECTUAL PROPERTY**

**Business Names**

<b><i>Name Registered</i></b>	<b><i>BIN</i></b>	<b><i>Jurisdiction</i></b>	<b><i>Expiry Date</i></b>
Financial Post	110917788	Ontario	Aug 29, 2006
Financial Post Data Group	110917796	Ontario	Aug 29, 2006
Les Publications Financial Post	110917804	Ontario	Aug 29, 2006
National Post	130845	Prince Edward Island	Nov 14, 2009
Post	110917812	Ontario	Aug 29, 2006
The Financial Post	110917770	Ontario	Aug 29, 2006
The Financial Post Company	110917762	Ontario	Aug 29, 2006
The Financial Post Company/Les Publications Financial	110917812	Ontario	Aug 29, 2006
The National Post Company/La Publication National Post	26508	Prince Edward Island	Dec 1, 2010
The National Post Company/La Publication National Post	3349852692	Quebec	Jun 15, 2010
The National Post Company/La Publication National Post	120563382	Ontario	Jun 17, 2012
The National Post Company/La Publication National Post	3025599	Nova Scotia	Dec 31, 2009
The National Post Company/La Publication National Post	349737	New Brunswick	Jun 2, 2010
The National Post Company/La Publication National Post	251227-98	British Columbia	
The National Post Company/La Publication National Post	PT8049322	Alberta	
The National Post Company/La Publication National Post	101013697	Saskatchewan	Oct 31, 2012



**Trademarks**

<b>Trademark</b>	<b>Goods</b>	<b>Status</b>	<b>Country</b>	<b>Owner on Record</b>	<b>Application Number</b>	<b>Registration Number</b>
CANADA'S BUSINESS VOICE	Wares Services	Registered	Canada	The National Post Company	724956	438094
CANADA'S MONEY CHANNEL	wares Services	Abandoned	Canada	The National Post Company	801243	
CORPORATE PROFILER	Wares Services	Abandoned	Canada	The National Post Company	866171	
DATA-SPEED	Services	Registered	Canada	The National Post Company	482695	273736
DECISION MAKER	Wares	Registered	Canada	The National Post Company	720575	442270
FINANCIAL POST & DESIGN	Wares Services	Abandoned	Canada	CanWest Global Communications Corp.	1103315	
FINANCIAL POST FUND ADVISOR	Wares Services	Abandoned	Canada	The National Post Company	891723	
FINANCIAL POST FUND PROFILER	Wares Services	Abandoned	Canada	The National Post Company	891721	
FINANCIAL POST INVESTMENT REPORTS	Wares Services	Registered	Canada	Canwest Global Communications Corp.	719226	431471
FINANCIAL POST TRADING DESK	Services	Pending	Canada	Canwest Global Communications Corp.	1344908	
FINANCIAL POST WESTERN BUSINESS	Wares	Expunged	Canada	The National Post Company	451585	298475
FINANCIAL POST & DESIGN	Wares Services	Abandoned	Canada	Canwest Global Communications Corp.	1103315	
FP & DESIGN	Wares Services	Abandoned	Canada	CanWest Global Communications Corp	1103314	
FP ANALYST	Wares Services	Registered	Canada	Canwest Global Communications Corp.	769106	454375

Trademark	Goods	Status	Country	Owner on Record	Application Number	Registration Number
FP CORPORATE ANALYZER	Wares Services	Registered	Canada	Canwest Global Communications Corp.	1013400	550773
FP CORPORATE PROFILER	Wares Services	Registered	Canada	Canwest Global Communications Corp.	1013399	605755
FP FACTS ON DEMAND	Services	Abandoned	Canada	The National Post Company	829449	
FP INVESTOR SUITE	Services	Abandoned	Canada	The National Post Company	879425	
FP ONLINE	Wares	Registered	Canada	Canwest Global Communications Corp.	576576	343353
FP TELEVISION	Services	Allowed	Canada	Canwest Global Communications Corp.	1330936	
FP Trading Desk	Services	Allowed	Canada	Canwest Global Communications Corp.	1344906	
FP TV	Services	Allowed	Canada	Canwest Global Communications Corp.	1331211	
FPX	Wares	Registered	Canada	The National Post Company	823106	499943
FULL COMMENT	Services	Allowed	Canada	Canwest Global Communications Corp.	1344901	
INFOPOST	Wares	Registered	Canada	The National Post Company	451317	257626
INSIDE ENTERTAINMENT	Wares Services	Abandoned	Canada	The National Post Company	1130889	
MONEY WISE	Services	Registered	Canada	The National Post Company	1122217	621144
MONEYWISE MONEYPLANNER	Wares	Expunged	Canada	The National Post Company	606250	372271

Trademark	Goods	Status	Country	Owner on Record	Application Number	Registration Number
NATIONAL POST	Wares	Registered	Canada	The National Post Company	876463	528677
NATIONAL POST. A BETTER READ.	Wares Services	Registered	Canada	The National Post Company	1257028	727619
POST TV	Wares Services	Abandoned	Canada	The National Post Company	898889	
POSTED	Services	Registered	Canada	Canwest Global Communications Corp.	1348674	735847
PRACTICALL	Services	Expunged	Canada	Canwest Global Communications Corp.	707217	424202
SMART FUNDS	Wares	Registered	Canada	The National Post Company	790411	533625
THE FINANCIAL NETWORK	Wares Services	Abandoned	Canada	The National Post Company	801245	
THE FINANCIAL POST	Wares Services	Registered	Canada	Canwest Global Communications Corp.	353737	191246
THE FINANCIAL POST MONEYWISE MAGAZINE	Wares	Expunged	Canada	The National Post Company	522851	316196
THE MONEY CHANNEL	Wares Services	Abandoned	Canada	The National Post Company	801244	
THE NEWS. YOU HAVE OUR WORD ON IT.	Wares Services	Registered	Canada	The National Post Company	1085297	584665
THE WEALTHY BOOMER	Wares Services	Allowed	Canada	Canwest Global Communications Corp.	1361448	
TRAVEL POST	Wares	Registered	Canada	The National Post Company	460453	262763
YOUR BUSINESS. YOUR POST	Wares	Abandoned	Canada	The National Post Company	1180827	
YOUR CANADA. YOUR POST	Wares	Abandoned	Canada	The National Post Company	1180828	

**Domain Names**

<b>Domain</b>	<b>Ext.</b>
clubnationalpost	.com
nationalpost	.ca
nationalpost	.com
nationalpost	.mobi
nationalpostbusiness	.com
nationalpostonline	.ca
nationalpostonline	.com
nationalpostreaderforum	.com
thenationalpost	.ca
financialpost	.com
financialpostbusiness	.ca
financialpostbusiness	.com
financialpostmagazine	.ca
financialpostmagazine	.com
financialposttelevision	.ca
financialposttelevision	.com
financialposttelevision	.net
Theampersand	.ca
Fullcomment	.ca
Fullcomment	.com
Thewealthyboomer	.net
clubpost	.ca

Domain	Ext.
fp100	.ca
fpadvisor	.ca
fpbusiness	.ca
fpinfomart	.ca
fpinfomart	.com
fpintelligence	.ca
fpintelligence	.com
fpmagazine	.ca
fpposted	.ca
fpposted	.com
fpstockchallenge	.ca
fpstockchallenge	.com
fpstockchallenge	.net
fpstockchallenge	.org
fpstockmarket	.ca
fpstockmarket	.com
fpstockmarket	.net
fpstockmarket	.org
fpstockmarketchallenge	.ca
fpstockmarketchallenge	.net
fpstockmarketchallenge	.org
fpstockstar	.com
fp television	.ca
fp television	.net

<b>Domain</b>	<b>Ext.</b>
fptradingdesk	.ca
fptradingdesk	.com
fpviewpoint	.ca
fpviewpoint	.com
npprivileges	.ca
npprivileges	.com
postedtoronto	.ca
postedtoronto	.com
postpartnerships	.com
postprivileges	.com
postpriviliges	.com
postpublications	.com
wealthyboomer	.ca
wealthyboomer	.net

### **SCHEDULE 1.1 (54) – MATERIAL CONSENTS**

- 1. Consent from Inform Technologies LLC in respect of the assignment of the License Agreement between Inform Technologies LLC and the National Post Company, commencing on December 11, 2006 for the enhancement of National Post content by Inform Technologies LLC and a license to display such content on its website.**
- 2. Consent from Toronto Star Newspapers Limited in respect of the Shipping and logistics agreement dated April 9, 2007 in respect of provision of trucking and logistic services to the National Post Company including receiving, trucking, handling, advanced shipment of magazine top-loads, purchase of storage and materials, bills of lading and emergency/rush/hot/delivery services.**

## **SCHEDULE 1.1(67) - PERMITTED ENCUMBRANCES**

**"Permitted Encumbrances" means:**

1. Applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, other agreements, building and other restrictions, easements, servitudes, rights of way and licences which do not in the aggregate materially adversely affect the use or value of the Transferred Assets affected thereby and provided the same have been complied with in all material respects to the Closing Date including the posting of any required security for performance of obligations thereunder.
2. Defects or irregularities in title to any real property which are of a minor nature and do not materially adversely affect the use or value of such real property affected thereby and provided the same have been complied with in all material respects to the Closing Date.
3. Inchoate statutory liens for Taxes, assessments, governmental or utility charges or levies not at due as at the Closing Date or that are being contested in good faith by appropriate proceedings, to the extent they are related to the Assumed Liabilities.
4. Statutory liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen, repairmen and other Encumbrances imposed by Law for amounts not yet due, or that are being contested in good faith by appropriate proceedings, to the extent they are related to the Assumed Liabilities.
5. Any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under Contracts, so long as the payment of such or the performance of such other obligation or act is not delinquent and provided that such liens or privileges do not materially adversely affect the use or value of the Transferred Assets affected thereby.
6. All Encumbrances affecting a landlord's freehold interest in any leased real property.
7. Encumbrances incurred or deposits made to a Governmental Authority in connection with a governmental authorization, registration, filing, license, permit or approval.
8. Encumbrances incurred or deposits made in the Ordinary Course of Business in connection with workers' compensation, unemployment insurance or other types of social security, to the extent they are related to the Assumed Liabilities.



## **SCHEDULE 4.2 – ALLOCATION OF PURCHASE PRICE FOR TAX PURPOSES**

Promptly following Closing, the Transferor shall prepare a statement (the "Draft Closing Date Statement") of all the Transferred Assets, Accrued Expenses, Accounts Payable, Print Payables, Accrued Salaries and Deferred Revenue as at the Closing Date. The Draft Closing Date Statement shall also set out the October Funding Amount.

The Closing Date Statement shall be delivered to the Transferee for the Transferee's review and consideration and the Transferee and the Transferor shall co-operate in preparing a final statement (the "Final Closing Date Statement") of all the Transferred Assets, Accrued Expenses, Accounts Payable, Print Payables, Accrued Salaries and Deferred Revenue as at the Closing Date and the October Funding Amount.

Once the Final Closing Date Statement has been prepared, the Transferor and the Transferee shall jointly prepare an allocation of the Transfer Price/Transition Cost in accordance with the following:

<b>Transferred Asset</b>	<b>Portion of the Transfer Price/Transition Cost to be Allocated</b>
Accounts Receivable	Amount reflected on the Final Closing Date Statement
Prepaid Expenses	Amount reflected on the Final Closing Date Statement
Inventory	Amount reflected on the Final Closing Date Statement
Print Receivables	Amount reflected on the Final Closing Date Statement
Equipment	An amount equal to the aggregate fair market value of all Equipment, provided that if the Transferor and the Transferee cannot agree on the fair market value of a particular piece of Equipment, acting reasonably, the fair market value shall be deemed to be the net book value of such piece of Equipment
Intellectual Property	An amount equal to the aggregate fair market value of all Intellectual Property, provided that if the Transferor and the Transferee cannot agree on the fair market value of a particular item of Intellectual Property, acting reasonably, the fair market value shall be deemed to be the net book value of such item of Intellectual Property

Goodwill (including the Contracts and Licences and Books and Records) and An amount equal to the excess of the Purchase Price over the amounts allocated above.

## SCHEDULE 6.7 - ESTIMATED POST RETIREMENT BENEFITS STATEMENT

The estimated benefit obligations of the National Post self insured non-pension benefits as at August 31, 2009 are as follows:

	Obligation	Un-amortized gains	Book value
Post retirement benefits	990,400	789,900	1,780,300
Continuation of benefits on leave	95,400	21,600	117,000
Waiver of Premium	19,300	(1,800)	17,500

**SCHEDULE 8.1(1)(G) – MATERIAL CONTRACTS**

1. Lease agreement between 808 – 4<sup>th</sup> Avenue SW Leaseholds Inc. as successor to United Place Inc., and the National Post Company, dated October 2, 2002 and extended on September 18, 2007, in respect of certain premises at 808 – 4<sup>th</sup> Avenue SW, Calgary, Alberta.
2. Parking License between United Place Inc. and the National Post Company dated October 2, 2002, in respect of certain parking stalls located at 808 – 4<sup>th</sup> Avenue SW, Calgary Alberta.
3. Lease agreement between Canwest Mediaworks Publications Inc. and the National Post Company, dated October 13, 2005, in respect of certain premises located at 1450 Don Mills Road, Toronto, Ontario.
4. Contract between Reuters America LLC and the National Post Company dated April 1, 2007, for the co-branding of a Reuters hosted website.
5. Contract between Forbes.com LLC and the National Post Company, dated April 11, 2008, in respect of an “As is” content license.
6. Contract between Inform Technologies LLC and the National Post Company, dated December 11, 2006, in respect of the enhancement of National Post content and a license to display such content online.
7. Contract between Factiva Limited and the National Post Company, effective as of March 1, 2003, and as amended September 21, 2004, April 18, 2008, November 19, 2008, and March 19, 2009, in respect of a subscription for global news and business information services.
8. Contract between Sun Media Corp. and the National Post Company, effective as of September 1, 2009, in respect of newspaper delivery services.
9. Contract between ZSA Legal Recruitment and the National Post Company, dated July 15, 2005, in respect of the apportionment of proceeds and expenses from various co-branded events.
10. Contract between Neutron Media Inc., doing business as Stock-Track Canada, and the National Post Company dated September 1, 2008, in respect of the development, operation and promotion of a stock portfolio simulation contest.
11. Contract between Toronto Star Newspapers Limited and the National Post Company, dated January 4, 2002, as amended on March 10, 2009, in respect of printing services.
12. Contract between Breakingviews Ltd. and the National Post Company, dated July 27, 2009, in respect of the provision of certain articles and online advertising inventory.
13. Contract between Tobmar Investments Inc. and the National Post Company dated February 11, 2008 whereby Tobmar distributed and promotes the National Post at its

Gateway retail locations through shelf positioning of the newspapers, various signage and promotional programs.

14. Contract between the Canadian Broadcasting Corporation and the National Post Company, dated September 2, 2009, granting the Canadian Broadcasting Corporation a license for the online delivery of certain Financial Post content.
15. Contract between the Canadian Broadcasting Corporation and the National Post Company, dated September 2, 2009, granting the National Post Company a license for the online delivery of certain Canadian Broadcasting Corporation sports content.
16. Contract between Bloomberg LP and the National Post Company, dated August 14, 1998 in respect of Bloomberg service software, data and equipment.
17. Publishers agreement between Dow Jones & Company, Inc. and the National Post Company, dated June 1, 2006 in respect of news services.
18. Contract between Goowy Media Inc. and the National Post Company, dated October 15, 2007 in respect of the collaboration on the development of widgets for the National Post website.
19. Contract between PA Group Sportsticker, Inc. and the National Post Company, dated January 16, 2008 in respect of webpage development and hosting services.
20. Contract between Barb Morrissey, FLS, and the National Post Company, dated August 1, 2005 in respect of newspaper distribution services.
21. Contract between Toronto Sun, a division of Sun Media Corp. ("Sun") and the National Post Company, dated September 1, 2009 in respect of newspaper distribution services.
22. Contract between Dynamex Canada Corp. and the National Post Company, dated January 3, 2005 in respect of transportation services.
23. Contract between Sun Media Corp. and the National Post Company, dated October 1, 2009 in respect of news paper distribution services.
24. Contract between ZSA Legal Recruitment and the National Post Company, dated July 15, 2005 in respect of the organization and promotion of co-branded annual General Counsel Awards.
25. Contract between Visa Canada Corporation and the National Post Company, dated January 1, 2009 in respect of the participation of the National Post in the visaperks.ca program.
26. Contract between Showwcorp Inc. and the National Post Company, dated in respect of sales commissions.
27. Contract between Questrade Inc. and the National Post Company, dated July 2, 2009, in respect of a mutual sponsorship arrangement.

28. Contract between PMB Print Measures Bureau and the National Post Company, dated September 18, 2009 in respect of the initial publication website measurement.
29. Contract between Newsworthy Ink a division of Leston Paralegal Services Limited and the National Post Company, dated May 26, 2009, in respect of Newsworthy Ink acting as the National Posts agent in respect of the acquisition of N.I.E. digital subscriptions.
30. Contract between the Golf Association of Ontario and the National Post Company dated June 11, 2009 in respect of a subscription offer arrangement.
31. Contract between Classifieds Plus, Inc. and the National Post Company dated February 7, 2008 in respect of employment liner calls.
32. Contract between Canadian Automobile Association, Alberta Motor Association, CAA Manitoba, CAA South Central Ontario, CAA North & East and CAA Niagara and the National Post Company, dated October 20, 2008, in respect of a marketing arrangement.
33. Contract between NADbank Inc. and the National Post, dated December 18, 2008 in respect of the Nadbank 2009 study.
34. Contract between Toronto Star Newspapers Limited and the National Post Company dated April 9, 2007, for trucking and logistic services.

**SCHEDULE 8.1(1)(L) - LITIGATION**

**Ongoing Litigation**

1. Derryn Shrosbree has brought litigation against Sun Media Corporation, carrying on business as the Financial Post for negligent misrepresentation relating to an article published in the Financial Post.
2. Richard Warman has brought litigation against the National Post for defamation relating to an internet posting by Kelly McParland on nationalpost.com on November 20, 2009.
3. Arthur Kent has brought litigation against the National Post for defamation relating to an article by Don Martin first published in the Calgary Herald on February 13, 2008.
4. Richard Warman has brought litigation against the National Post for defamation relating to an article published on February 19, 2008 in the National Post.
5. Jeffrey Philip Viater has brought litigation against the National Post for defamation relating to reports concerning the Plaintiff's billing to the Attorney General's Office published in the National Post and online at canada.com.
6. Bettina and Leonardo Rizzuto have brought litigation against the National Post for defamation relating to an article published in the National Post on August 3, 2006.
7. James Hoggan has brought litigation against the National Post for defamation relating to articles by Terence Corcoran appearing in the National Post on September 16 and November 16, 2006.
8. Robert Wood has brought litigation against the National Post, amongst others, for defamation relating to a June 16, 2005 article published in the National Post.
9. The Christian Churches of God, World Conference and the Christian Churches of God, Canada have brought litigation against the National Post for defamation relating to a July 12, 2004 editorial in the National Post.
10. Douglas Erkkila has brought litigation against the National Post for defamation relating to a September 1, 2001 article in Saturday Night Magazine.
11. William McCormack has brought litigation against the National Post for defamation relating to a January 28, 1999 article appearing in the National Post.
12. Jill and Michael Hensen have brought litigation against the National Post for damages resulting from a fall suffered by Jill Hensen allegedly involving a newspaper tie in the parking lot of a 7-eleven store in London, Ontario.

### **Current Litigation Involving Former Employees**

1. Peter Morton has brought an action for wrongful dismissal against the National Post Company for \$608,793.33 plus legal costs.

### **Notices of Potential Litigation Involving the National Post**

1. National Photo Group, LLC has given notice to the National Post of its intention to bring an action for copyright infringement relating to the unauthorized use of its copyrighted photo of Michael Jackson on June 26, 2009.
2. Warren Kinsella has given notice to the National Post of his intention to bring an action for defamation relating to comments about him made in a June 2009 blog piece.
3. Warren Kinsella has given notice to the National Post of his intention to bring an action for defamation relating to an article posted on nationalpost.com on December 11, 2008.
4. Krestin, Jonathan, Butcher, Burns Solicitors has given notice to the National Post of its intention to bring an action for defamation relating to an article published on PF Online on December 9, 2008.
5. James Wakeford has given notice to the National Post of his intention to bring an action for defamation relating to the January 14, 2008 publication of his photograph in an article relating to medical marijuana.
6. Dr. Joel Freeman has given notice to the National Post of his intention to bring an action for defamation relating to comments in a January 30, 2008 Ottawa Citizen article.



## **SCHEDULE 8.1(1)(P) – PENSION AND BENEFIT PLANS**

### **Pension Plans**

1. National Post Retirement Plan, Financial Services Commission of Ontario Registration Number 1075928.
2. Canwest Publications Inc. Retirement Plan, Financial Services Commission of Ontario Registration Number 1077049.

### **Participation Agreements related to Pension Plans**

1. Canwest Media Inc. is a participating employer in the National Post Retirement Plan pursuant to a Pension Plan Participation Agreement between Canwest Media Inc. and The National Post Company effective September 1, 2005.
2. Canwest Publishing Inc. is a participating employer in the National Post Retirement Plan pursuant to a Pension Plan Participation Agreement between Canwest Mediaworks Publications Inc. and The National Post Company effective January 1, 2006.

### **Benefits Plans**

1. The National Post Company Hospital and Major Medical Plan, Manulife Financial Contract Number ASO 84335-B.
2. The National Post Company Dental Plan, Manulife Financial Contract Number ASO 84336-B.
3. The National Post Company Group Benefits Policy for Life, Accidental Death & Dismemberment, Dependent Life and Manu-assist, Manulife Financial Policy Number GL & GH 39093-B.
4. The National Post Company Group Benefits Policy for Employee Optional Life, Spousal Optional Life and Dependent Optional Life, Manulife Financial Policy Number GL 39094-B.
5. The National Post Company Group Benefits Policy for Voluntary Accidental Death & Dismemberment, Manulife Financial Policy Number GH 39095-B.
6. The National Post Company Group Benefits Policy for Travel Accident (Accidental Death & Dismemberment), Manulife Financial Policy Number GH 39096-B.
7. The National Post Company Group Benefits Policy for Long Term Disability, Manulife Financial Policy Number GH 39097-B.
8. The National Post Company/ Group Benefits Policy for Optional Long Term Disability, Manulife Financial Policy Number GH 39098-B.

**Additional Seller Employment Policies**

1. National Post employees are entitled to vacation subject to the following table:

<b>Service</b>	<b>Annual Vacation</b>
Less than 1 year	1.25 days/month
1 to 5 years	3 weeks
6 to 10 years	4 weeks
11 to 20 years	5 weeks
21 years and beyond	6 weeks

2. Upon satisfactory proof of condition requiring leave, National Post employees are entitled to six-months of paid leave before eligibility of Long-term Disability will be assessed under the National Post Group Benefits Policy for Long Term Disability.
3. National Post employees are entitled to have their Government parental leave benefits topped up to 80% of their salary for a term of 15 weeks beginning on the third week of leave.
4. National Post employees are entitled to two bereavement days upon the death of a parent, spouse or child, and one paid vacation day to attend the funeral of an extended family member or associate.
5. National Post employees are entitled to two personal days per annum for personal reasons which do not carry-over and may only be used after all outstanding vacation days.
6. National Post employees are entitled to the following statutory holidays: New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving, Christmas Day, and Boxing Day.

**SCHEDULE B – SHARED SERVICES AGREEMENT**

## **AGREEMENT ON SHARED SERVICES AND EMPLOYEES**

This Agreement is made as of October 26, 2009 between

**Canwest Global Communications Corp.**  
(“Canwest Global”)

and

**Canwest Limited Partnership / Canwest Societe en  
Commandite**  
(“Canwest LP”)

and

**Canwest Media Inc.**  
(“CMI”)

and

**Canwest Publishing Inc. / Publications Canwest Inc.**  
(“CPI”)

and

**Canwest Television Limited Partnership**  
(“Television LP”)

and

**The National Post Company/La Publication National Post**  
(“NP”)

### **RECITALS**

A. Some or all of the Parties are party to the agreements listed in Schedule A hereto (as they may be amended from time to time from and after the date of this Agreement) (“**Shared Services Agreements**”) pursuant to which one or more of the Parties has agreed to provide certain services to the other.

B. It is contemplated that the Broadcast Parties and the Print Parties will be restructured under one or more CCAA Proceedings.

C. Having regard to the proposed restructurings, the Parties have agreed to an orderly termination of their shared service arrangements and, in that connection, the Parties which are party to certain of the Shared Services Agreements have agreed to alter the basis upon and term

for which services are to be provided under such Shared Services Agreements and the Parties wish to record their agreement about those arrangements.

D. The Parties also wish to record their agreement regarding certain employees of the Parties and other matters.

**FOR VALUE RECEIVED**, the Parties agree as follows:

## ARTICLE 1 – INTERPRETATION

### Section 1.1 Definitions

Terms defined in the introductory section and recitals to this Agreement have the meanings ascribed to them above. In addition, in this Agreement:

- (1) “**Affiliate**” of a Party means any person that directly or indirectly Controls, is Controlled by, or is under common Control with, that Party, and for greater certainty includes a subsidiary.
- (2) “**Affiliation Services**” means Canwest News Services editorial content provided by the Print Parties to the Broadcast Parties pursuant to the Affiliation Services Agreement.
- (3) “**Affiliation Services Agreement**” means the Affiliation Services Agreement dated October 13, 2005 between CMI and Canwest LP.
- (4) “**Agent**” means The Bank of Nova Scotia, in its capacity as administrative agent under the \$1,300,000,000 credit facilities credit agreement dated July 10, 2007 between Canwest Mediaworks Limited Partnership (the predecessor name of Canwest LP), the guarantors party thereto from time to time, Scotia Capital, as sole lead arranger and book runner for “Credits A, B and C” (as defined therein), Scotia Capital and Citigroup Global Markets Inc., as co-lead arrangers and joint book runners for “Credit D” (as defined therein) and the lenders party thereto from time to time, as amended.
- (5) “**Agreement**” means this agreement including any recitals and schedules to this agreement, as amended, supplemented or restated from time to time.
- (6) “**Books and Records**” means all books, records, files and documents relating to a service provided pursuant to a Shared Services Agreement including books of account, ledgers, journals, records of accounts receivable and payable, cost and pricing information, inventory records, payroll and employee benefit records, credit information, lists of suppliers and all other correspondence, data and information in any format or media whatsoever.
- (7) “**Broadcast Business Transaction**” means any transaction or series of transactions in which Control of Canwest Global, CMI or Television LP is acquired by a person (or persons) who is not an Affiliate of a Broadcast Party or pursuant to which a person (or persons) who is not an Affiliate of a Broadcast Party acquires all or substantially all of the assets of Canwest Global, CMI or Television LP.
- (8) “**Broadcast Parties**” means Canwest Global, CMI and Television LP.

(9) **“Business Day”** means a day on which banks are open for business in the Cities of Toronto and Winnipeg, but does not include a Saturday, Sunday or holiday in the Province of Ontario.

(10) **“Business Services”** means the payroll services, accounting services, including accounts payable, fixed asset accounting, general ledger accounting and maintenance, internal financial reporting and accounts receivable management, and other administrative support services provided by Canwest LP to the Broadcast Parties and their Affiliates pursuant to the Canwest Services Agreement and the Television LP Services Agreement, all as more particularly described in Schedule 2.1 to the Canwest Services Agreement and Schedule 2.1 to the Television LP Services Agreement.

(11) **“Canwest Lease”** means the lease dated October 13, 2005 between CPI, as landlord, and CMI, as tenant, with respect to the premises at 1450 Don Mills Road, Don Mills, Ontario described therein.

(12) **“Canwest Services Agreement”** means the Canwest Services Agreement dated October 13, 2005 between CMI and Canwest LP pursuant to which Canwest LP provides to CMI and its Affiliates (other than Television LP) certain Business Services, IT Services, Digital Services and Corporate Services.

(13) **“CCAA”** means the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c.C-36, as amended.

(14) **“CCAA Proceeding”** means any proceeding commenced pursuant to the CCAA under which the applicant seeks an arrangement or compromise with any of its creditors and includes any orders granted with respect thereto.

(15) **“Closing Date”** means the date upon which a Print Business Transaction is completed.

(16) **“Control”** means, when applied to the relationship between a person and a corporation, the beneficial ownership by that person at the relevant time of shares of that corporation carrying the greater of (a) a majority of the voting rights ordinarily exercisable at meetings of shareholders of that corporation and (b) the percentage of voting rights ordinarily exercisable at meetings of shareholders of that corporation that are sufficient to elect a majority of the directors, and when applied to the relationship between a person and a partnership, limited partnership, trust or joint venture, means the beneficial ownership by that person at the relevant time of more than 50% of the ownership interests of the partnership, limited partnership, trust or joint venture or the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and the words “Controlled by”, “Controlling” and similar words have corresponding meanings; provided that a person who Controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such person and so on.

(17) **“Cooperation and Confidentiality Agreement”** means the Cooperation and Confidentiality Agreement dated October 13, 2005 between Canwest Global, CMI and Canwest LP.

(18) **“Cooperation and Confidentiality Services”** means services provided by Canwest LP pursuant to the Cooperation and Confidentiality Agreement.

(19) **“Corporate Services”** means administrative services, including administrative services related to human resources, pension, disability and other employee benefits administration, business planning, cash flow management and forecasting, capital expenditure planning and forecasting provided by Canwest LP to the Broadcast Parties and their Affiliates, pursuant to the Canwest Services Agreement and the Television LP Services Agreement, all as more particularly described in Schedule 2.1 to the Canwest Services Agreement and Schedule 2.1 to the Television LP Services Agreement.

(20) **“CPI Subco”** means 4513401 Canada Inc.

(21) **“Cross-Promotional Advertising Services”** means cross-promotional advertising services all as more particularly described in Section 2.2 of the Sales Representation and Agency Services Agreement.

(22) **“Digital Services”** means services related to the hosting, development, production, definition and maintenance of websites, and the provision of sales representation services for online advertising provided by Canwest LP to the Broadcast Parties and their Affiliates pursuant to the Canwest Services Agreement and the Television LP Services Agreement, all as more particularly described in Schedule 2.1 to the Canwest Services Agreement and Schedule 2.1 to the Television LP Services Agreement.

(23) **“Emerge”**, when used in respect of a person, means the date of implementation of a plan of arrangement in connection with a CCAA Proceeding or the date of termination of a CCAA Proceeding relating to that person.

(24) **“Executive Advisory Services Agreement”** means the Executive Advisory Services Agreement dated October 13, 2005 between CMI and Canwest LP pursuant to which CMI provides Canwest LP and its Affiliates certain executive advisory services in relation to the business affairs and operations of Canwest LP.

(25) **“Executive and Partnership Services”** means the executive advisory services and the business and administrative services, including administrative services related to legal, tax compliance, treasury, investor and public relations, corporate development, internal audit, financial reporting and capital asset management provided by CMI to Canwest LP and its Affiliates pursuant to the Executive Advisory Services Agreement and the Partnership Services Agreement, all as more particularly described in Article 2 of the Executive Advisory Services Agreement and Schedule 2.1 to the Partnership Services Agreement.

(26) **“Insurance Premium Sharing Agreement”** means the Insurance Premium Sharing Agreement dated October 13, 2005 between CMI and Canwest LP.

(27) **“Insurance Services”** means services provided pursuant to the Insurance Premium Sharing Agreement.

(28) **“IT Services”** means information technology, IT infrastructure and support services, including maintenance of internal LANs and connections to the WAN, information technology

consulting services, software and hardware procurement, customization, development, integration and configuration services, infrastructure management and help desk and back-up support services provided by Canwest LP to the Broadcast Parties and their Affiliates pursuant to the Canwest Services Agreement and the Television LP Services Agreement, all as more particularly described in Schedule 2.1 to the Canwest Services Agreement and Schedule 2.1 to the Television LP Services Agreement.

(29) “**NP Transfer Agreement**” means the National Post Transition Agreement dated as of October 26, 2009 between CPI and NP.

(30) “**Parties**” means Canwest Global, Canwest LP, CMI, CPI, Television LP and NP.

(31) “**Partnership Services Agreement**” means the Partnership Services Agreement dated October 13, 2005 between CMI and Canwest LP pursuant to which to which CMI provides to Canwest LP and its Affiliates certain business and administrative services.

(32) “**Pension Agreements**” means the Shared Services Agreements listed under the heading “Pension Services” in Schedule A hereto.

(33) “**Print Business Transaction**” means any transaction or series of transactions in which Control of Canwest LP or CPI is acquired by a person (or persons) who is not an Affiliate of a Print Party or pursuant to which a person (or persons) who is not an Affiliate of a Print Party acquires all or substantially all of the assets of Canwest LP and CPI.

(34) “**Print Parties**” means Canwest LP, CPI and CPI Subco.

(35) “**Sales Representation and Agency Services Agreement**” means the Sales Representation and Agency Services Agreement dated October 13, 2005 between CMI and Canwest LP.

(36) “**Television LP Services Agreement**” means the Broadcast Services Agreement dated January 1, 2009 between Television LP and Canwest LP pursuant to which Canwest LP provides to Television LP certain Business Services, IT Services, Digital Services and Corporate Services.

(37) “**Trademarks License Agreement**” means the Trademarks License Agreement dated October 13, 2005 between, *inter alia*, Canwest Global and Canwest LP.

### **Section 1.2 Actions on Non-Business Days**

If any payment is required to be made or other action is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

### **Section 1.3 Headings and References**

The division of this Agreement into sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement,” “hereof,” “hereunder” and similar



expressions refer to this Agreement and not to any particular section, subsection or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to "Sections" are to sections, subsections and further subdivisions of sections of this Agreement.

#### **Section 1.4 Extended Meanings**

Unless otherwise specified, words importing the singular include the plural and vice versa and words importing gender include all genders. The term "including" means "including without limitation."

#### **Section 1.5 Schedules**

The following Schedules attached to this Agreement form an integral part of this Agreement:

- Schedule A – Shared Services Agreements
- Schedule B – IT Services Terminating August 31, 2010
- Schedule C – IT Services Terminating February 28, 2011

### **ARTICLE 2- ADJUSTMENTS AND AMENDMENTS TO CERTAIN SHARED SERVICES AGREEMENTS**

#### **Section 2.1 Termination of Shared Services Provided by Canwest LP**

Notwithstanding anything to the contrary in the Canwest Services Agreement or the Television LP Services Agreement, the Canwest Services Agreement and the Television LP Services Agreement shall terminate as they relate to the provision of the following services on the dates noted below:

<b>SHARED SERVICE</b>	<b>TERMINATION DATE</b>
Business Services	August 31, 2010
Digital Services	August 31, 2010
IT Services	August 31, 2010 (in respect of the IT Services listed in Schedule B)
IT Services	February 28, 2011 (in respect of the IT Services listed in Schedule C and all other IT Services other than those listed in Schedule B)
Corporate Services	February 28, 2010

#### **Section 2.2 Termination of Executive and Partnership Services Provided by CMI**

Notwithstanding anything to the contrary in the Executive Advisory Services Agreement or the Partnership Services Agreement, the Executive Advisory Services Agreement and the Partnership Services Agreement shall terminate on February 28, 2010. Prior to the effective date of termination of the Executive Advisory Services Agreement and the Partnership Services Agreement, Canwest LP shall have the right, but not the obligation, to require CMI to provide Executive and Partnership Services; provided that Canwest LP shall be required to pay amounts provided in Section 2.4(g) of this Agreement whether or not Canwest LP requires CMI to provide any Executive and Partnership Services.

### **Section 2.3 Termination of Other Shared Services Agreements**

(1) **Cooperation and Confidentiality Services** – Subject to the next sentence, notwithstanding anything to the contrary in the Cooperation and Confidentiality Agreement, the Cooperation and Confidentiality Services shall terminate on the earlier of (a) the Closing Date, (b) the date Canwest LP Emerges from its CCAA Proceeding (if commenced) and (c) August 31, 2011. For a period of two years following the date of such termination, the Print Parties will provide the Broadcast Parties, on the terms set out in the Cooperation and Confidentiality Agreement, with reasonable access to such information as the Broadcast Parties may reasonably require to satisfy the tax, financial and other reporting obligations of the Broadcast Parties (including, if required, copies of such documents provided at the expense of the Broadcast Parties), provided that (and unless Canwest LP and CMI otherwise agree) the Print Parties shall have no obligation to provide such access if, in doing so, any Print Party is likely to incur any material cost or if to do so would require a material amount of the time or effort of an employee of a Print Party, unless such cost and an agreed amount for the payroll costs of such employee is reimbursed by the Broadcast Parties.

(2) **Cross-Promotional Advertising Services** - The Sales Representation and Agency Services Agreement shall terminate on August 31, 2010, notwithstanding anything to the contrary therein.

(3) **Affiliation Services** - The Affiliation Services Agreement shall terminate on August 31, 2010, notwithstanding anything to the contrary therein.

(4) **Trademark License** - Notwithstanding anything to the contrary in the Trademarks License Agreement, the Trademarks License Agreement shall terminate on the earlier of (a) the Closing Date, (b) the date Canwest LP Emerges from its CCAA Proceeding (if commenced), (c) August 31, 2010 and (d) such other date as the parties to such agreement may agree.

(5) **Insurance Services** - Notwithstanding anything to the contrary in the Insurance Premium Sharing Agreement, the Insurance Premium Sharing Agreement shall terminate on the earlier of the (a) Closing Date, (b) the date Canwest LP Emerges from its CCAA Proceeding (if commenced), (c) the date upon which CMI and Canwest LP cease to be Affiliates, (d) August 31, 2010 and (e) such other date as the parties to such agreement may agree.

(6) **Canwest Lease** - Notwithstanding anything to the contrary in the Canwest Lease, the Canwest Lease shall terminate on August 31, 2010.

#### **Section 2.4 Certain Termination Rights Not to be Exercised**

To the extent that any Shared Services Agreement permits a party thereto to terminate the agreement (a) on notice to the other party(s) for reasons other than default or (b) by reason of bankruptcy or other similar event, none of the Parties shall exercise any such rights so as to terminate any Shared Services Agreement (or part thereof) prior to the dates contemplated in Section 2.1 through Section 2.3.

#### **Section 2.5 Amendment of Fees and Costs**

The Parties acknowledge that the following amounts are payable under the Shared Services Agreements by the Broadcast Parties, on one hand, or the Print Parties, on the other:

##### ***Amounts Payable by the Broadcast Parties, collectively, to the Print Parties***

- (a) with respect to **Affiliation Services**, \$16,667.00 per month;
- (b) with respect to **Business Services**, effective November 1, 2009, \$257,282.50 per month, provided that if, prior to the date upon which the Business Services terminate, any employee of a Print Party who provides Business Services becomes an employee of a Broadcast Party, the monthly fee payable to the Print Parties on account of Business Services shall be reduced on a *pro rata* basis having regard to the monthly fee payable to the Print Parties on account of Business Services and the monthly costs incurred the Print Parties which are associated with such employee, as at the date such employee becomes an employee of a Broadcast Party, provided further that during the period from September 1, 2010 to October 31, 2010 the Print Parties shall, if requested by the Broadcast Parties, provide such assistance as the Broadcast Parties may reasonably request in connection with their year-end financial reporting processes, such assistance to be provided by such employees of the Print Parties as Canwest LP and CMI may agree, and the Broadcast Parties shall reimburse the Print Parties for the payroll costs of such individuals incurred during that period.
- (c) with respect to **Corporate Services**, \$76,961.92 per month, provided that if, prior to the date upon which the Corporate Services terminate, any employee of a Print Party who provides Corporate Services becomes an employee of a Broadcast Party, the monthly fee payable to the Print Parties on account of Corporate Services shall be reduced on a *pro rata* basis having regard to the monthly fee payable to the Print Parties on account of Corporate Services and the monthly costs incurred the Print Parties which are associated with such employee, as at the date such employee becomes an employee of a Broadcast Party;
- (d) with respect to **Cooperation and Confidentiality Services**, \$8,333.33 per month;
- (e) with respect to **Digital Services**, \$93,650.25 per month (for cost reimbursement) together with commissions calculated at the rate contemplated under the relevant Shared Services Agreements;
- (f) with respect to **IT Services**:

- (i) effective November 1, 2009 until August 31, 2010, \$377,748.08 per month (for cost reimbursement) and \$166,666.67 per month (for capital charges); and
  - (ii) effective September 1, 2010 until February 28, 2011, \$266,667.66 per month (for cost reimbursement) and \$166,666.67 per month (for capital charges), less an amount agreed between Canwest LP and CMI to reflect the reduction in use of capital by the Print Parties to provide IT Services having regard to the fact that the Print Parties are no longer providing the IT Services listed in Schedule B (calculated on a basis consistent with part practice);
- (g) with respect to the Canwest Lease, effective November 1, 2009 until August 31, 2010, \$10,970.00 per month;

***Amounts Payable by the Print Parties, collectively, to the Broadcast Parties***

- (h) with respect to **Executive and Partnership Services**, effective November 1, 2009, \$250,000 per month irrespective of the level of Executive and Partnership Services actually provided by CMI to Canwest LP during the relevant month (and, for greater certainty, irrespective of whether Canwest LP has requested that CMI provide Executive and Partnership Services during the relevant month) provided that if, prior to the date upon which the Executive Advisory Services Agreement and the Partnership Services Agreement terminate, any employee of a Broadcast Party who provides Executive and Partnership Services becomes an employee of a Print Party, the monthly fee payable to a Broadcast Party on account of Executive and Partnership Services shall be reduced on a *pro rata* basis having regard to the monthly fee payable to the Broadcast Parties on account of Executive and Partnership Services and the monthly costs incurred by the Broadcast Parties which are associated with such employee, as at the date such employee becomes an employee of a Print Party;

***Other Amounts Payable between the Parties***

- (i) with respect to **Cross-Promotional and Advertising Services**, at the rate and at the times contemplated under the relevant Shared Services Agreements by the Broadcast Parties to the Print Parties, on the one hand, and by the Print Parties to the Broadcast Parties, on the other; and
- (j) with respect to **Pension Services**, in accordance with the terms and conditions of the relevant Shared Services Agreement relating to Pension Services, as adjusted pursuant to Section 3.5.

The Parties acknowledge that, notwithstanding anything to the contrary in the Insurance Premium Sharing Agreement, the Print Parties currently are paying premiums for insurance coverage directly to the relevant insurance providers and not to a Broadcast Party and that, accordingly, the Print Parties have no obligation to make any payments in that respect to any Broadcast Party. If a Broadcast Party receives any refund, credit or other amount from an insurance provider or otherwise in respect of any insurance policy or coverage relating to a Print

Party, such Broadcast Party forthwith shall pay the full amount of such refund, credit or other amount to the Print Parties (to the extent a Print Party originally paid the amount refunded or credited).

### **Section 2.6 Amendments to Shared Services Agreement**

The Shared Services Agreements shall be deemed amended to the extent necessary to give effect to Section 2.1 through Section 2.5 of this Agreement and otherwise the terms and conditions of the Shared Services Agreements shall continue, unamended. For greater certainty, CPI agrees that it will continue to provide any services under the Shared Services Agreements (as amended by this Agreement) that it has provided as a subsidiary of Canwest LP prior to the date hereof as if it were a party to such Shared Services Agreements.

### **Section 2.7 Termination and Transition**

- (1) **Term Extensions** - The Parties may, but shall not have the obligation to, extend the term of any Shared Services Agreement beyond the end of the term of the relevant agreement on such terms and conditions as the Parties to the relevant agreement determine appropriate, subject to Section 4.1 of this Agreement.
- (2) **Obligations End** - Subject to the terms of this Agreement, from and after the termination of a Shared Services Agreement (or of that part of a Shared Services Agreement relating to a particular service), the Party providing the relevant service shall have no obligation to provide, and the Party receiving such service shall have no obligation to acquire, the relevant service.
- (3) **Transition** - It is the Parties' intention that the transition required at the end of the term of a Shared Services Agreement occur in a commercially reasonable manner, with minimal disruption to the Parties' businesses. The Parties shall develop such protocols as may reasonably be required or appropriate and otherwise cooperate to ensure that the cessation of the provision of services under a Shared Services Agreements by reason of the termination of such agreement occurs in accordance with the terms and conditions of the relevant agreement, in a commercially reasonable manner. Unless otherwise specifically provided herein or in a Shared Services Agreement, the Parties shall bear their own costs incurred in connection with the transition of any shared service or the termination of any Shared Services Agreement.
- (4) **Books and Records** - On or before the date upon which a Party's obligation to provide a service pursuant to a Shared Services Agreement terminates, the Party which provided the service shall, without further consideration, deliver to the Party to whom the service was provided all Books and Records maintained by the service provider in connection with such services, and such Books and Records shall be, and for all purposes shall be considered to have been, owned by the Party which received the relevant shared service.
- (5) **IT Hardware and Software Licenses** - The Parties will use commercially reasonable efforts to identify, by no later than November 30, 2009, all IT hardware and all software licenses that as of the date of this Agreement are (i) owned, possessed or licensed by or in the name of a Broadcast Party but used, held or maintained exclusively by or for the benefit of a Print Party, or vice-versa, or (ii) owned, possessed or licensed by or in the name of either a Broadcast Party or a Print Party, but used, held or maintained for the benefit of both a Broadcast Party and a Print Party, and:

- (a) if any such IT hardware is in the possession of a Print Party but owned by a Broadcast Party (or vice-versa), to the extent such IT hardware is not needed by the possessing Party to provide services under any Shared Services Agreement (unless the Parties agree otherwise), it shall be physically transferred to the Party that owns of such IT hardware, at the expense of such Party;
  - (b) if any such IT hardware is in the possession of a Print Party but leased by a Broadcast Party (or vice-versa), the Parties shall cooperate and use commercially reasonable efforts (including negotiation of appropriate amendments with the lessor) to ensure that any Party which uses or has access to any IT hardware pursuant to a lease or sublease to which it is not a Party shall continue to be permitted to use and have access to such IT hardware to the extent required for such Party to comply with its obligations under the Shared Services Agreements, subject to the terms of the relevant lease or sublease agreement as may be amended from time to time;
  - (c) if any such owned IT hardware is redundant to the owner of the hardware (including not required by the owner to provide any service under a Shared Services Agreement) and any other Party wishes to acquire such IT hardware (the "Interested Party"), the owner and the Interest Party shall negotiate for the transfer of such IT hardware to the Interested Party on commercially reasonable terms;
  - (d) the Parties shall cooperate and use commercially reasonable efforts (including negotiation of appropriate amendments with the licensor) to ensure that any Party which uses or has access to any software pursuant to a license or sublicense to which it is not a Party shall continue to be permitted to use and have access to such software to the extent required for such Party to comply with its obligations under the Shared Services Agreements, subject to the terms of the relevant license or sublicense agreement as may be amended from time to time; and
  - (e) if a Party which is not the sole licensee under any such software license wishes to obtain a license to use the software, the Parties shall cooperate and use commercially reasonable efforts (including negotiation of appropriate amendments with the licensor) to assist such Party to obtain such a license, including by way of assignment or sublicense of all or part of such existing software license subject to the terms of the relevant license or sublicense agreement as may be amended from time to time.
- (6) **Customized Software and Hardware** – For the avoidance of doubt, the Parties acknowledge and agree that they will continue to give effect to and abide by the terms of any Shared Services Agreement which provides that the intellectual property rights in respect of software and hardware procurement, customization, development, integration and configuration services shall, as between the Parties to such Shared Services Agreement, be owned by one (or more) of the Parties to such Shared Services Agreement pursuant to the terms and conditions of the relevant Shared Services Agreement.

## Section 2.8 Acknowledgment by Canwest LP of Obligation to Fund CMI KERP

As contemplated by the Initial Order (as defined in Section 4.1(a)), as agent for and on behalf of CMI, Canwest LP shall pay the aggregate sum of \$3,946,022 (the "**KERP Payment**") to a trust established for the benefit of certain executives and employees of CMI and certain of its subsidiaries that are participants in CMI's Key Employee Retention Plan (the "**CMI KERP**") and that also provide services to Canwest LP, certain of Canwest LP's subsidiaries, 4501071 Canada Inc. and Canwest (Canada) Inc. The KERP Payment shall be held in trust solely for the benefit of such employees. If the terms of the CMI KERP are amended so as to reduce the amount of any payments to persons in respect of whom Canwest LP has contributed to the CMI KERP or if the amounts actually paid to such persons are less than the amounts disclosed by CMI to Canwest LP ("**CMI KERP Reductions**"), the amount of Canwest LP's contribution to the CMI KERP shall also be reduced by 50% of the aggregate amount of any such CMI KERP Reductions, and if any KERP Reduction takes place after amounts are contributed by Canwest LP to the CMI KERP or the trust contemplated by this Section 2.8, 50% of the aggregate amount of any such CMI KERP Reductions shall be refunded to Canwest LP.

## ARTICLE 3- EMPLOYEE-RELATED MATTERS

### Section 3.1 Certain Business Services Employees

(1) On or before the date upon which the Shared Services Agreements (as they relate to Business Services) terminate (the "**CWBS Termination Date**"), CMI shall offer employment, effective as of the CWBS Termination Date (or such other date as may be agreed between CMI and Canwest LP), to the 17 employees of Canwest LP identified in writing by Canwest LP to CMI on the date hereof (each a "**CWBS Employee**") on terms and conditions which are in the aggregate substantially similar to the terms and conditions upon which the CWBS Employees are employed immediately prior to the CWBS Termination Date.

(2) If after the date of this Agreement but prior to the CWBS Termination Date (a) any CWBS Employee ceases to be an employee of Canwest LP or ceases to provide Business Services (the "**Departed Employee**") and (b) another employee of Canwest LP is hired to replace or assumes the responsibilities of such departed CWBS Employee (the "**New Employee**"), the provisions of Section 3.1(1) shall apply *mutatis mutandis* to the New Employee (provided CMI in writing consented to the New Employee being hired or assuming the responsibilities of such departed CWBS Employee, such consent not to be unreasonably withheld) and such New Employee shall be deemed to be a CWBS Employee hereunder, provided the terms and conditions of Canwest LP's employment of such New Employee are not substantially dissimilar to the terms and conditions upon which Canwest LP employed the Departed Employee.

### Section 3.2 Redundant Employees

The Parties acknowledge that certain of their employees who provide services in connection with a Party's obligations under a Shared Services Agreement may become redundant as and when a Party ceases to provide those services. It is the Parties' intention (subject to Section 3.1) that the employer of the redundant employee may, at its sole discretion, continue to employ the individual and that if the employee's employment is terminated, the Party

which was a recipient of services provided by the employee may offer employment to the terminated employee, without being legally obliged to do so.

### **Section 3.3 Misaligned Employees**

The Parties acknowledge that certain individuals employed by a Party provide employment services exclusively for another Party pursuant to certain employee secondment and cost reimbursement arrangements established between the Parties:

- (a) with respect to the individuals identified in writing by CMI to Canwest LP on the date hereof, each of whom is employed by a Broadcast Party or NP but who provides employment services to a Print Party, effective November 1, 2009 such Print Party shall commence employment of the individual(s) on substantially similar terms and conditions as her/his/their existing employment; and
- (b) with respect to the individuals identified in writing by Canwest LP to CMI on the date hereof, each of whom is employed by a Print Party but who provides employment services to a Broadcast Party or NP, effective November 1, 2009 such Broadcast Party or NP, as the case may be, shall commence employment of the individual(s) on substantially similar terms and conditions as her/his/their existing employment.

### **Section 3.4 Cross-Over Employee Retirement and Pension Plan Participation**

- (1) **One Television LP Employee in CPI Retirement Plan** - The Parties acknowledge that one employee of Television LP currently participates in the Canwest Publications Inc Retirement Plan ("**Television LP Employee**"). As soon as reasonably practicable following the date hereof, CPI and Television LP shall take such commercially reasonable steps as are necessary or desirable to transfer the Television LP Employee from the Canwest Publications Inc Retirement Plan to a new or existing defined benefit or defined contribution plan (as determined by Television LP) sponsored by Television LP effective as of November 1, 2009.
- (2) **307 Canwest LP Employees in Television LP Retirement Plans** -
  - (a) The Parties acknowledge that 237 employees of Canwest LP participate in the Retirement Plan for Management and Non-Bargaining Unit Employees of Global Communications Limited (the "**Canwest LP Employees in the Television LP DC Plan**"). As soon as reasonably practicable following the date hereof, Canwest LP and Television LP shall take such commercially reasonable steps as are necessary or desirable to transfer the Canwest LP Employees in the Television LP DC Plan from the Retirement Plan for Management and Non-Bargaining Unit Employees of Global Communications Limited to a new or existing defined contribution plan sponsored by Canwest LP effective as of November 1, 2009.
  - (b) The Parties acknowledge that 70 employees of Canwest LP participate in the Global Communications Limited Employees Pension Plan (the "**Canwest LP Employees in the Television LP DB Plan**"). As soon as reasonably practicable following the date hereof, Canwest LP and Television LP shall take such commercially reasonable steps as are necessary or desirable to transfer the



Canwest LP Employees in the Television LP DB Plan from the Global Communications Limited Employees Pension Plan to a new or existing defined benefit or defined contribution plan (as determined by Canwest LP) sponsored by Canwest LP effective as of November 1, 2009.

(3) The transfers contemplated in this Section 3.4 are subject to the approval of the relevant regulator and the Parties agree to meet commercially reasonable conditions set out by the relevant regulator. Such transfers shall be completed on a basis and in a manner acceptable to the sponsor of the relevant pension plan and the employer of the transferring employee (acting reasonably) and in accordance with applicable laws.

### **Section 3.5 Amendments to Pension Agreements**

(1) The Parties acknowledge that certain payments ("**Compensation Payments**") are made under or in connection with the Pension Agreements to compensate retirement plan sponsors for costs associated with individuals who are not employees of the sponsor participating in plans sponsored by a Party ("**Misaligned Employees**"). From and after the effective date that any Misaligned Employee ceases to participate in retirement plans that are sponsored by a Party other than such Misaligned Employee's employer, the employer of the Misaligned Employee shall have no obligation to make a Compensation Payment in respect of such employee.

(2) The Pension Agreements shall be deemed amended to the extent necessary to give effect to Article 3 of this Agreement and otherwise the terms and conditions of the Pension Agreements shall continue, unamended.

### **Section 3.6 Non-Solicitation**

Except as required to give effect to the provisions of this Agreement, while an individual is employed or retained by a Party to provide services in connection with a Party's obligations under a Shared Services Agreement:

- (a) neither Print Party will, either on its own account or in conjunction with or on behalf of any other person, directly or indirectly, (i) induce, solicit or entice any such employee or independent contractor of a Broadcast Party to leave their employment with a Broadcast Party or terminate or not renew its relationship with a Broadcast Party or (ii) accept into employment, retain or otherwise engage or use the service of any such individual who as at the date of this Agreement is an employee or independent contractor of a Broadcast Party without the prior written consent of the Broadcast Party which employs or retains such individual, which consent may be withheld at the sole discretion of that Broadcast Party; and
- (b) No Broadcast Party will, either on its own account or in conjunction with or on behalf of any other person, directly or indirectly, (i) induce, solicit or entice any such employee or independent contractor of a Print Party to leave their employment with a Print Party or terminate or not renew its relationship with a Print Party or (ii) accept into employment, retain or otherwise engage or use the service of any such individual who as at the date of this Agreement is an employee or independent contractor of a Print Party without the prior written

consent of the Print Party which employs or retains such individual, which consent may be withheld at the sole discretion of that Print Party.

#### ARTICLE 4 – APPROVALS AND CONDITION PRECEDENT

**Section 4.1 Acknowledgement and Condition** The Parties acknowledge that:

- (a) on October 6, 2009 the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) issued an order (Court File No. CV-09-8396-00CL) (the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act* (“**CCAA**”) in respect of the Broadcast Parties, NP and certain of their Affiliates;
- (b) section 6 of the Initial Order requires the CMI Entities and LP Entities (as each of those terms is defined in the Initial Order) to continue to provide Shared Services (as defined in the Initial Order) in accordance with current arrangements and prohibits the CMI Entities and the LP Entities from modifying, ceasing to provide or terminating the provision of or payment for Shared Services (except in limited circumstances) except with the consent of the party receiving such Shared Services, the approval of the CMI CRA (as defined in the Initial Order) and the prior consent of the Monitor (as defined in the Initial Order) or further order of the Court;
- (c) Canwest LP and CMI are party to a forbearance agreement dated August 31, 2009 (the “**Forbearance Agreement**”) with the Agent; and
- (d) Section 10 of the Forbearance Agreement prohibits Canwest LP, without the prior written consent of the Agent, from (i) agreeing to any modification, amendment, waiver, termination or replacement of any Shared Services Agreement or (ii) entering into any other agreements for shared administrative and/or advisory services with any Canwest Entity (as that term is defined in the Forbearance Agreement).

Accordingly:

- (e) the obligations of the Parties under this Agreement are subject to and conditional upon the granting of the Approval Order (as defined below) and the written consent of the Agent;
- (f) The Parties shall seek an Order of the Court in the CCAA Proceedings relating to CMI, *inter alia*: (i) approving this Agreement; (ii) authorizing the Parties to enter into and execute this Agreement on the terms hereof; (iii) declaring that this Agreement and the performance of the Shared Services Agreements, as amended by this Agreement, from and after the date of the Order including any payments made thereunder shall not be void or voidable by creditors of any of the Parties, the companies listed on Schedule “A” to the Initial Order and the entities listed on Schedule “B” to the Initial Order, and shall be deemed not to be a settlement, fraudulent preference, fraudulent conveyance or other reviewable transaction under applicable legislation with respect to any of the Parties; and (iv) that the obligations of the Parties under this Agreement and the Shared Services

Agreements, as amended by this Agreement, shall continue to be performed by the Parties, any successor entity of either of the Parties or any transferee of all or substantially all of the assets of either of the Parties, and shall not be disclaimed in the CCAA Proceeding relating to the Broadcast Parties, any CCAA Proceeding relating to the Print Parties or any receivership or other debt enforcement proceeding affecting any Party (the "Approval Order"); and

- (g) any further modification, amendment, waiver, termination or replacement of any Shared Services Agreement is subject to and conditional upon the prior approval of (i)(A) the CMI CRA and the Monitor or (B) further order of the Court and (ii) the written consent of the Agent.

## ARTICLE 5- DISPUTE RESOLUTION

### Section 5.1 Dispute Resolution

- (1) The Parties shall cooperate to implement this Agreement in a commercially reasonable manner, consistent with their past practice and the terms hereof.
- (2) If any difference, dispute or controversy arises out of or in any way connected with this Agreement, including its interpretation and construction, the proper implementation of any changes in the provision of a service under a Shared Services Agreement or the best or most effective manner in which to transition upon the termination of a Shared Services Agreement, the parties shall seek to resolve such difference, dispute or controversy amicably.
- (3) If any difference, dispute or controversy cannot be resolved amicably by the Parties, any Party may refer the matter to the Court for resolution.

## ARTICLE 6- MISCELLANEOUS

### Section 6.1 Proposed Change of Control Transactions

- (1) The Parties acknowledge that CPI Subco has agreed to acquire substantially all of the assets of NP and assume certain of its obligations and, in that connection, any Shared Services Agreement to which NP is a party and certain other agreements to which NP and the Broadcast Parties are party will be assigned to CPI Subco (the "Assigned Agreement"). Each Party which is party to an Assigned Agreement to which NP is a party hereby consents to NP assigning its rights and obligations under such agreement to Subco, to the extent required under the relevant Assigned Agreements, subject to CPI Subco assuming the obligations of NP under such agreements pursuant to an assumption agreement executed by CPI Subco in form acceptable to NP, acting reasonably.
- (2) The Parties acknowledge that a Print Business Transaction is contemplated and may occur as part of a restructuring of the Print Parties. If any Print Business Transaction occurs by way of an acquisition of assets by whatever means, whether by receivership, court-approved sale or otherwise, the acquiring person (the "Third Party Print Assignee") shall agree, as a condition of such Print Business Transaction, to assume the obligations of such Print Party under the Shared Services Agreement(s) to which such Print Party is a party and under this Agreement

pursuant to the form of assumption agreement agreed in writing by the Parties on the date hereof. Provided such Third Party Print Assignee has complied with the provisions of this Section 6.1(2), each Broadcast Party which is party to the relevant Shared Services Agreement hereby consents to such assignment, to the extent required under the Shared Services Agreements, subject to the assignee assuming the obligations of the Print Parties.

(3) The Parties acknowledge that a Broadcast Business Transaction may occur as part of a restructuring of the Broadcast Parties. If any Broadcast Business Transaction occurs by way of an acquisition of assets by whatever means, whether by receivership, court-approved sale or otherwise, the acquiring person (the "Third Party Broadcast Assignee") shall agree, as a condition of such Broadcast Business Transaction, to assume the obligations of such Broadcast Party under the Shared Services Agreement(s) to which such Broadcast Party is a party and under this Agreement pursuant to the form of assumption agreement agreed in writing by the Parties on the date hereof. Provided such Third Party Broadcast Assignee has complied with the provisions of this Section 6.1(3), each Print Party which is party to the relevant Shared Services Agreement hereby consents to such assignment, to the extent required under the Shared Services Agreements, subject to the assignee assuming the obligations of the Broadcast Parties.

#### **Section 6.2 Impact on Affiliates**

Each of the Broadcast Parties, on one hand, and the Print Parties, on the other hand, confirm that they have authority to enter into this Agreement on behalf of any Affiliate (other than a Print Party, in the case of the Broadcast Parties, or a Broadcast Party, in the case of the Print Parties) which directly or indirectly receives the benefit of any services under any Shared Services Agreement and, to the extent any such Affiliate has any objection or concern with this Agreement, the Broadcast Parties or the Print Parties, as the case may be, assumes responsibility for responding to and, if necessary, resolving any such objection or concern at its expense.

#### **Section 6.3 Further Assurances**

Each Party shall from time to time promptly execute and deliver all further documents and take all further action necessary or appropriate to give effect to the provisions and intent of this Agreement.

#### **Section 6.4 Amendments**

No amendment, supplement, restatement or termination of any provision of this Agreement is binding unless it is in writing and signed by each Party at the time of the amendment, supplement, restatement or termination.

#### **Section 6.5 Assignment and Enurement**

No Party may assign its rights, benefits or obligations under this Agreement without the prior written consent of the other Parties, provided however that NP may assign the benefit of this agreement to CPI Subco in connection with the transaction described in Section 6.1(1). This Agreement enures to the benefit of and binds the Parties and their respective successors and permitted assigns.

### **Section 6.6 Counterparts**

This Agreement and any amendment, supplement, restatement or termination of any provision of this Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.

### **Section 6.7 Notice**

Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the Parties by any other Parties, or whenever any of the Parties desires to give or serve upon any other Parties any communication with respect to this Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be deemed to have been validly served, given or delivered (a) upon transmission, when sent by telecopy or other similar facsimile transmission, (b) one Business Day after deposit with a reputable courier for overnight delivery with all charges prepaid, or (c) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address or facsimile number provided below or to such other address (or facsimile number) as may be substituted by notice given as herein provided. The giving of any notice required hereunder may be waived in writing by the party entitled to receive such notice.

#### **If to Canwest Global:**

Canwest Global  
c/o Canwest Media Inc.  
31<sup>st</sup> Floor  
Canwest Global Place  
201 Portage Ave.  
Winnipeg, Manitoba  
R3B 3L7

Facsimile: 204.947.9841  
Attention: Mr. Richard Leipsic and Mr. John Maguire

#### **If to Canwest LP, CPI or NP:**

c/o Canwest Limited Partnership  
1450 Don Mills Road  
Don Mills, Ontario  
M3B 2X7

Facsimile: 416.442-2135  
Attention: Doug Lamb, Executive Vice President and Chief Financial Officer

If to CMI or Television LP:

Canwest Media Inc.  
31<sup>st</sup> Floor  
Canwest Global Place  
201 Portage Ave.  
Winnipeg, Manitoba  
R3B 3L7

Facsimile: 204.947.9841  
Attention: Mr. Richard Leipsic and Mr. John Macquire

**Section 6.8 Delivery by Fax**

Any Party may deliver an executed copy of this Agreement by fax if that Party immediately delivers to the other parties an original executed copy of this Agreement.

**Section 6.9 Entire Agreement**

This Agreement and the attached Schedules together with the Transition and Reorganization Agreement entered into by the Parties as of the date hereof constitute the entire agreement between the Parties with respect to the subject matter and supersede all prior agreements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or verbal related thereto.

**Section 6.10 Conflict with Shared Services Agreements and Paramountcy**

If any provision of this Agreement conflicts or is inconsistent with any provision of a Shared Services Agreement, the relevant provision of this Agreement shall prevail to the extent of such conflict or inconsistency. And, in the event of any conflict or inconsistency between the provisions of this Agreement (and any other agreement, document or instrument executed or delivered by the Parties in connection with this Agreement) and the provisions of the Transition and Reorganization Agreement referred to Section 6.9, the relevant provision of the Transition and Reorganization Agreement shall prevail to the extent of such conflict or inconsistency.

**Section 6.11 Governing Law**

This Agreement is governed by and is to be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable in the Province of Ontario.

**Section 6.12 Severability**

If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of the provision will affect neither:

- (a) the legality, validity or enforceability of the remaining provisions of this Agreement; nor
- (b) the legality, validity or enforceability of that provision in any other jurisdiction.

**Section 6.13 Submission to Jurisdiction**

Each of the Parties irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario.

**Section 6.14 Waivers**

No waiver of any provision of this Agreement is binding unless it is in writing and signed by all Parties to this Agreement entitled to grant the waiver. No failure to exercise and no delay in exercising any right or remedy, under this Agreement will be deemed to be a waiver of that right or remedy. No waiver of any breach of any provision of this Agreement will be deemed to be a waiver of any subsequent breach of that provision.

*[Remainder of this page intentionally left blank.]*

The Parties have executed this Agreement as of the first date written above.

**CANWEST GLOBAL COMMUNICATIONS  
CORP.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Chief Financial Officer

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Senior Vice-President & General  
Counsel

**CANWEST LIMITED PARTNERSHIP /  
CANWEST SOCIETE EN COMMANDITE** by its  
general partner **CANWEST (CANADA) INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Director

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Director

**CANWEST MEDIA INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Chief Financial Officer

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Senior Vice-President & General  
Counsel



**CANWEST PUBLISHING INC. /  
PUBLICATIONS CANWEST INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Vice-President

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Vice-President

**CANWEST TELEVISION LIMITED  
PARTNERSHIP by its general partner CANWEST  
TELEVISION GP INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Vice-President

By: \_\_\_\_\_  
Name: Thomas C. Strike  
Title: Vice-President

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its partner  
CANWEST MEDIA INC.**

By: \_\_\_\_\_  
Name: John E. Maguire  
Title: Director

By: \_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Director

**THE NATIONAL POST COMPANY / LA  
PUBLICATION NATIONAL POST by its partner  
NATIONAL POST HOLDINGS LTD.**

By: \_\_\_\_\_

Name: Richard M. Leipsic

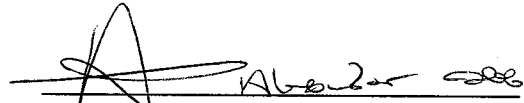
Title: President

By: \_\_\_\_\_

Name: Riva R. Richard

Title: Secretary

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

  
Commissioner for Taking Affidavits

**Canwest Publishing Inc.**  
**Publications Canwest Inc.**  
1450 Don Mills Road  
Don Mills, ON M3B 2X7

October 30, 2009

**4513401 Canada Inc.**  
1450 Don Mills Road  
Don Mills, ON M3B 2X7

**Re: Credit Facility in favour of 4513401 Canada Inc. (the "Borrower")**

**Whereas** the Borrower is a wholly owned subsidiary of Canwest Publishing Inc. Publications Canwest Inc. (the "**Lender**").

**Whereas** the Borrower intends to enter into a transaction, whereby Canwest Media Inc. and National Post Holdings Ltd., as partners of The National Post Company/La Publication National Post ("**National Post**"), will transfer certain assets and liabilities relating to the operation of the National Post newspaper to the Borrower (including all steps taken in connection with such transfer, the "**Transaction**").

**Whereas** in connection with and following the closing of the Transaction, the Borrower may require funds for the payment of the purchase price of the Transaction and/or for its ongoing future operations.

**Whereas** the Lender has indicated that it is prepared to make available to the Borrower secured advances for the Credit Purposes.

**Now Therefore**, in consideration of the premises and of the mutual covenants and agreements contained herein, the Lender and the Borrower hereby agree as follows:

**1. Definitions**

**"Administrative Agent"** means The Bank of Nova Scotia in its capacity as administrative agent for the Lenders (as such term is defined under the Credit Agreement), and any successor administrative agent appointed in accordance with the terms of the Credit Agreement.

**"Advance"** means any amount advanced by the Lender to the Borrower as an availment of the Credit by way of a loan.

**"Affiliate"** means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled or is under common Control with the Person specified;

**"Agreement"** means this agreement between the parties hereto, including any schedules referred to herein and attached hereto, as the same may be amended or supplemented from time to time.

**"Applicable Law"** means, with respect to any Person, property, transaction, event or other matters, any law, rule, statute, regulation, order, judgment, decree, treaty, directive or other requirement having the force of law (collectively, the "Law") relating or applicable to such Person, property, transaction, event or other matter, and shall also include any interpretation of the Law or any part thereof by any Person having jurisdiction over it or charged with its administration or interpretation.

**"Applicable Rate"** means 4 1/2 (four and a half) percent per annum.

**"Availability Block"** means an amount equal to \$2,500,000, as such amount may be reduced in accordance with Section 4.

**"Availability Increase"** has the meaning given to such term in Section 4 of this Agreement.

**"Business Day"** means a day on which banks are open for business in the City of Toronto but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario.

**"Capital Stock"** means, with respect to any person from time to time, any and all shares, units, trust units (or other beneficial interests in a trust), partnership, membership or other interests, participations or other equivalent rights in the Person's equity or capital from time to time, however designated and whether voting or non-voting.

**"Cash Flow Projections"** means the weekly cash flow projections prepared by the Borrower for the period commencing on the Closing Date and ending on February, 2010, and the monthly cash flow projections prepared by the Borrower for the period commencing on the Closing Date and ending on July 31, 2010, each attached as Schedule A hereto.

**"Change of Control"** means:

- (a) the Lender ceases to beneficially own, directly or indirectly, 100% of the votes attached to the Capital Stock entitled to vote for the election of the board of directors of the Borrower;
- (b) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the property and assets of the Borrower;  
or

- (c) the Lender approves any plan or proposal for the liquidation or dissolution of the Borrower.

**"Closing Date"** means October 30, 2009, or such later date as may be agreed to by the Borrower and the Lender.

**"Control"** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have corresponding meanings.

**"Credit"** means the outstanding principal amount of the Advances, plus accrued but unpaid interest thereon, fees and other amounts due therefor under this Agreement.

**"Credit Agreement"** means the credit agreement dated as of July 10, 2007 between CanWest MediaWorks Limited Partnership (now Canwest Limited Partnership/Canwest Societe en Commandite), as borrower, the guarantors party thereto from time to time, as guarantors, the Lenders and the Administrative Agent, as amended from time to time and as may be further amended, supplemented, restated or otherwise modified from time to time.

**"Credit Limit"** has the meaning given to it in Section 4(b) of this Agreement.

**"Credit Purposes"** means funds required by the Borrower for the payment of the purchase price of the Transaction and/or for its ongoing future operations and, in the event that a notice of orderly wind-down is delivered pursuant to Section 22, certain indemnified orderly wind-down expenses set out in such Section.

**"Directors"** has the meaning given to such term in the Indemnity Agreement.

**"Encumbrance"** means:

- (a) with respect to any Property, any mortgage, deed of trust, lien, pledge, hypothec, hypothecation, encumbrance, charge, assignment, consignment, security interest, royalty interest, adverse claim or defect of title in, on or to the Property;
- (b) the interest of a vendor or lessor under any conditional sale agreement, capital lease or title retention agreement relating to an asset;
- (c) any purchase option, call or similar right of a third party in respect of any Property;
- (d) any netting arrangement or set off arrangement (other than netting or set off arising by operation of law in the ordinary course of business), defeasance arrangement or similar arrangement; and
- (e) any other agreement, trust or arrangement having the effect of security for the payment or performance of any debt, liability or obligation.

**“Equity”** means, in respect of any Person, Capital Stock of such Person, warrants, options or other rights to acquire Capital Stock of the Person and securities convertible into or exchangeable for Capital Stock of such Person.

**“Event of Default”** has the meaning set out in Section 14 of this Agreement.

**“Excess Cash”** has the meaning set out in Section 6 of this Agreement.

**“GAAP”** means generally accepted accounting principles which are in effect from time to time in Canada, as established by the Canadian Institute of Chartered Accountants or any successor institute.

**“Governmental Authority”** means the government of Canada or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including a Minister of the Crown, Superintendent of Financial Institutions or other comparable authority or agency.

**“Indemnity Agreement”** means the indemnity agreement dated as of the date hereof between the Borrower and its directors from time to time party to the agreement.

**“Insolvency Event”** shall occur with respect to any Person, if such Person (i) shall admit in writing its inability to pay its debts generally, (ii) shall make an assignment for the benefit of its creditors or file a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) or similar legislation to some or all of its creditors, (iii) shall petition or apply to any court of competent jurisdiction for the appointment of a receiver, receiver manager, interim receiver, administrator, inspector, liquidator, agent, trustee or other similar official (each a “**Receiver**”) for it or for all or substantially all of its property, (iv) is adjudged or declared bankrupt or insolvent, (v) is dissolved, liquidated or wound-up, or an effective resolution is passed authorizing the dissolution, liquidation or winding-up of such Person, (vi) commences or files notice of any proceedings relating to it or all or substantially all of its property under any law, whether now or hereafter in effect, of any jurisdiction relating to dissolution, liquidation, winding-up, bankruptcy, insolvency, reorganization of insolvent debtors, arrangement or readjustment or moratorium of debts, including the application for an Initial Order pursuant to the Companies’ Creditors Arrangement Act (a “**CCAA Filing**”), (vii) is the Borrower and delivers a notice of orderly wind-down of the Business of the Borrower pursuant to Section 22; (viii) consents to any such proceeding for it or for all or substantially all of its property commenced by any other Person, or (ix) shall suffer the private appointment of any Receiver.

**“Knowledge”** means to the best of the Borrower’s knowledge, information and belief after reasonable enquiry.

**“Lease”** includes any lease, sublease, offer to lease or sublease, occupancy or tenant agreement and lease or sublease amending agreement, and “**Leased**” shall have a corresponding meaning.

**“Loan Documents”** means this Agreement, the Security, the Note and all certificates, instruments, agreements and other documents delivered, or to be delivered, to the Lender under or otherwise in connection with this Agreement.

**“Maturity Date”** means the earlier of (i) July 31, 2010; or (ii) upon a Change of Control of the Borrower.

**“National Post Transition Agreement”** means the transition agreement dated October 26, 2009 between National Post and the Lender.

**“New Shared Services Agreements”** means the agreement dated October 26, 2009 between Canwest Global Communications Corp., Canwest Limited Partnership/Canwest Societe en Commandite, Canwest Media Inc., Canwest Publishing Inc./Publications Canwest Inc., Canwest Television Limited Partnership, and The National Post Company/La Publications National Post, which provides for a restructuring of the Shared Services as a means to properly realign the Shared Services and personnel, as such agreement may be amended, restated or supplemented from time to time.

**“Note”** means the promissory note dated as of the date hereof executed by the Borrower in favour of the Lender in the amount of \$13,000,000.

**“Obligations”** means all obligations of the Borrower to the Lender under or in connection with this Agreement or any other Loan Document, including all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to the Lender in any currency or remaining unpaid by the Borrower to the Lender in any currency under or in connection with this Agreement or any other Loan Document, whether arising from dealings between the Lender and the Borrower or from any other dealings or proceedings by which the Lender may be or become in any manner whatever a creditor of the Borrower under or connection with this Agreement or any other Loan Document, and wherever incurred, and whether incurred by the Borrower alone or with another or others and whether as principal or surety, and all interest, fees, legal and other costs, charges and expenses.

**“Permitted Encumbrance”** means, with respect to any Person, the following:

- (a) liens for taxes, assessments or governmental charges or levies which are not yet due, or for which instalments have been paid based on reasonable estimates pending final assessments, or the validity of which is being contested in good faith by appropriate proceedings and for which the Person has recorded the liability in accordance with GAAP;
- (b) inchoate or statutory liens of contractors, sub contractors, mechanics, workers, suppliers, material men, carriers and others in respect of construction, maintenance, repair or operation of assets of the Borrower, in respect of which adequate holdbacks are being maintained as required by Applicable Laws and (i) which have not at such time been filed or exercised and of which the Lender has not been given notice, or (ii) which relate to obligations not due or payable or if due, the validity of which is



being contested in good faith by appropriate proceedings and for which the Borrower has recorded the liability in accordance with GAAP and which do not materially reduce the value of the affected asset or materially interfere with the use of such asset in the operation of the business;

- (c) easements, rights-of-way, licences, servitudes, restrictions, restrictive covenants, and similar rights in real property comprised in the assets of the Borrower or interests therein (including in respect of sewers, drains, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) which do not materially reduce the value of the affected asset or materially interfere with the use of such asset in the operation of the business of the Borrower;
- (d) title defects or irregularities which are of a minor nature and which do not materially reduce the value of the affected asset or materially interfere with the use of such asset in the operation of the business;
- (e) the Encumbrance resulting from the deposit of cash or securities in connection with contracts, tenders or expropriation proceedings, or to secure workers' compensation, employment insurance, surety or appeal bonds, costs of litigation when required by Applicable Law and other similar obligations, in each case in the ordinary course of business;
- (f) the Encumbrance created by a judgment of a court of competent jurisdiction; provided, however, that the Encumbrance is in existence for less than 20 days after its creation or the execution or other enforcement of the Encumbrance is effectively stayed or the claims so secured are being actively contested in good faith and by proper legal proceedings and do not result in the occurrence of an Event of Default;
- (g) the right reserved to or vested in any Governmental Authority by any statutory provision or by the terms of any lease, licence, franchise, grant or permit of the Person, to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof;
- (h) Encumbrances in favour of the Lender created by the Security;
- (i) landlords' rights of distraint and similar rights of a landlord on tangible personal or moveable Property of the Person located solely on the premises Leased by the landlord to the Person and securing only the obligations of the Person under the applicable Lease of the premises, so long as the exercise of such rights do not result in the occurrence of an Event of Default; and
- (j) Encumbrance in favour of the directors of the Borrower with respect to indemnification obligations of the Corporation pursuant to the Indemnity Agreement, provided that the aggregate amount of obligations secured

thereby does not at any time exceed \$2,000,000 as reduced in accordance with Section 22.

**“Person”** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

**“PPSA”** means the *Personal Property Security Act* (Ontario), as may be amended, renamed or replaced from time to time (and includes all regulations from time to time made under such legislation).

**“Property”** means, with respect to any Person, any or all of its present and future undertaking, property and assets. For the avoidance of doubt, in relation to any Property which is Leased or co-owned or which is property of a partnership or joint venture, the Property of the Person means the interest of the Person in such Property.

**“Related Parties”** means, with respect to any Person, such Person’s Affiliates and the directors, officers, employees, agents and advisors of such Person and of such Person’s affiliates.

**“Security”** has the meaning set out in Section 11 of this Agreement.

**“Transition and Reorganization Agreement”** means the transition and reorganization agreement dated as of October 26, 2009 between Canwest Global Communications Corp., Canwest Media Inc., Canwest Limited Partnership/ Canwest Societe en Commandite, Canwest Publishing Inc./ Publications Canwest Inc., Canwest Television Limited Partnership and The National Post Company/ La Publication National Post and attaching as Schedule 1 thereto the New Shared Services Agreement and as Schedule 2 thereto the National Post Transition Agreement.

## 2. **Advances**

Subject to the terms and conditions of this Agreement, upon the request of the Borrower, the Lender agrees to make committed secured revolving loans to the Borrower by way of Advances, from time to time prior to the Maturity Date.

## 3. **Purpose**

To finance the Credit Purposes.

## 4. **Availability**

The Borrower may on a weekly basis, by 2 Business Days’ notice, except with respect to the initial Advance (which shall be made on the Closing Date), in writing to the Lenders, request an Advance specifying, the amount of the Advance desired, provided that:

- (a) the amount requested for the initial Advance shall not exceed \$2,625,038 and the amount of any subsequent requested Advance shall not exceed the total

disbursements forecasted in the Cash Flow Projections for the following week (the "**Request for an Advance**"); and

- (b) the aggregate amount of the Advances outstanding hereunder shall not exceed at any time the sum of \$12,500,000 less the Availability Block (the "**Credit Limit**").

At any time that the aggregate amount of the Advances outstanding exceeds the amount of \$7,500,000, the Borrower may, by notice in writing to the Lender, request that the Lender reduce all or a portion of the Availability Block to increase the availability under the Credit by a corresponding amount (the "**Availability Increase**"). If the Lender consents to such request, the Credit Limit will be increased by the amount of the Availability Increase. The Lender shall respond in writing to a request for a reduction of the Availability Block within fifteen (15) days of receipt thereof.

Subject to the foregoing and to the terms and conditions of this agreement, the Borrower may borrow, repay and reborrow up to the amount of the Credit Limit.

## 5. Repayment

The Credit shall be due and payable on the Maturity Date.

All payments in respect of the Credit shall be made by the Borrower to such account as is designated by the Lender from time to time.

## 6. Mandatory Repayment

If, at any time, the Borrower shall have cash on hand in an amount in excess of the sum of the total disbursements forecast in the Cash Flow Projections for the following week plus the amount of \$100,000 (the "**Excess Cash**"), then, the Borrower shall forthwith repay the Credit in an amount equal to or greater than the amount of Excess Cash.

## 7. Interest

The Credit shall bear interest at the rate of the Applicable Rate.

The Borrower shall pay interest on the Credit to the Lender at the interest rate provided for above, monthly in arrears, on such day of the month as shall be stipulated by the Lender. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and on the basis of a 365 or 366 day year, as the case may be.

The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of the amount permitted under Applicable Law.

## 8. Evidence of Obligations

The Borrower acknowledges that the actual recording of any Advance and interest, fees and other amounts due therefor under this Agreement in an account of the Borrower maintained by

the Lender in respect thereof and payments made under the Credit in accordance with this Agreement shall constitute, except for manifest error, conclusive evidence of the Borrower's Obligations to the Lender from time to time under this Agreement; provided that the failure of the Lender to record same in such account shall not affect the obligation of the Borrower to pay such Obligations in accordance with this Agreement.

## **9. Conditions Precedent**

The obligation of the Lender to make the initial Advance is subject to and conditional upon:

- (a) receipt by the Lender of a fully executed copy of each Loan Document, in form and substance satisfactory to the Lender and such certificates, authorizations, resolutions and legal opinions as the Lender may reasonably require;
- (b) receipt by the Lender of consent from the Required Lenders (as such term is defined in the Credit Agreement) under the Credit Agreement permitting the Lender to make Advances to the Borrower;
- (c) a certificate of compliance dated as of a recent date in respect of the Borrower;
- (d) the Transaction shall have been completed concurrently;
- (e) receipt by the Lender of an undertaking from the Borrower to make all registrations required by the Lender with the Canadian Intellectual Property Office within 3 Business Days of the execution of this Agreement;
- (f) receipt by the Lender of evidence of the perfection of the security interests arising under the Security contemplated by Section 11; and
- (g) the representations and warranties set out in Section 10 shall be true and correct as of such date, and no Event of Default shall have occurred and be continuing or shall occur after giving effect to the initial Advance.

The obligation of the Lender to make any subsequent Advance hereunder shall be subject to fulfilment on or prior to the date on which such Advance is made, of the following conditions precedent, such conditions precedent being included for the sole benefit of the Lender and being subject to waiver by the Lender at its option:

- (a) the representations and warranties set out in Section 10 shall be true and correct as of such date, and no Event of Default shall have occurred and be continuing or shall occur after giving effect to the Advance; and
- (b) receipt of a Request for an Advance, duly executed by a senior officer of the Borrower.

## **10. Representations And Warranties**

The Borrower represents and warrants to the Lender as of the date hereof, which representations and warranties shall survive the execution and delivery of this Agreement and shall be deemed to be repeated at and as at the time of each Advance hereunder, that:

- (a) it is a corporation duly formed and validly subsisting under the laws of Canada and is duly registered or qualified to carry on business in all jurisdictions where its ownership or operation of properties or assets or the conduct of its business makes such registration or qualification necessary;
- (b) the execution, delivery and performance by it of this Agreement have been duly authorized by all necessary actions and do not violate its constating documents or any applicable laws or agreements to which it is subject or by which it is bound;
- (c) this Agreement constitutes a legal and binding obligation, enforceable against it in accordance with the terms hereof;
- (d) no Insolvency Event has occurred, or (to its knowledge) is threatened, with respect to it;
- (e) substantially all of its tangible and intangible property and assets and places of business are located at 1450 Don Mills Road, Toronto Ontario, M3B 2X7;
- (f) it has good and marketable title to all of its properties and assets, free and clear of any Encumbrances, other than Permitted Encumbrances;
- (g) it is in compliance in all material respects with all Applicable Laws; and
- (h) it possesses all licences, patents, trade marks, service marks and copyrights, free from material restrictions, that are necessary for the ownership, maintenance and operation of its assets and businesses and it is not in violation of any rights of others with respect to any of the foregoing.

## 11. Security

The Obligations shall be secured by first-ranking security in and charge over all present and future Property of the Borrower in favour of the Lender pursuant to a general security agreement (the "GSA"), subject to the prior right of payment of the Directors pursuant to the terms therein, and such other agreements as are reasonably requested by the Lender from time to time, all in form and substance satisfactory to the Lender and its counsel (as amended, supplemented, restated, substituted or otherwise modified with the written consent of the Lender, the "Security"). The Borrower, in consultation with the Lender, shall cause, at its expense, such security to be registered, filed or recorded in all offices in all jurisdictions where such registration, filing or recording is necessary or desirable for the creation, enforceability, perfection, priority or preservation of the security or as the Lender may from time to time reasonably require.

## 12. Acknowledgement of the Note

**The Borrower:**

- (a) acknowledges that the Lender may execute in favour of the Collateral Agent (as such term is defined under the Credit Agreement) a first ranking-specific assignment of indebtedness in respect of such advances, together with all security delivered under or in connection therewith together with all acknowledgements, consents and other documents necessary to give effect to such assignment, in favour of the Collateral Agent. The Borrower consents to such assignment for all purposes;
- (b) acknowledges that following an Event of Default, the Collateral Agent shall have the right to sue for and enforce all rights under the Note and shall, in the course of the enforcement of the Note, be entitled to sell, assign, transfer, negotiate or otherwise dispose of the Note;
- (c) acknowledges that following an Event of Default, all payments required to be made under or in connection with the Note shall be made directly to the Collateral Agent without regard to any set-off or counterclaim between it and the assignor thereof;
- (d) acknowledges that the amount owing under the Note will be evidenced as set forth in this Agreement;
- (e) agrees that the Collateral Agent is entitled to exercise all of the rights of the assignor of the Note in accordance with the terms of the Note and that it shall have not liability for any obligations of such assignor under or in connection therewith;
- (f) acknowledges that notwithstanding the assignment and transfer of the Note to the Collateral Agent by way of security, neither the Collateral Agent nor any Secured Party (as such term is defined in the Credit Agreement) shall incur any liability to it or to any other Person under the Note, except to account for monies it receives thereunder and except, in the case of the Collateral Agent in respect of any actions it takes in the course of the exercise of any rights and remedies of the Collateral Agent.

**13. Covenants**

The Borrower covenants and agrees with the Lender, while this Agreement is in effect:

- (a) to pay all sums of money when due by it under this Agreement;
- (b) to observe, perform and fulfill all the terms and conditions of this Agreement;
- (c) to ensure that the actual aggregate cumulative receipts of the Borrower will not be less than the forecast receipts of the Borrower as set forth in the Cash Flow Projections by more than the greater of (i) 5%, and (ii) \$ 2,500,000. Such cumulative receipts shall be tested on the fifth Business Day of each month

beginning on December 7, 2009: (A) in respect of the period ending on the last Sunday of the most recent month from and until the test on March 5, 2009 and (B) in respect of the period ending on the last day of the most recent month for the tests on and after April 7, 2009. For purposes of calculating such variance, the Borrower may add to its actual receipts, dollar for dollar, the amount by which the actual aggregate disbursements of the Borrower during the same period are less than the forecast disbursements of the Borrower for the same period;

- (d) to deliver, on a monthly basis, on the fifth Business Day of each month beginning on December 7, 2009, updated statements of cash flow for the nine month period ending on July 31, 2010, incorporating among other things a comparison of actual to forecast receipts and disbursements (together with an explanation of any material variances in respect of the same) certified by an officer of the Borrower acceptable to the Lender;
- (e) to provide the Lender with prompt written notice of any event which constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default under this Agreement;
- (f) to not create, incur, assume or suffer to exist or cause or permit any Encumbrance upon or in respect of any of its Property other than Permitted Encumbrances;
- (g) to not use any Advance or any proceeds deriving from any Advance for any purpose other than as permitted by the Credit Purposes;
- (h) to comply in all material respects with all Applicable Laws;
- (i) to keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets;
- (j) to do or cause to be done all things necessary to keep in full force and effect its existence as a limited partnership or corporation, as applicable, and all rights, franchises, trademarks, licences and qualifications required for it to carry on its business and own, lease or operate its property in each jurisdiction in which it carries on business or own, lease or operate property or assets from time to time;
- (k) to conduct its business in a proper and efficient manner and keep proper books of account and records with respect to the operation of its business; to diligently maintain, repair, use and operate its property and premises in a commercially reasonable and efficient manner; to maintain its physical assets in good condition so that each asset may be used at all times for the purpose for which it was intended; and to comply in all material respects with its obligations under all material contracts;
- (l) to file all material tax returns which are to be filed by it from time to time, to pay or make provision for payment of all taxes (including interest and penalties) when due, and to provide adequate reserves for the payment of any tax, the payment of

which is being contested. The Borrower shall notify the Lender of each contest promptly upon forming the intent to contest the relevant payment, tax or obligation;

- (m) not permit any sale, lease or other disposition of the whole or any part of its Property or any rights or interest therein (including any sale and lease-back arrangement) except for sales of inventory in the ordinary course of business;
- (n) to not make any (i) investment in or purchase of or other acquisition of any Equity of any Person, (ii) purchase or other acquisition of a business or undertaking or division of any Person, including Property comprising the business, undertaking or division, (iii) investment in or purchase of or other acquisition of any assets of any other Person in an aggregate amount exceeding \$500,000, (iv) loan to any Person, or (v) acquisition of any accounts receivable;
- (o) to not enter into any transaction of any kind with, or make any payment to, any Affiliate or Related Party, or any Person in respect of which it is a Related Party, except in accordance with the New Shared Services Agreements, the Transition and Reorganization Agreement, or the National Post Transition Agreement; and
- (p) to not guarantee or provide any other financial assistance of any kind to, or otherwise becomes liable for any debts, liabilities or obligations of, any Person.

#### 14. Events of Default

If any one or more of the following events (herein an “Event of Default”) has occurred and is continuing:

- (a) the Borrower fails to pay when due any principal under this Agreement;
- (b) the Borrower fails to pay any interest, fees, Excess Cash or other amounts due under this Agreement and such failure continues unremedied for 3 Business Days;
- (c) the Borrower breaches any provision of this Agreement unless compliance with such provision is waived by the Lender;
- (d) the Borrower breaches any term or provision of the Security or other agreement with the Lender;
- (e) any Insolvency Event shall occur in respect of the Borrower;
- (f) any secured creditor, encumbrancer or lienor, or any Receiver, bailiff or other similar official appointed by or acting for any secured creditor, encumbrancer or lienor, takes possession of, or forecloses or retains, or sells or otherwise disposes of, or otherwise proceeds to enforce security over all or any significant part of the assets of the Borrower or gives notice of its intention to do any of the foregoing;  
or



- (g) any one or more of this Agreement or any other Loan Document is determined by a court of competent jurisdiction not to be a legal, valid and binding obligation of the other parties thereto, enforceable by the Lender against such parties;

then, in such event, the obligations of the Lender under this Agreement will terminate automatically, without any action on the part of the Lender and the outstanding balance of the Credit and other obligations of the Borrower to the Lender under this Agreement shall be immediately due and payable without any action on the part of the Lender. Subject to the terms of the GSA and Indemnity Agreement, the Lender shall be entitled to proceed to enforce its rights and remedies pursuant to the terms of this Agreement and the Security.

### **15. Successors and Assigns**

This Agreement shall be binding upon and enure to the benefit of the parties and their respective successors and permitted assigns. The rights and obligations of the Borrower under this Agreement may not be assigned without the prior written consent of the Lender.

The Lender may assign all or any part of its rights and obligations under this Agreement to any other entity or person and may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to any other entity or person to secure the obligations of the Lender, but no such pledge or assignment shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for the Lender as a party hereto.

### **16. Payments**

All payments to be made by the Borrower under this Agreement will be made without set-off or counterclaim and without deduction for any taxes, levies, duties, fees, deductions, withholdings, restrictions or conditions of any nature whatsoever. If at any time any Applicable Law, regulation or international agreement requires the Borrower to make any such deduction or withholding from any such payment, the sum due from the Borrower in respect of such payment will be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Lender receives a net sum equal to the sum which it would have received had no deduction or withholding been required.

### **17. Expenses**

The Borrower will pay on demand, and will indemnify and save the Lender harmless from, any and all reasonable liabilities, costs, expenses and fees (including all legal, consulting, due diligence and documentation fees and expenses and any sales, goods and services or other similar taxes payable to any governmental authority with respect to any such liabilities, costs, expenses and fees) (i) incurred by the Lender in the preparation, administration, registration or enforcement of the Loan Documents, whether or not any amounts are advanced hereunder, or (ii) with respect to, or resulting from, any failure or delay by the Borrower in performing or observing any of its obligations under the Loan Documents.

## 18. Right of Set-Off

Upon the occurrence of an Event of Default, the Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and any other amounts at any time owing by the Lender to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under the Loan Documents. The Lender agrees promptly to notify the Borrower after any such set-off and application made by the Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Lender under this Section 18 are in addition to other rights and remedies (including all other rights of set-off) which the Lender may have.

## 19. Indemnity

The Borrower shall indemnify and save harmless the Lender from all claims, demands, liabilities, damages, losses, costs, charges and expenses (collectively, in this Section, the “**Indemnified Liabilities**”) paid, incurred or suffered by, or asserted against, the Lender as a result of or, arising out of, or relating to (i) the extension of credit contemplated herein, (ii) any transaction, including the Transaction, financed or to be financed in whole or in part, directly or indirectly, with the proceeds of any credit extended hereunder, (iii) any actual or threatened investigation, litigation or other proceeding relating to any credit extended or proposed to be extended as contemplated herein; (iv) the assignment of the Note to the Collateral Agent; or (v) the execution, delivery, performance or enforcement of the Loan Documents and any instrument, document or agreement executed pursuant hereto or thereto, except for any such Indemnified Liabilities which a court of competent jurisdiction determined arose on account of the Lender’s gross negligence or wilful misconduct. All obligations provided for in this Section shall survive the permanent repayment of all of the outstanding Advances hereunder and the termination of the Credit and this Agreement, and shall not be reduced or impaired by any investigation made by or on behalf of the Lender, but shall not prevent the discharge of the Security upon the indefeasible repayment in full of the Obligations.

## 20. No Deemed Subordination

Notwithstanding anything to the contrary contained herein, nothing herein (including any provision for, reference to, or acknowledgment of, an Encumbrances or Permitted Encumbrances) and no approval by the Lender of any Encumbrance or Permitted Encumbrance (whether such approval is oral or in writing) shall be construed as or deemed to constitute a subordination by the Lender of any Encumbrance in or to the assets, properties or any other rights or any part thereof in favour of any Encumbrance or Permitted Encumbrance or any holder of any Encumbrance or Permitted Encumbrance.

## 21. CCAA Filing

It is the intention and agreement of the parties that the obligations and terms of this Agreement shall survive and continue following the occurrence of any CCAA Filing in respect of the Lender and the parties agree to seek leave of the court in the Initial Order pursuant to such CCAA Filing

to continue to make Advances pursuant to this Agreement during the CCAA Filing in accordance herewith and treat the obligations hereunder as post-filing obligations of the Lender.

## **22. Orderly Wind-Up**

In the event that the Board of Directors of the Borrower so authorizes, the Borrower may send to the Lender a written notice of the Borrower's intention to conduct an orderly wind-down of the Borrower's business. In which event:

- (a) The Borrower may (i) pay, (ii) pre-pay, or (iii) on terms satisfactory to the Lender otherwise defease, amounts owing under applicable statutes to the extent such amounts could give rise to Claims or Losses which could be Indemnified Obligations under the Indemnity Agreement, all as defined in the Indemnity Agreement.
- (b) If requested by the Borrower, subject to the Credit Limit in Section 4(b) and provided that a court-supervised Insolvency Event has not occurred with respect to the Borrower, the Lender will make Advances to be used solely for the purposes of making payments, pre-payments or defeasance arrangements pursuant to Section 22(a). Such Advances shall be made notwithstanding the Event of Default occasioned by the foregoing notice of orderly wind-down or any Insolvency Event relating thereto (other than a court-supervised Insolvency Event), notwithstanding any breach of the financial covenant set out in Section 13(c) that would occur as a result of such payment and notwithstanding Section 4(a).
- (c) The Borrower may also use cash on hand including Excess Cash (notwithstanding Section 6) solely for the purposes of making payments, pre-payments or defeasance arrangements pursuant to Section 22(a).
- (d) The aggregate of all amounts paid, pre-paid or otherwise defeased pursuant to Section 22(a) shall dollar for dollar reduce the \$2,000,000 maximum amount of the Borrower's obligations pursuant to the Indemnity Agreement and any related security.

## **23. Further Assurances**

The Borrower shall from time to time forthwith on the Lender's request do, make and execute all such documents, acts, matters and things as may be reasonably required by the Lender in order to give effect to this Agreement, the Security, the other Loan Documents and the transactions referred to herein and therein.

## **24. Non-Merger**

The provisions of this Agreement shall not merge with any security provided to the Lender, but shall continue in full force for the benefit of the parties hereto.

## **25. Amendments and Waivers**

No amendment or waiver of any provision of this Agreement will be effective unless it is in writing signed by the Borrower and the Lender. No failure or delay, on the part of the Lender, in exercising any right or power hereunder or under any security document shall operate as a waiver thereof.

**26. Severability**

If any provision of this Agreement is or becomes prohibited or unenforceable in any jurisdiction, such prohibition or unenforceability shall not invalidate or render unenforceable the provision concerned in any other jurisdiction nor invalidate, affect or impair any of the remaining provisions of this Agreement.

**27. Governing Law**

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and of Canada applicable therein.

**28. Whole Agreement**

This Agreement and any security or other written agreement delivered pursuant to or referred to in this Agreement constitute the whole and entire agreement between the parties in respect of the Loan. There are no verbal agreements, undertakings or representations in connection with the Loan.

**29. Counterpart Execution**

This Agreement may be executed in any number of counterparts and by the parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

**30. Interpretation**

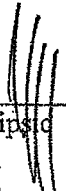
The term "including" means "including without limitation".

**[SIGNATURE PAGES FOLLOW]**

**IN WITNESS WHEREOF**, the undersigned has executed this Letter Loan Agreement as of the date first referred to above.

**CANWEST PUBLISHING INC./  
PUBLICATIONS CANWEST INC.**

By:

  
\_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Vice-President

I have the authority to bind the corporation

By:

\_\_\_\_\_  
Name: Riva J. Richard  
Title: Secretary

I have the authority to bind the corporation

IN WITNESS WHEREOF, the undersigned has executed this Letter Loan Agreement as of the date first referred to above.


**CANWEST PUBLISHING INC./  
PUBLICATIONS CANWEST INC.**

By:

\_\_\_\_\_  
Name: Richard M. Leipsic  
Title: Vice-President

I have the authority to bind the corporation

By:

.....  
  
\_\_\_\_\_  
Name: Riva J. Richard  
Title: Secretary

I have the authority to bind the corporation

**SCHEDULE "A"**  
**CASH FLOW PROJECTIONS**

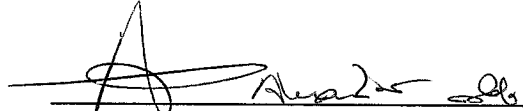
Schedule A  
National Post  
CASH FLOW FORECAST

CAD 000

	24-Nov-09	24-Nov-09	18-Nov-09	23-Nov-09	23-Nov-09	30-Nov-09	7-Dec-09	14-Dec-09	21-Dec-09	28-Dec-09	4-Jan-10	11-Jan-10	18-Jan-10	25-Jan-10	1-Feb-10	8-Feb-10	15-Feb-10	22-Feb-10	March	April	May	June	July	
	Balance	Prof.	Balance	Prof.	Balance	Prof.	Balance	Prof.	Balance	Prof.	Balance	Prof.	Balance	Prof.	Balance	Prof.	Balance	Prof.						
Receipts																								
Operating receipts	683.0	882.2	826.3	788.7	614.0	1,032.9	1,185.4	1,099.3	1,123.0	884.2	986.3	893.2	919.2	830.2	948.7	789.9	846.4	3,391.8	3,605.0	3,326.5	3,415.9	3,641.7		
Related Party Receipts	683.0	882.2	826.3	4,107.8	614.0	1,032.9	1,185.4	4,347.2	1,123.0	884.2	986.3	3,655.6	919.2	830.2	948.7	2,953.3	846.4	6,468.6	6,588.6	6,313.2	6,797.7	7,033.8		
Disbursements																								
Total Payroll related	(288.7)	(790.1)	(288.8)	(17.0)	(1,455.0)	(55.7)	(893.4)	(255.9)	(851.2)	(402.2)	(848.7)	(309.3)	(598.9)	(387.3)	(825.3)	(399.3)	(598.9)	(2,055.4)	(2,020.0)	(2,104.2)	(2,011.0)	(1,992.2)		
Trade disbursements	(212)	(641)	(1,699)	(525)	(1,384)	(399)	(688)	(1,067)	(1,460)	(373)	(732)	(1,098)	(1,331)	(378)	(723)	(1,113)	(1,429)	(4,190)	(3,888)	(4,001)	(3,929)	(3,459)		
Capital expenditures	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(40.0)	(40.0)	(40.0)	(40.0)	(40.0)		
Interest	-	-	-	(1,582.0)	(3.8)	-	-	(1,582.0)	(4.7)	-	-	-	(5.6)	-	-	(1,582.0)	(11.0)	(17.0)	(21.0)	(28.0)	(30.0)	(32.0)	(32.0)	
Related Party Disbursements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Disbursements	(481.1)	(1,440.9)	(1,984.7)	(2,133.7)	(2,832.9)	(422.0)	(1,511.2)	(2,894.9)	(2,128.9)	(785.6)	(1,331.9)	(2,398.4)	(2,135.7)	(755.9)	(1,377.2)	(3,014.2)	(2,039.9)	(7,855.0)	(7,501.5)	(7,763.2)	(7,566.1)	(7,105.3)		
Net Cash Flows	192.0	(558.7)	(1,058.4)	1,374.2	(2,218.9)	610.8	(315.7)	1,522.5	1,000.9	78.6	(405.6)	593.2	(1,316.9)	74.6	(427.5)	(50.9)	(1,192.4)	(4,418.5)	(902.9)	(1,440.0)	(806.3)	(71.9)		
Cumulative net cash flows	192.0	(376.9)	(1,448.1)	626.1	(1,098.9)	(1,698.9)	(1,414.1)	107.9	(898.0)	(820.1)	(1,225.6)	(632.4)	(1,716.0)	(1,701.4)	(2,128.9)	(2,179.8)	(3,372.2)	(4,790.7)	(6,993.6)	(7,133.6)	(7,940.0)	(8,011.9)		



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

  
\_\_\_\_\_  
Commissioner for Taking Affidavits



November 1, 2009

CRS INC.  
541 Arrowhead Road  
Mississauga, Ontario  
L5H 1V5

Attention: Gary F. Colter, President

Dear Sirs:

This letter will serve to confirm the terms of the retainer of CRS INC. by Canwest Global Communications Corp. ("CGCC") and Canwest Publishing Inc./Publications Canwest Inc., Canwest Books Inc., Canwest (Canada) Inc. and the Canwest Limited Partnership (collectively, the "Limited Partnership", and together with CGCC, the "Company" or "Canwest"), on the following terms. For the avoidance of doubt, this letter supercedes and restates the letter dated July 1, 2009 from the Company to CRS Inc.

1. Position and Responsibilities

- (a) CRS INC. understands that the Company wishes to appoint Gary F. Colter ("Colter"), President of CRS INC., as an advisor to the Limited Partnership in connection with a potential restructuring and recapitalization of the Limited Partnership ("Restructuring Advisor") to provide advisory services (the "Advisory Services") including, but not limited to, those set out on Schedule A, and CRS INC. also understands that the Company may, in certain circumstances, wish to appoint Colter as the Limited Partnership's Chief Restructuring Advisor to provide services ("Restructuring Services", together with the Advisory Services, the "Services") including, but not limited to, those set out on Schedule B.
- (b) The Company hereby retains CRS INC. as an independent contractor to provide the Services solely by making available and providing to the Limited Partnership the Services of Colter and CRS INC. hereby accepts the engagement of its Services and shall make available and provide to the Limited Partnership the Services of Colter.
- (c) The Company, its officers, employees and representatives shall cooperate and assist CRS INC. with the performance of the Services.

2. General Covenants of CRS INC.

CRS INC. will ensure that Colter:

- (a) acts honestly, diligently and carries out the Services to the best of his ability and in the best interests of the Limited Partnership;
- (b) well and faithfully serves the Limited Partnership in the provision of the Services in the conduct of the Limited Partnership's business;
- (c) devotes his working time, effort, skill, attention and energies to the carrying out of the Services except to the extent that his current directorships which are set out in Schedule C require his attention. For the avoidance of doubt, neither CRS INC. nor Colter shall accept another engagement of any sort during the term of this Agreement.
- (d) reports directly and exclusively to the special committee (the "Special Committee") of the board of directors (the "Board" or the "Board of Directors") of CGCC and observes all reasonable instructions given to him by the Special Committee;
- (e) works and cooperates with CGCC's Recapitalization Officer and the other members of the Company's management and the Company's other advisors;
- (f) works and cooperates with the chief restructuring officer or advisor of Canwest Media Inc. including any necessary coordination of a Companies' Creditors Arrangement Act (Canada) (the "CCAA") filing and matters arising thereunder. However, Mr. Colter as Restructuring Advisor of Limited Partnership and the Chief Restructuring Advisor of Canwest Media Inc. shall have separate distinct responsibilities to Limited Partnership and Canwest Media Inc. respectively; and
- (g) performs the activities to be performed by the Limited Partnership's Chief Restructuring Advisor pursuant to the Initial Order, considers and if advisable, provides the consents required to be provided by the Limited Partnership's Chief Restructuring Advisor pursuant to the Initial Order, advises the court appointed monitor in the CCAA filing (if applicable) as contemplated by the Initial Order and carries out such other responsibilities as may be stipulated to be carried out by the Limited Partnership's Chief Restructuring Advisor pursuant to the Initial Order.

3. Other commitments and business activities of Colter

- (a) The Company acknowledges that Colter now has, and will have, other commitments and business activities (including the outside directorships described in Schedule C) in which he will be involved during the term of the engagement of CRS INC and will be entitled to certain vacation time not to exceed 20 business days during the term of this Agreement. Subject to the other provisions of this Section 3 and provided in any case that: (i) they do not interfere with the effective performance by Colter of the Services; and (ii) they are not inconsistent with the obligations of CRS INC. hereunder, the Company agrees that any such commitments, business activities and vacation time shall not constitute a breach of this Agreement.

- (b) CRS INC. represents and warrants in favour of the Company as follows and acknowledges that the Company is relying upon such representations and warranties in connection with entering into this Agreement:
- (i) none of the current directorships held by Colter, and no office or directorship entered into by Colter following the date hereof (for the avoidance of doubt, to the extent permitted hereby) shall: (a) interfere with the effective performance by Colter of the Services; or (b) be inconsistent with the obligations of CRS INC. hereunder; and
  - (ii) the Canadian Imperial Bank of Commerce ("CIBC") has specifically confirmed that Colter's directorship of CIBC and chairmanship of CIBC's Risk Management Committee do not raise a conflict of interest or similar concern.
- (c) CRS INC. shall ensure that Colter recuses himself from any matter relating to: (i) the Company; or (ii) any credit matters relating to the Company coming before the board of directors of CIBC or any committee of the board of directors of CIBC of which Colter is a member (including, without limitation, CIBC's Risk Management Committee).

4. Monthly Fees

The monthly fee (the "Monthly Fee") during the term of the Agreement shall be \$90,000, effective November 1, 2009. The Monthly Fee shall be paid by the Limited Partnership together with applicable goods and services tax, (GST), on the first day of each monthly period.

5. Success Fee

In addition to the Monthly Fees, CRS INC. will be entitled to a one time success fee, (the "Success Fee"), of \$500,000. For the purposes of this Agreement, a "Success" will have occurred at the completion of the principal restructuring transactions contemplated under a plan or plans of arrangement or compromise or reorganization or restructuring of the Limited Partnership that:

- (a) is (or are) approved by the court pursuant to any of: (i) the CCAA; or (ii) the *Canada Business Corporations Act*; or
- (b) facilitates the Limited Partnership's ongoing operation as a going concern; and
- (c) involve(s) one or more of the following circumstances:
  - (i) the refinancing of the bank and long-term indebtedness of the Limited Partnership (including indebtedness held by bond holders); or
  - (ii) the restructuring or recapitalization of a material part of the equity, debt securities and/or long-term indebtedness of the Limited Partnership; or

- (iii) the completion of any other transaction or transactions that is/are approved by the Special Committee (or any successor thereof or, in the absence of the Special Committee or a successor, the Board as a whole or its successor decision maker) as part of such plan or plans including any lender sponsored restructuring of the Limited Partnership business or asset sales arising out of an investor solicitation process which is court approved and which transactions represent a significant portion of the Limited Partnership business on a going concern basis; or
- (d) confirmation by the Special Committee (or any successor thereof or, in the absence of the Special Committee or a successor, the Board as a whole or its successor decision maker) of "Success" in its sole and unfettered discretion;

provided that a Success shall not include any transaction or series of transactions, the principal component of which involves the liquidation of all or substantially all of the assets and operations of the Limited Partnership other than as a going concern.

The Success Fee, together with applicable GST, will be paid forthwith following the occurrence of a Success. For the avoidance of doubt, the Limited Partnership shall not be obligated to pay more than one Success Fee even if one or more of the events specified in this Section 5 occurs.

6. Taxes

CRS INC., to the exclusion of the Limited Partnership, but subject to the obligation of the Limited Partnership to pay applicable GST on the amounts owing by it to CRS INC. hereunder, shall be solely responsible for the payment and remittance of all provincial and federal sales taxes, income taxes, non-resident withholding taxes, hospital insurance plan and similar plan contributions, all unemployment insurance contributions, federal and provincial pension plan contributions, contributions required under provincial occupational health and safety laws, including all appropriate deductions at source to the proper public authorities and for ensuring that they are properly declared in returns timely filed, in respect of all amounts paid by the Company to CRS INC. pursuant to this Agreement or paid by CRS INC. to its employees, as the case may be.

7. Term

Subject to the terms hereof, this Agreement will commence as of November 1, 2009 and will expire on the earlier of June 30, 2010 and the date following a filing by the Limited Partnership pursuant to the CCAA that the Limited Partnership ceases to be subject to the provisions of the CCAA subject to extension on a month-to-month basis as mutually agreed by the parties. In the event the Limited Partnership ceases to be subject to the provisions of the CCAA prior to the end of a month for which the Monthly Fee has been paid or is due, CRS INC. shall be entitled to retain or be paid, as appropriate, the full amount of the Monthly Fee for that month.

8. Reimbursement of Expenses, etc.

CRS INC. shall not be reimbursed for any expenses except as follows:

- (a) The Limited Partnership shall reimburse CRS INC. for all reasonable out-of-pocket expenses incurred by it (including any applicable taxes) in connection with the Services rendered hereunder upon submission of invoices therefor (including without limitation travel, in accordance with the Company's travel policy (including business class for any flights in excess of two hours)), and communication expenses and courier charges). CRS INC. shall submit an invoice, plus applicable taxes, accompanied by appropriate receipts within one month of such expenses having been incurred, and otherwise in accordance with the standard practices of the Company.
- (b) The Limited Partnership will reimburse CRS INC. for the reasonable legal fees and expenses of preparing and settling this Agreement or any amendment of this Agreement promptly upon receipt of an invoice or invoices for such fees and expenses. The Limited Partnership will also reimburse CRS INC. for the reasonable legal fees and expenses of independent counsel to CRS INC. as may reasonably be required by Colter in the carrying out of his mandate under this Agreement. For the avoidance of doubt, CRS INC. acknowledges and agrees that it is not entitled to seek reimbursement from the Limited Partnership for the fees and expenses of any outside legal, financing, accounting or other advisor except as specifically provided in this section 8(b) and Schedule D.

9. Termination

This Agreement may be terminated by:

- (a) CRS INC. on one month's written notice or such longer period as the parties may agree is required (which notice may be waived by the Company);
- (b) The Company, at any time upon providing written notice to CRS INC. and without any further payment (and without any requirement on the part of CRS INC. to repay any prior payment) other than as contemplated by this Section 9;
- (c) The Company for cause, without notice;

- (d) The Company without notice where, through the death or disability of Colter, the Services cannot be provided to the Company.

Notwithstanding any termination of CRS INC. by the Company pursuant to Section 9(b) above, if as at the date the Company gives notice of termination pursuant to such clause, agreements have been reached as to completion of events, or a plan of arrangement has been filed with the court which, upon completion or implementation of such agreements or plan, as the case may be, will meet the definition of "Success" set forth above, upon such completion, substantially in accordance with such agreements, CRS INC. shall be entitled to be paid the Success Fee.

10. Colter not to be a Company Director or Officer

It is expressly acknowledged and agreed that the role of CRS INC. (and Colter) is to be advisory in nature and under no circumstances will Colter be considered to be a director, officer or employee of the Company, nor will he have the power or authority to bind or commit the Company including, without limitation, the power or authority to enter into any agreement or undertaking on behalf of the Company. Nothing in this Agreement however will preclude Colter from becoming a director of the Company at a future date.

11. Indemnity

The Limited Partnership shall provide CRS INC. with an Indemnity, in accordance with Schedule D hereto, which Schedule D forms part of this Agreement, the consideration for which is the entering into of this Agreement. Such indemnity (the "Indemnity") shall be executed and delivered to CRS INC. on the execution of this Agreement.

12. Court Approval and Security for Indemnity and Fees

If the Limited Partnership becomes subject to a voluntary or involuntary reorganization or restructuring process, proposal or petition under the CCAA or the *Bankruptcy and Insolvency Act* (Canada) (the "BIA"), the Limited Partnership shall forthwith seek court orders of the court approving this Agreement pursuant to the proceedings under the CCAA or BIA, as the case may be, in form and substance reasonably satisfactory to CRS INC. and providing that:

- (a) this Agreement is approved and given full force and effect in accordance with its provisions and the claims, if any, of CRS INC. pursuant to this Agreement will not be affected by any reorganization or restructuring plan;
- (b) none of CRS INC., or Colter shall incur any liability or obligation as a result of the provision of such services except as may result from gross negligence or wilful misconduct of such person and no action or other proceedings shall be commenced against any of them in respect of such services without prior leave of the court on at least seven days notice to CRS Inc.;
- (c) the Indemnity and the fees and expenses payable to CRS INC. hereunder are entitled to the benefit of an administration or similar charge (ranking *pari passu*

with the fees and disbursements of the monitor, legal counsel and other advisers entitled to the benefit thereof); and

- (d) the claims of CRS INC., or Colter are not claims which may be compromised within the CCAA or BIA proceedings or any applicable restructuring.

13. Confidentiality

CRS INC. recognizes that the Services to be performed by it hereunder are special, unique and extraordinary in that, by reason of the Services it shall provide hereunder, it will acquire Confidential Information (as defined below) and trade secrets concerning the operation of the Company the use or disclosure of which could cause the Company substantial losses and damages which could not be readily calculated and for which no remedy at law would be adequate. Accordingly, CRS INC. covenants and agrees with the Company that it will not at any time, except as required by law or with the prior written consent of the Company or to a party bound by a confidentiality agreement if required in connection with the provision by Colter of Services hereunder, directly or indirectly, either disclose to any person, or use for its personal benefit, any secret or Confidential Information that it may learn or have learned by reason of CRS INC.'s association with the Company.

CRS INC. and its representatives shall use the Confidential Information for the sole purpose of rendering the Services.

The term "**Confidential Information**" means any information not previously disclosed or otherwise available to the public including but not limited to, the Company's services, facilities and methods, trade secrets and other intellectual property, systems, procedures, manuals, confidential reports, advertiser information, customer lists, financial information, business plans, prospects or opportunities, and non-public information obtained by the Company from its partners, suppliers, customers and clients. Confidential Information shall also include, without limitation, all reports prepared by CRS INC. and its representatives for the Company (which reports shall be the sole property of the Company), notes, analyses, compilations, studies, summaries and other materials prepared by CRS INC., its representatives or the Company, containing or based, in whole or in part, on Confidential Information. If any such Confidential Information is disclosed or otherwise made available to the public (other than by way of a breach of this covenant by CRS INC. or any of its representatives) from a source not bound by a confidentiality agreement or under another legal or fiduciary obligation of confidentiality to the Company or its customers, clients, suppliers or partners, it shall no longer be subject to the covenant set out in this Section 13.

In the event that CRS INC. or any of its representatives, by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena or other similar processes, are requested or become legally compelled to disclose any of the Confidential Information, CRS INC. will provide the Company with prompt written notice of such request or requirement so that the Company may seek a protective order or other appropriate remedy. If such protective order or other remedy is not obtained or the Company grants a waiver hereunder, CRS INC. or its representative, as the case may be, may furnish that portion of the information which, in the written opinion of counsel



reasonably acceptable to the Company, it is legally compelled to disclose; provided, however, that CRS INC. shall use its best efforts to obtain reliable assurance that confidential treatment will be accorded to the Confidential Information so disclosed.

Upon the Company's request, for any reason, CRS INC. will promptly deliver to the Company all documents and other materials (and all copies and extracts thereof) constituting Confidential Information without retaining a copy of extract thereof (with the exception of any notes or files maintained by CRS INC. or its representatives in the course of providing Services hereunder which CRS INC. shall be entitled to retain under the same obligation of confidentiality). If the Company requests or gives its prior written consent, CRS INC. shall destroy all documents or other documents or other materials constituting Confidential Information in its or its representatives' possession, including in electronic form, (subject to the exception in the preceding sentence) with any such destruction confirmed by them in writing to the Company. Regardless of whether there is a return or destruction of the Confidential Information, CRS INC. and its representatives will continue to be bound by their obligations of confidentiality and other obligations hereunder.

CRS INC. shall be responsible for any breach of the obligations hereunder by any of its representatives (including for the avoidance of doubt, Colter).

14. Non-Competition

Except with the Company's prior written consent, throughout the term of this Agreement and for an additional period of six months thereafter, CRS INC shall not, and shall cause Colter to not, directly or indirectly, provide or assist in providing services to a person or entity that is engaged in the broadcasting or newspaper publishing business in Canada.

15. General Provisions

(a) Notices

Any notice hereunder by either party to the other shall be given in writing by personal delivery, or certified mail, return receipt requested, or by facsimile transmission, in any case delivered to the applicable address set forth below:

(i) to the Company:

3100 Canwest Place  
201 Portage Avenue  
Winnipeg, MB R3B 3L7

Attention: General Counsel  
Fax: (204) 947-9841

(ii) to CRS Inc.:

541 Arrowhead Road  
Mississauga, Ontario  
L5H 1V5

Attention: President  
Fax: (905) 891-7036

or to such other persons or other addresses as either party may specify to the other in writing.

(b) Amendment; Waiver; Assignment

No provision of this Agreement may be amended, modified, waived or discharged unless such amendment, modification, waiver or discharge is agreed to in writing and signed by the parties. No waiver by either party hereto, at any time, of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. Neither party may assign this Agreement or any of its rights and obligations hereunder without the prior written consent of the other. Any purported assignment made in contravention of this section shall be null and void and have no legal effect.

(c) Severability

The parties have carefully reviewed the provisions of this Agreement and agree that they are fair and equitable. However, in light of the possibility of differing interpretations of law and changes in circumstances, the parties agree that if any one or more of the provisions of this Agreement shall be determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Agreement shall, to the extent permitted by law, remain in full force and effect and shall in no way be affected, impaired or invalidated. Moreover, if any of the provisions contained in this Agreement is determined by a court of competent jurisdiction to be excessively broad as to duration, activity, geographic application or subject, such provision shall be construed, by limiting or reducing it to the extent legally permitted, so as to be enforceable to the extent compatible with then applicable law.

(d) Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein (determined without regard to the choice of law provisions thereof).

(e) Arbitration

Any controversy or dispute arising out of or relating to this Agreement, including (without limitation) its negotiation, validity, existence, breach, termination, construction or application, or the rights, duties or obligations of any party to this Agreement, shall be referred to and determined by arbitration in accordance with the Ontario *Arbitration Act, 1991* S.O. 1990 c. 17. The seat of the arbitration shall be Ontario and hearings shall be conducted in the City of Toronto by a single arbitrator selected by the parties. In the event the parties cannot agree on a single arbitrator, the Company and CRS INC. shall each select an arbitrator and those arbitrators shall determine the single arbitrator to conduct the arbitration. A party may appeal an award to the court on a question of law or mixed fact and law.

(f) Entire Agreement

This Agreement contains the entire agreement of CRS INC. and the Company and any predecessors thereof with respect to the subject matter hereof, and supersedes all prior agreements, understandings and arrangements, oral and written between the parties either jointly or individually, with respect to the subject matter hereof.

(g) Counterparts

This Agreement may be executed by the parties hereto in counterparts, each of which shall be deemed an original, but both such counterparts shall together constitute one and the same document.

(h) Survival

The following provisions will survive the termination of this Agreement: Section 6, Section 9, Section 11, Section 13, Section 14 and Section 15.

(i) Headings

The headings of this Agreement are for convenience and reference only and shall not be considered in construing the provisions hereof.

(j) Currency

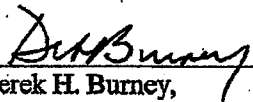
All financial references in this Agreement are to Canadian dollars unless otherwise indicated.

**[Remainder of Page Intentionally Left Blank]**

If the foregoing is satisfactory, please indicate the agreement of CRS INC. by signing the enclosed copy of this letter and returning to me.

Yours very truly

Canwest Global Communications Corp.

By:   
Derek H. Burney,  
Chair of the Board of Directors and Chair of the Special Committee

Canwest Limited Partnership, by its General Partner  
Canwest (Canada) Inc.

By: \_\_\_\_\_  
John E. Maguire  
Vice-President

By: \_\_\_\_\_  
Riva J. Richard  
Secretary

Agreed and accepted as of the 13 day of November, 2009.

CRS INC.

By:   
Gary F. Colter, President

If the foregoing is satisfactory, please indicate the agreement of CRS INC. by signing the enclosed copy of this letter and returning to me.

Yours very truly

Canwest Global Communications Corp.

By: \_\_\_\_\_  
Derek H. Burney,  
Chair of the Board of Directors and Chair of the Special Committee

Canwest Limited Partnership, by its General Partner  
Canwest (Canada) Inc.

By: \_\_\_\_\_  
Richard M. Leipsic  
Vice-President

By: \_\_\_\_\_  
Riva J. Richard  
Secretary

Agreed and accepted as of the \_\_\_\_\_ day of November, 2009.

CRS INC.

By: \_\_\_\_\_  
Gary F. Colter, President

## SCHEDULE A

### ADVISORY SERVICES TO BE PROVIDED BY RESTRUCTURING ADVISOR

The Restructuring Advisor shall advise the Recapitalization Officer and the Special Committee with respect to the formulation and implementation of the restructuring and/or recapitalization of all, or part, of the business and/or capital structure of the Limited Partnership (the "**Restructuring**") reporting directly and exclusively to the Special Committee. The Restructuring Advisor's advisory services shall include, without limitation, advising with respect to:

- (a) The development of strategic alternatives for the operational and financial restructuring of the Limited Partnership and its businesses and assets;
- (b) the development of a restructuring plan or plans for presentation to lenders, creditors, and other stakeholders which may be affected by the Restructuring as well as equity sponsors and the implementation of the restructuring plan or plans through a court process or otherwise;
- (c) the negotiation of all necessary agreements with equity sponsors, lenders, creditors, stakeholders and any other interested parties, including, without limitation, any amendments, waivers, extensions and/or forbearances that may be necessary or desirable in connection with the Restructuring;
- (d) the management of all processes involving the Limited Partnership's legal and financial advisors involved in the Restructuring, equity sponsors, lenders, creditors, the court appointed monitor (if applicable) and other stakeholders in the most efficient manner, including monitoring and reviewing the fees of the various advisors involved in the Restructuring;
- (e) the establishment and implementation of a work plan for the Restructuring;
- (f) the realization of the steps required to achieve a successful Restructuring;
- (g) communications between the Limited Partnership and its stakeholders in connection with the Restructuring and in particular, communications and reporting to:
  - (i) the senior lenders of the Limited Partnership in accordance with the requirements of the Credit Agreement dated July 10, 2007 as it may be replaced or further amended;
  - (ii) the subordinated lenders of the Limited Partnership in accordance with the requirements of the Credit Agreement dated July 10, 2007 as it may be replaced or further amended; and
  - (iii) the 9.25% bondholders of the Limited Partnership in accordance with the requirements the Note Indenture dated July 13, 2007 as it may be replaced or further amended; and

- (h) all communications, and the preparation of all filings, applications or similar materials necessary or desirable, for any regulatory approvals in connection with the Restructuring.

If the Restructuring Advisor is appointed as Chief Restructuring Advisor, such individual shall cease to be an advisor and shall assume from the Recapitalization Officer principal responsibility for the formulation and implementation of the Restructuring including, without limitation, all of the activities set out on Schedule B. For the avoidance of doubt, upon such assumption of responsibility, the advisory services outlined above shall be superseded and no longer be required to be performed.

## SCHEDULE B

### ACTIVITIES OF RECAPITALIZATION OFFICER ALL OF WHICH TO BE ASSUMED BY CHIEF RESTRUCTURING ADVISOR

Subject to Section 10 of the Agreement and also to the direction of the Special Committee, the Chief Restructuring Advisor's services in connection with the restructuring and/or recapitalization of all, or part, of the business and/or capital structure of the Limited Partnership (the "Restructuring") shall include, without limitation:

- (a) developing, for consideration by the Special Committee, strategic alternatives for the operational and financial restructuring of the Limited Partnership and its businesses and assets, and implementing the strategic alternative(s) selected by the Special Committee as appropriate;
- (b) developing a restructuring plan or plans for presentation to lenders, creditors, and other stakeholders which may be affected by the Restructuring, as well as equity sponsors and implementing the restructuring plan or plans through a court process or otherwise;
- (c) negotiating all necessary agreements with equity sponsors, lenders, creditors, stakeholders and any other interested parties, including, without limitation, any amendments, waivers, extensions and/or forbearances that may be necessary or desirable in connection with the Restructuring;
- (d) managing all processes involving the Limited Partnership's legal and financial advisors involved in the Restructuring, equity sponsors, lenders, creditors, the court appointed monitor (if applicable) and other stakeholders in the most efficient manner, including, without limitation, monitoring and reviewing the fees of the various advisors involved in the Restructuring;
- (e) establishing and implementing a work plan for the Restructuring and reporting directly and exclusively to the Special Committee on a regular basis to update the Special Committee regarding the Restructuring including progress being made in implementing the Restructuring, proposed timeframes for the further implementation of the Restructuring, any material matters which may effect the Restructuring as well as those matters which the Special Committee requests;
- (f) advising and assisting Special Committee in conjunction with its, and the Company's, advisors (including legal and financial advisors) in connection with the realization of the steps required to achieve a successful Restructuring;
- (g) advising the Special Committee with respect to communications between the Limited Partnership and its stakeholders in connection with the Restructuring and in particular, communications and reporting to:
  - (i) the senior lenders of the Limited Partnership in accordance with the requirements of the Credit Agreement dated July 10, 2007 as it may be replaced or further amended;



- (ii) the subordinated lenders of the Limited Partnership in accordance with the requirements of the Credit Agreement dated July 10, 2007 as it may be replaced or further amended; and
- (iii) the 9.25% bondholders of the Limited Partnership in accordance with the requirements the Note Indenture dated July 13, 2007 as it may be replaced or further amended; and
- (h) managing all communications, and overseeing the preparation of all filings, applications or similar materials necessary or desirable, for any regulatory approvals in connection with the Restructuring.

If the Restructuring Advisor is appointed as Chief Restructuring Advisor, the individual acting as Recapitalization Officer shall continue to act as Recapitalization Officer reporting to the individual appointed as Chief Restructuring Advisor who shall assume principal responsibility for the formulation and implementation of the Restructuring including, without limitation, all of the activities set out above.

**SCHEDULE C**  
**DIRECTORSHIPS**

- Owens Illinois, Inc. (NYSE)
- CIBC (TSX, NYSE)
- Core-Mark Holding Company Inc. (NASDAQ)
- Retirement Residence REIT (now Revera Inc.) – (Private)

## SCHEDULE D

### INDEMNITY

In connection with the engagement (the "**Engagement**") of CRS INC. pursuant to an agreement (the "**Agreement**") between CRS INC. and Canwest Global Communications Corp., and Canwest Publishing Inc./Publications Canwest Inc., Canwest Books Inc., Canwest (Canada) Inc. and the Canwest Limited Partnership (collectively, the "**Limited Partnership**") dated as of July 1, 2009, the Limited Partnership agrees to indemnify and hold harmless CRS INC. and Mr. Gary F. Colter ("**Colter**") (collectively, the "**Indemnified Parties**" and individually, an "**Indemnified Party**"), from and against any and all losses, expenses, claims, actions, damages and liabilities, joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees and expenses of its counsel on a solicitor and his own client basis that may be incurred in advising with respect to and/or defending any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this Indemnity (collectively the "**Claims**") to which any Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the Engagement, and is not caused by the gross negligence and or wilful misconduct of any Indemnified Party. The Limited Partnership also agrees that no Indemnified Party shall have any liability (whether directly or indirectly in contract or tort or otherwise) to it or any person asserting claims on behalf of or in right of the Limited Partnership for or in connection with the Engagement except to the extent any losses, expenses, claims, actions, damages or liabilities incurred by it are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted primarily from the gross-negligence or wilful misconduct of any Indemnified Party.

The Limited Partnership will not, without CRS INC.'s written consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, suit, proceeding, investigation or claim in respect of which indemnification may be sought hereunder unless such settlement, compromise, consent or termination includes a release of each Indemnified Party from any liabilities arising out of such action, suit, proceeding, investigation or claim.

Promptly after receiving notice of an action, suit, proceeding or claim against CRS INC. or any other Indemnified Party or receipt of notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Limited Partnership, CRS INC. or any such other Indemnified Party will notify the Limited Partnership in writing of the particulars thereof. CRS INC. and all Indemnified Parties shall fully cooperate with the Limited Partnership and its subsidiaries and their counsel in the preparation of the case(s) and provide all information and documents in their possession as required by the Limited Partnership's counsel.

CRS INC. and any other Indemnified Party may retain counsel to separately represent it, him or her in the defence of a Claim, provided that only one counsel can be retained by all of CRS INC. and any Indemnified Party, which shall be at the expense of the Limited Partnership on a solicitor and his own client basis if (i) the Limited Partnership does not promptly assume the defence of the Claim, or (ii) the Limited Partnership agrees to separate representation, or (iii) the Indemnified Party is advised by its counsel that there is an actual or potential conflict between

the Limited Partnership's and the Indemnified Party's respective interests or additional defences are available to the Indemnified Party, which makes representation by the same counsel inappropriate.

Where the Indemnified Party pays or is required to pay any amount for which the Indemnified Party may ultimately be entitled to claim indemnity hereunder, the Limited Partnership shall forthwith pay such amount (or reimburse the Indemnified Party in respect of such amount if the Indemnified Party has already paid the same). The Indemnified Party agrees that, if the Indemnified Party is not otherwise ultimately entitled to indemnity hereunder, the Indemnified Party shall forthwith refund to the Limited Partnership any amount paid out by the Limited Partnership which it would not have otherwise paid out but for the provisions of this paragraph and which the Limited Partnership is not otherwise legally obliged to pay out, together with simple interest thereon at an annual rate equal to the prime rate of interest from time to time charged by the Limited Partnership's bankers.

Although this Indemnity shall not be interpreted in any way to limit the ability of the Indemnified Party to seek indemnity under any other indemnity agreement, under any insurance policy (including, without limitation, any directors' and officers' insurance policy, if applicable), or applicable legislation to the fullest extent permitted by law, the Indemnified Party shall be under no obligation to do so nor shall the Limited Partnership be entitled to rights of subrogation under any of the foregoing except if the Limited Partnership has fully satisfied its obligations hereunder and except if the person against whom subrogation is claimed has no right over against the Indemnified Party as a result thereof.

This Indemnity shall enure to the benefit of each Indemnified Party, and shall survive termination of the Engagement, and shall be binding upon the Limited Partnership and its successors and assigns. The Limited Partnership hereby acknowledges and agrees with Gary F. Colter, the President of CRS INC., that this Indemnity may be enforced against the Limited Partnership by him as an Indemnified Party, if he is named to a Claim.

This Indemnity is made pursuant to, and shall be construed, performed and enforced in accordance with, the laws of the Province of Ontario including the laws of Canada applicable therein.

The obligations of the Limited Partnership hereunder are in addition to any liabilities which the Limited Partnership may otherwise have to CRS INC. or any other Indemnified Party.