

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

Handwritten signature of Albert J. ...
Commissioner for Taking Affidavits

January 8, 2010

Canwest Limited Partnership / Canwest Société en Commandite
1450 Don Mills Road
Don Mills, Ontario
M3B 2X7

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

**CDN\$25,000,000 Senior Secured, Super-Priority
Debtor-In-Possession DIP Credit Facility
Commitment Letter**

Ladies and Gentlemen:

You have advised The Bank of Nova Scotia (“**Scotiabank**”), Royal Bank of Canada (“**RBC**”), Canadian Imperial Bank of Commerce (“**CIBC**”) and Bank of Montreal (“**BMO**”) (collectively, the “**Lead Lenders**” or “**we**” or “**us**”) that Canwest Limited Partnership / Canwest Société en Commandite (the “**Borrower**” or “**you**”), its subsidiaries (other than National Post Inc.) and Canwest (Canada) Inc. (collectively, the “**CCAA Applicants**”) intend to apply to the Superior Court of Justice (Commercial List) of the Province of Ontario sitting at Toronto, Ontario (the “**CCAA Court**”) for an order that the CCAA Applicants are entitled to relief under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) and approving the DIP Credit Facility (as defined below) (as amended or modified, the “**Initial Order**”).

For purposes of (i) providing for working capital, capital expenditures, and other ordinary course expenditures of the CCAA Applicants in accordance with the applicable Revised Cash Flow Forecast (as defined in the Term Sheet); (ii) paying Permitted Fees and Expenses (as defined in the Term Sheet); (iii) allowing the Borrower’s subsidiary, Canwest Publishing Inc. / Publications Canwest Inc. (“**CPI**”) to advance secured intercompany loans to the Borrower’s indirect subsidiary, National Post Inc., under the letter loan agreement dated October 30, 2009, between CPI and National Post Inc., provided that the security for such intercompany loans is assigned to the Administrative Agent on behalf of the Lenders to secure the Borrower’s obligations under the DIP Credit Facility and (iv) paying interest when due in respect of the Secured Obligations under the Existing Senior Secured Credit Agreement (as defined in the Term Sheet), including without limitation interest owing in respect of the Swap Unwind Amounts (as defined in the Term Sheet) and in respect of interest due in respect of the Secured Obligations but unpaid prior to the commencement of the cases of the CCAA Applicants under the CCAA (the “**CCAA Proceedings**”), the Lead Lenders are pleased to offer a commitment to

provide to the Borrower a senior secured super-priority debtor-in-possession credit facility comprised of a revolving facility of up to CDN\$25 million, including a letter of credit sub-facility of up to CDN\$5 million, (the “**DIP Credit Facility**” or the “**Financing**”) during the course of the CCAA Proceedings, subject to the terms and conditions set forth or referred to in this commitment letter, including the Summary of Indicative Terms and Conditions for the Financing attached hereto as Exhibit A (the “**Term Sheet**”, and together with this letter, the “**Commitment Letter**”).

1. **Commitments.** Each of the Lead Lenders hereby commits individually, and not jointly and severally or solidarily, to provide their respective commitments for the DIP Credit Facility based on the commitment allocation for such Lead Lender as set forth in Schedule A attached hereto, and upon the principal terms and subject to the principal conditions as set forth or referred to herein, in the Fee Letter among the Arranger and you dated the date hereof (the “**Fee Letter**”) and in the Term Sheet, and, in connection therewith Scotiabank (acting alone or through or with affiliates selected by it) shall act as sole and exclusive arranger (the “**Arranger**”) and as sole and exclusive administrative agent (the “**Administrative Agent**”) under the DIP Credit Facility. The Arranger shall have the duties and authority customary for such a role. You agree that no additional agent, co-agent or arranger will be appointed, or other titles conferred, with respect to the DIP Credit Facility or this Commitment Letter without the prior written consent of the Arranger; provided, however, that the Arranger shall have the right in its sole discretion to designate one or more institutions participating in the DIP Credit Facility as arrangers, co-arrangers, agents, co-agents or collateral agents and may allocate fees to be paid in connection with the DIP Credit Facility among the participating institutions as the Arranger may consider appropriate from time to time. You agree that no Lender will receive any compensation of any kind for its participation in the Financing except as expressly provided in the Term Sheet or the Fee Letter or unless the Arranger and Borrower shall so agree in writing.

2. **Syndication.** Each Lead Lender reserves the right, prior to and after the execution of the definitive documentation for the DIP Credit Facility (the “**DIP Loan Documents**”), to syndicate by assignment all or a portion of such Lead Lender’s commitments under DIP Credit Facility to (i) regulated financial institutions who are lenders under the Existing Senior Secured Credit Agreement or (ii) other persons with the consent of the Borrower, the Administrative Agent and the letter of credit issuer (which consents shall not be unreasonably withheld or delayed) prior to the occurrence of a Default (collectively, with the Lead Lenders, the “**Lenders**”); provided that after the occurrence and during the continuance of a Default, each Lender shall be entitled to assign all or a portion of its commitment and loans to any person, provided that such Lender shall remain liable for any and all of its indemnity obligations to the Administrative Agent and the letter of credit issuer unless each of the Administrative Agent and the letter of credit issuer have approved such assignment. Upon the assignment by a Lead Lender of all or a portion of such Lead Lender’s commitments under DIP Credit Facility, the commitments of such Lead Lender hereunder shall be reduced on a pro-rata basis, dollar-for-dollar as and when commitments are received from such other Lenders. Any assignment of loans and commitments shall be in a minimum amount of CDN\$2.5 million (or, if a Lender’s commitment has been reduced below CDN\$2.5 million or such Lender’s commitment has been

terminated and the loans owed to such Lender are less than CDN\$2.5 million, the amount of such reduced commitment or such loans). Each Lead Lender also reserves the right, prior to and after the execution of the DIP Loan Documents to grant participations in their commitments under DIP Credit Facility.

3. Fees. As consideration for and a condition precedent to our commitments hereunder and our undertakings to arrange, manage and structure the DIP Credit Facility, you agree to pay to the Lead Lenders the fees set forth in Term Sheet at the applicable times set forth in the Term Sheet and to the Arranger and the Administrative Agent the fees set forth in the Fee Letter at the applicable times set forth in the Fee Letter.

4. Conditions. Our commitments and undertakings hereunder are subject to the conditions set forth elsewhere herein and in the Term Sheet. Our commitments and undertakings hereunder are also subject to (a) our being satisfied that, after the date hereof, the Borrower nor any of the other CCAA Applicants shall have or shall have attempted to, or shall have announced or authorized the announcement of the entering into by the Borrower of any other debtor-in-possession facilities, other than the DIP Credit Facility; (b) material compliance by you with the terms of this Commitment Letter, the Term Sheet and the Fee Letter, including for greater certainty payment of all fees, costs and expenses which are then due and payable, (c) our being satisfied with all terms of the Initial Order and the negotiation, preparation and execution of the DIP Loan Documents in form and substance consistent with the terms of this Commitment Letter and the Term Sheet and otherwise satisfactory to us; (d) none of the Information and Projections (each as defined below in Section 5 hereof) being misleading or incorrect in any material respect in light of the circumstances under which such statements were made; (e) no event or condition having occurred or having become known that in our judgment could reasonably be expected to result in a failure to satisfy any condition to our obligations under this Commitment Letter or the Term Sheet; (f) compliance with all applicable laws and regulations (including compliance of this Commitment Letter and with all federal and provincial banking and securities laws, rules and regulations) and receipt of all consents, and evidence of delivery of any notices required in connection with the CCAA Proceedings; (g) our having received unaudited consolidated financial statements of the Borrower and the other CCAA Applicants for any interim quarterly periods that have ended since the most recent of such audited financial statements, which in each case, shall not be materially inconsistent with the information provided to the Lead Lenders or the Arranger prior to the date hereof; and (h) our satisfaction that, as of the Closing Date, there has been (x) except for the commencement of the CCAA Proceedings, no material adverse change, individually or in the aggregate, in the business, financial or other condition of the Borrower, the industry in which the Borrower operates, or the collateral which will be subject to the security interest granted to the Administrative Agent for the benefit of the Lenders or in the prospects or projections of the Borrower, and (y) no litigation commenced which has not been stayed by the Initial Order and which, if successful, would have a material adverse impact on the Borrower, its business or ability to repay the DIP Credit Facility, or which would challenge the transactions under consideration.

5. Information and Investigations. You hereby represent and covenant, and if we so request, your chief financial officer shall certify, that all information and data (the “**Information**”) and all financial projections (including the Initial Cash Flow Forecast and the Revised Cash Flow Forecast, each as defined in the Term Sheet) (the “**Projections**”) that have been or will be made available by you or any of your affiliates, representatives or advisors to us or any Lender (whether prior to or on or after the date hereof) in connection with the CCAA Proceedings and the Financing, are and will be complete and correct in all material respects and do not and will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements contained therein not misleading in light of the circumstances under which such statements are made. Without limiting the foregoing, you hereby represent and warrant that the Swap Unwind Amounts set forth in Schedule B of the Term Sheet are final amounts not subject to change or adjustment.

6. Indemnification. You agree to indemnify and hold harmless the Lead Lenders, the Arranger, the Administrative Agent, each of the other Lenders, and each of our and their respective affiliates, and our and their respective officers, directors, employees, agents, partners, attorneys, consultants, advisors, representatives and controlling persons (the Lead Lenders, the Arranger, the Administrative Agent, each Lender, their respective affiliates and each such other person being an “**Indemnified Party**”) from and against any and all losses, claims, damages, costs, expenses and liabilities, joint or several, to which any Indemnified Party may become subject under any applicable law, or otherwise, related to or arising out of or in connection with this Commitment Letter, the Fee Letter, the Term Sheet, the DIP Credit Facility, the advances under the DIP Credit Facility, the use of proceeds of any such advances, the CCAA Proceedings or any related transaction and the performance by any Indemnified Party of the services contemplated hereby and will reimburse each Indemnified Party for any and all expenses (including counsel fees and expenses) as they are incurred in connection with the investigation of or preparation for or defense of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party and whether or not such claim, action or proceeding is initiated or brought by or on behalf of you or any of your affiliates and whether or not the proposed restructuring of the Borrower pursuant to the CCAA Proceedings is consummated or this Commitment Letter is terminated, except to the extent finally determined by a court of competent jurisdiction to have resulted primarily from such Indemnified Party’s gross negligence or wilful misconduct. You also agree not to assert any claim against any Indemnified Party for consequential, punitive or exemplary damages on any theory of liability in connection in any way with the transactions described in or contemplated by this Commitment Letter.

You agree that, without our prior written consent, neither you nor any of your affiliates or subsidiaries will settle, compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding in respect of which indemnification has been or could be sought under the indemnification provisions hereof (whether or not any Indemnified Party is an actual or potential party to such claim, action or proceeding), unless such settlement, compromise or consent (a) includes an unconditional written release in form and substance satisfactory to the Indemnified Parties of each Indemnified Party from all liability arising out of

such claim, action or proceeding and (b) does not include any statement as to or an admission of fault, culpability or failure to act by or on behalf of any Indemnified Party.

In the event that an Indemnified Party is requested or required to appear as a witness in any action brought by or on behalf of or against you or any of your subsidiaries or affiliates in which such Indemnified Party is not named as a defendant, you agree to reimburse such Indemnified Party for all expenses incurred by it in connection with such Indemnified Party's appearing and preparing to appear as such a witness, including, without limitation, the fees and expenses of its legal counsel.

7. Expenses. You agree, in connection with the DIP Credit Facility, to reimburse each of us and each of our affiliates for our and their reasonable expenses upon our request made from time to time (including, without limitation, all reasonable due diligence investigation expenses, fees of consultants, syndication expenses (including printing, distribution and bank meetings), appraisal and valuation fees and expenses, travel expenses, duplication fees and expenses, audit fees, search fees, filing and recording fees, customary collateral auditing fees and the reasonable fees, disbursements and other charges of our counsel (and any local counsel) and any sales, use or other taxes (and any additions to such taxes) related to any of the foregoing) incurred in connection with the negotiation, preparation, execution and delivery, waiver or modification, or administration, collection or enforcement (and legal advice in connection with any of the foregoing) of this Commitment Letter, the Term Sheet, the Fee Letter and the DIP Loan Documents and the security arrangements in connection therewith, whether or not (a) such fees and expenses are incurred before or after the date hereof, (b) any loan documentation is entered into, (c) the Borrower seeks relief under the CCAA, the *Bankruptcy and Insolvency Act* (Canada) or any other similar statute or process, (d) the Borrower successfully consummates its proposed restructuring pursuant to the CCAA Proceedings, (e) any extensions of credit are made under the DIP Credit Facility or (e) this Commitment Letter is terminated or expires.

8. Confidentiality. This Commitment Letter, the Term Sheet, the Fee Letter, the existence and contents of any of the foregoing and our and/or our affiliates' activities pursuant hereto or thereto are confidential and shall not be disclosed by or on behalf of you or any of your affiliates to any person without our prior written consent, except that you may disclose on a confidential need-to-know basis this Commitment Letter, the Fee Letter and the Term Sheet (i) to your legal and financial advisors, but only in connection with the CCAA Proceedings, and (ii) if this Commitment Letter is accepted by you, to the extent required by applicable law or compulsory legal process (based on the advice of legal counsel); provided, however, that (i) in the event of any such compulsory legal process you agree to give us prompt notice thereof and to cooperate with us in securing a protective order in the event of compulsory disclosure and (ii) that any disclosure made pursuant to public filings shall be subject to our prior review. Further, the Lead Lenders and the Arranger, as the case may be, shall be permitted to disclose on a confidential basis this Commitment Letter, the Fee Letter, the Term Sheet and the DIP Loan Documents in connection with the syndication activities of the Lead Lenders and the Arranger to potential Lenders, purchasers of participations or swap counterparties. The Lead Lenders and the Arranger, as the case may be, shall also be permitted to use information relating to the syndication and arrangement of the DIP Credit Facility in connection with marketing,

press releases or other transactional announcements or updates provided to investor or trade publications, subject to confidentiality obligations or disclosure restrictions reasonably requested by you. If you do show or circulate this Commitment Letter, the Fee Letter or the Term Sheet, or disclose the contents hereof or thereof, in breach of the provisions of this paragraph, then you shall be deemed to have accepted this Commitment Letter and the Fee Letter. You agree that you will permit us to review and approve any reference to any of the Lead Lenders, the Arranger, the Administrative Agent, the Lenders or any of our affiliates in connection with the DIP Credit Facility or the proposed restructuring pursuant to the CCAA Proceedings contained in any news release or similar public disclosure prior to public release. You agree that the Lead Lenders and the Arranger may share information concerning you and your subsidiaries and affiliates with our affiliates in connection with the performance of their services hereunder and the evaluation and consummation of the Financing and of the proposed restructuring pursuant to the CCAA Proceedings contemplated hereby.

You should be aware that the Lead Lenders, the Arranger, the Administrative Agent, the Lenders and our respective affiliates may be providing financing or other services to parties whose interests may conflict with yours. However, be assured that, consistent with our longstanding policy to hold in confidence the affairs of our customers, we will not furnish confidential information obtained from you to any of our other customers. By the same token, we will not make available to you confidential information that we have obtained or may obtain from any other customer. You acknowledge and agree that this Commitment Letter, the Term Sheet and the activities of the Lead Lenders, the Arranger and their respective affiliates in connection with any of the foregoing does not create a fiduciary, advisory or agency relationship between you and us, and you understand and accept the terms, risks and conditions of the transactions contemplated by this Commitment Letter, the Term Sheet and the Fee Letter.

9. Termination. Our commitment hereunder is based upon the financial and other information regarding you and the other CCAA Applicants previously provided to us. In the event that by means of continuing review or otherwise we become aware of or discover new information or developments concerning conditions or events previously disclosed to us that is inconsistent in any material adverse respect with the Information provided to us prior to the date hereof, this Commitment Letter and our commitments and undertakings hereunder shall terminate upon written notice by us. In addition, our commitments and undertakings hereunder shall terminate in their entirety automatically without further notice or action by us (a) on the day after the Outside Date (as defined in the Term Sheet), if the Closing Date (as defined in the Term Sheet) has not occurred by such date, (b) on the date of execution and delivery of the DIP Loan Documents by the DIP Loan Parties and the Lenders, (c) on the date that the Borrower abandons its proposal to seek creditor protection under the CCAA, or (d) on the date the Borrower or any of the other CCAA Applicants shall have or shall have attempted to, or shall have announced or authorized the announcement of the entering into by the Borrower of any other debtor-in-possession facilities, other than the DIP Credit Facility. Our commitments and undertakings hereunder may also be terminated by us if you fail to perform your obligations under this Commitment Letter or the Fee Letter on a timely basis. Notwithstanding the foregoing, the

provisions of Sections 6, 7, 8 and 11 hereof shall survive any termination of this Commitment Letter or of our obligations hereunder.

10. Assignment; etc. This Commitment Letter and our respective commitments and undertakings hereunder shall not be assignable by any party hereto without the prior written consent of the other parties hereto, and any attempted assignment shall be void and of no effect; provided, however, that nothing contained in this Section 10 shall prohibit us (in our sole discretion) from (a) performing any of our duties hereunder through any of our affiliates, and you will owe any related duties to any such affiliate, and (b) granting participations or selling assignments in accordance with and subject to Section 2 above, of all or a portion of the commitments or the advances under the DIP Credit Facility pursuant to arrangements satisfactory to us. This Commitment Letter is solely for the benefit of the parties hereto and does not confer any benefits upon, or create any rights in favour of, any other person.

11. Governing Law; Waiver of Jury Trial; etc. This Commitment Letter and the Fee Letter shall be governed by and construed in accordance with the laws of the Province of Ontario, and together constitute the entire agreement between the parties relating to the subject matter hereof and thereof and supersede any previous agreement, written or oral, between the parties with respect to the subject matter hereof and thereof. Each of the parties hereto waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) related to or arising out of this Commitment Letter, each element of the CCAA Proceedings or the performance by us or any of our affiliates of the services contemplated hereby. In addition, with respect to any action or proceeding arising out of or relating to this Commitment Letter, the Fee Letter or the CCAA Proceedings or the performance of any of the parties hereunder, you hereby irrevocably (a) submit to the non-exclusive jurisdiction of any Ontario court; (b) agree that all claims with respect to such action or proceeding may be heard and determined in such Ontario court; (c) waive the defence of any inconvenient forum to such Ontario court; (d) agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in another jurisdiction by suit on the judgment or in any other manner provided by law; (e) to the extent that you or your properties or assets have or hereafter may have acquired or be entitled to immunity (sovereign or otherwise) from jurisdiction of any court or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution of a judgment or from execution of a judgment or otherwise), for yourself or your properties or assets, agree not to claim any such immunity and waive such immunity; and (f) consent to service of process by mailing or delivering a copy of such process to you at your address set forth on the first page of this letter and agree that such service shall be effective when sent or delivered.

12. Amendments; Counterparts; etc. No amendment or waiver of any provision hereof, of the Fee Letter or of the Term Sheet shall be effective unless in writing and signed by the parties hereto and then only in the specific instance and for the specific purpose for which given. This Commitment Letter may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same

agreement. Delivery of an executed counterpart of a signature page to this Commitment Letter by electronic transmission shall be effective as delivery of a manually executed counterpart.

13. Public Announcements; Notices. Without in any way limiting any of the other rights and privileges of the Lead Lenders, the Arranger and their respective affiliates under this Commitment Letter, we may, subject to your prior written consent (not to be unreasonably withheld, delayed or conditioned) at our expense, publicly announce as we may choose the capacities in which we or our respective affiliates have acted hereunder. Any notice given pursuant hereto shall be hand delivered in writing, if to (a) you, at your address set forth on page one hereof, with a copy to Osler, Hoskin & Harcourt LLP, 1 First Canadian Place, Suite 6100, 100 King Street West, Toronto, Ontario, M5X 1B8, Attention: Edward Sellers; (b) The Bank of Nova Scotia, Corporate Banking – Communications, Media and Technology Group, Scotia Plaza, 62nd Floor, 40 King Street West, Toronto, Ontario, M5W 2X6, Attention: Unit Head, with a copy to McMillan LLP, BCE Place, Suite 4400, Bay Wellington Tower, 181 Bay Street, Toronto, Ontario, M5J 2T3, Attention: Andrew J.F. Kent; (c) Royal Bank of Canada, 20 King Street West, 9th Floor, Toronto, Ontario, M5H 1C4, Attention: Special Loans; (d) Canadian Imperial Bank of Commerce, Commerce Court West, 6th Floor, 199 Bay Street, Toronto, Ontario, M5L 1A2, Attention: Special Loans, Risk Management; and (e) Bank of Montreal, 100 King Street W., 5th Floor, Toronto, Ontario, M5X 1H3, Attention: Enterprise Risk and Portfolio Management.

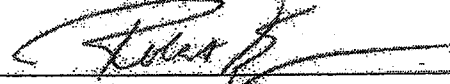
Please confirm that the foregoing correctly sets forth our agreement of the terms hereof and the Fee Letter by signing and returning to the Arranger the duplicate copy of this Commitment Letter and the Fee Letter enclosed herewith. Unless we receive your executed duplicate copies hereof and thereof by 5:00 p.m., Toronto Time, on January 8, 2010, our commitments and undertakings hereunder will automatically expire at such time without further action or notice.

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We are pleased to have this opportunity and we look forward to working with you on this transaction.

Yours truly,

THE BANK OF NOVA SCOTIA

By: 

Name: Rob King
Title: Managing Director

By: 

Name: Neville Hicks
Title: Associate

ROYAL BANK OF CANADA

By: _____

Name:
Title:

By: _____

Name:
Title:

We are pleased to have this opportunity and we look forward to working with you on this transaction.


Yours truly,

THE BANK OF NOVA SCOTIA

By: _____
Name:
Title:

By: _____
Name:
Title:


ROYAL BANK OF CANADA

By:  _____
Name: STEPHEN KAMPBELL
Title: VICE PRESIDENT

By: _____
Name:
Title:

**CANADIAN IMPERIAL BANK OF
COMMERCE**

By: 
Name: **MARK CONZELMAN**
Title: **SENIOR VICE-PRESIDENT**

By: 
Name: **DOUG BROWN**
Title: **GENERAL MANAGER**

BANK OF MONTREAL

By: _____
Name:
Title:

By: _____
Name:
Title:

**CANADIAN IMPERIAL BANK OF
COMMERCE**

By: _____
Name:
Title:

By: _____
Name:
Title:

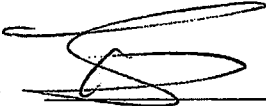
BANK OF MONTREAL

By:  _____
Name: **Zoltan J. Szoldatits**
Title: **Managing Director**

By: _____
Name:
Title:

Agreed to and accepted this ___ day of _____, 2010.

**CANWEST LIMITED PARTNERSHIP,
by its general partner Canwest (Canada)
Inc.**

By: 
Name: _____
Title:

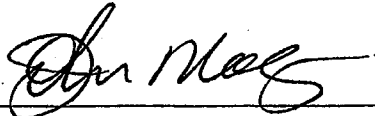
By: 
Name: _____
Title:

EXHIBIT A

**SUMMARY OF TERMS AND CONDITIONS
FOR A
SENIOR SECURED SUPER-PRIORITY DIP FACILITY**

This summary of terms and conditions ("Summary") is for convenience of reference only and shall not be considered to be exhaustive as to the final terms and conditions of the DIP Credit Facility, which shall be set out in the DIP Credit Agreement (as defined below). In the event of a conflict between the provision of this summary and the DIP Credit Agreement, the latter shall govern.

- Borrower:** Canwest Limited Partnership / Canwest Société en Commandite (the "*Borrower*")
- Guarantors:** The guarantors (collectively, "*Guarantors*") would be Canwest (Canada) Inc., together with all of the Borrower's direct and indirect subsidiaries, including, without limitation, the entities set forth on Schedule A hereto, but excluding National Post Inc. (collectively, the "*Guarantors*", and together with the Borrower, the "*DIP Loan Parties*" or "*Obligors*".)
- Administrative Agent:** The Bank of Nova Scotia ("*Scotiabank*"), or one of its affiliates ("*Administrative Agent*").
- Arranger:** Scotiabank, or one of its affiliates (the "*Arranger*").
- Lenders:** The lenders (collectively, the "*Lenders*") would be some of the financial institutions currently party to the credit agreement dated as of July 10, 2007, between the Borrower, as borrower thereunder, certain of the affiliates of the Borrower party thereto from time to time as guarantors, the financial institutions party thereto from time to time as lenders and Scotiabank, in its capacity as administrative agent, as amended or restated from time to time to the date hereof (the "*Existing Senior Secured Credit Agreement*"), invited by the Arranger to provide commitments in respect of the DIP Credit Facility, which commitments are set forth in Schedule A of the Commitment Letter between the Borrower, the Arranger and the Lenders to which this Summary is attached.

Each Lender shall be entitled to syndicate all or a portion of its commitment under the DIP Credit Facility both before and after the closing of the DIP Credit Facility to (i) regulated financial institutions who are lenders under the Existing Senior Secured Credit Agreement or

(ii) other persons with the prior written consent of the Borrower, the Administrative Agent and the letter of credit issuer (which consent shall not be unreasonably withheld or delayed) prior to the occurrence of a default; provided that after the occurrence and during the continuance of a default, each Lender shall be entitled to assign all or a portion of its commitment and loans to any person, provided that such Lender shall remain liable for any and all of its indemnity obligations to the Administrative Agent and the letter of credit issuer unless each of the Administrative Agent and the letter of credit issuer have approved such assignment. Any assignment of loans and commitments shall be in a minimum amount of CDN\$2.5 million (or, if a Lender's commitment has been reduced below CDN\$2.5 million or such Lender's commitment has been terminated and the loans owed to such Lender are less than CDN\$2.5 million, the amount of such reduced commitment or such loans).

CCAA Cases:

The Administrative Agent has been advised that the Borrower and each of the Guarantors (collectively, the "*CCAA Applicants*") intend to apply for relief from the Ontario Superior Court of Justice (Commercial List) (the "*CCAA Court*") via an initial order (the "*Initial Order*") in proceedings (the "*CCAA Cases*") under the *Companies' Creditors Arrangement Act* (Canada) (the "*CCAA*") on or before January 8, 2010.

Type of DIP Credit Facilities:

Senior secured super-priority debtor-in-possession revolving credit facility of up to CDN\$25 million, including a letter of credit sub-facility of up to CDN\$5 million (the "*DIP Credit Facility*"), available to the Borrower.

Maximum Amount of DIP Credit Facilities:

The maximum credit amount available under the DIP Credit Facility would be CDN\$25 million (the "*Maximum Amount*"); provided that at no time shall the aggregate amount outstanding under the DIP Credit Facility exceed the lesser of: (i) the Maximum Amount and (ii) the sum of (x) 50% of the fair market value of the Eligible Real Property of the Borrower and the Guarantors to a maximum of CDN\$15 million plus (y) 85% of the Eligible Accounts (defined below) of the Borrower and the Guarantors minus (z) any reserves established by the Administrative Agent as described below (collectively, the "*Facility Availability*").

The Borrower shall deliver a weekly borrowing base certificate to the Administrative Agent, which borrowing base certificate shall be in form and substance satisfactory to the Administrative Agent (but no approval of the Lenders shall be required provided that such borrowing base certificate is substantially in the form as previously approved by the Lenders and Facility Availability is greater than \$0); provided that, until the Borrower has requested an advance under the DIP Credit Facility, such borrowing base certificate will not have to include certifications

relating to Eligible Accounts; and upon any request for advance the Borrower shall provide an updated borrowing base certificate including certification as to Eligible Accounts before such advance shall be made available.

The Administrative Agent shall be entitled to establish reserves (to be determined in a manner acceptable to the Administrative Agent) against the Facility Availability, including without limitation reserves in respect of the Administration Charge, the Cash Management Obligations (as defined below) and any claims that may have priority over the DIP Charge (defined below) in respect of the Collateral securing the DIP Credit Facility.

Eligible Real Property:

“Eligible Real Property” means the real property owned by any Obligor (a) that is acceptable in the discretion of the Administrative Agent, (b) in respect of which an appraisal report has been delivered to the Administrative Agent in form, scope and substance reasonably satisfactory to the Administrative Agent (provided that the appraisal reports delivered to the Administrative Agent prior to the execution of the Commitment Letter are satisfactory for purposes of this clause (b)), (c) in respect of which the Administrative Agent, for the benefit of the Lenders, has a perfected first priority Lien (except for Permitted Encumbrances which do not have priority over the Lien in favour of the Lenders, other than as specified below), (d) which, unless otherwise agreed by the Administrative Agent, is adequately protected by fully-paid valid title insurance with endorsements and in amounts acceptable to the Administrative Agent, ensuring that the Administrative Agent, for the benefit of the Lenders, shall have a perfected first priority Lien on such real property (except for Permitted Encumbrances which do not have priority over the Lien in favour of the Lenders, other than as specified below), and (e) if required by the Administrative Agent, in respect of which the Borrower shall have used its reasonable best efforts to obtain estoppel certificates executed by all tenants of such Eligible Real Property and to deliver such other consents, agreements and confirmations of lessors and third parties as the Administrative Agent may deem necessary or desirable, together with evidence that all other actions that the Administrative Agent may deem necessary or desirable in order to create perfected first priority Liens on the property described in the mortgages granted to the Administrative Agent on behalf of the Lenders have been taken (except for Permitted Encumbrances which do not have priority over the Lien in favour of the Lenders, other than as specified below).

Eligible Accounts:

“Eligible Accounts” means trade accounts receivable owing to the Borrower or a Guarantor, as the case may be, by its Canadian and United States customers from the supply of goods and services in the ordinary

course of business, which are acceptable to the Administrative Agent and which meet the eligibility criteria agreed to by the Administrative Agent in effect from time to time. Unless otherwise agreed by the Administrative Agent, eligibility criteria for accounts receivable shall exclude, without limitation, accounts receivable that are (a) in dispute, (b) more than 90 days past invoice date, (c) subject to a cross-aging rule of 25%, (d) contra or foreign accounts (i.e. accounts receivable from obligors located outside of Canada or the United States), (e) intercompany/affiliates/employee accounts, (f) subject to a concentration rule of 25%, (g) [INTENTIONALLY DELETED], (h) owing from an account debtor that is insolvent or bankrupt, (i) owing by an account debtor which is a federal, provincial, state or municipal governmental body, corporation, commission or other authority, (j) related to pre-billed invoices, (k) subject to any other dilutive factor, (l) subject to a securitization conduit or factoring agreement, or (m) subject to any lien other than the first priority lien in favour of the Administrative Agent for the benefit of the Lenders under the DIP Credit Facility (except for Permitted Encumbrances).

Definitive Documents:

Any commitment by the Lenders in respect of the DIP Credit Facility would be subject to the negotiation, execution and delivery of a credit agreement containing the terms and conditions outlined herein, as well as standard representations and warranties, conditions precedent, affirmative and negative covenants, events of default, and other clauses usual and customary for a financing of this nature (the "*DIP Credit Agreement*") and such other documents as are customary for a financing of this nature, including without limitation, guarantees and security documents, including without limitation, an assignment of the NP Intercompany Loan Agreement and all security in connection therewith, acknowledged by National Post Inc. (together with the DIP Credit Agreement, the "*DIP Loan Documents*").

The DIP Loan Documents, the Initial Cash Flow Forecast (as defined below), and all orders of the CCAA Court (including, without limitation, the Initial Order and the Extension Order and any amendments thereto) and all motions by the Obligor relating thereto, shall be in form and substance satisfactory to the Administrative Agent and the Administrative Agent's counsel.

Availability:

Subject to the Facility Availability, and provided that no Default or Event of Default has occurred and is then continuing, on and after the date on which the Initial Availability Conditions (as defined below) shall have been satisfied, the Borrower may request advances under the DIP Credit Facility; provided that until the Further Availability Conditions shall have been satisfied, the Facility Availability shall be limited to not more than CDN\$10 million.

Termination Date: The maturity of the DIP Credit Facility (the "*Termination Date*") shall be the earliest of:

- (a) [INTENTIONALLY DELETED]
- (b) July 31, 2010;
- (c) the date which is 30 days after the entry of the Initial Order if the term of the stay of proceedings against the DIP Loan Parties shall not have been extended by further order of the CCAA Court by such date;
- (d) the effective date of any confirmed plan of reorganization or arrangement by the CCAA Court;
- (e) the date on which the Initial Order expires without being extended or on which the CCAA Cases shall be dismissed or converted to a proceeding under the *Bankruptcy and Insolvency Act*; and
- (f) the date of the acceleration of the loans and the termination of the commitment with respect to the DIP Credit Facility in accordance with the DIP Loan Documents.

All outstanding amounts under the DIP Credit Facility, together with all interest accrued in respect thereof and all other amounts owing under the DIP Loan Documents, shall be payable in full on the Termination Date. The Borrower will immediately provide cash collateral to each applicable LC Issuer equal to 105% of the face amount of any Letters of Credit issued and outstanding under the DIP Credit Facility as of the Termination Date.

Closing Date: The date on which the Initial Availability Conditions shall have been satisfied (the "*Closing Date*"). The commitment (if any) of the Lenders to provide the DIP Credit Facility shall expire and terminate if the Closing Date has not occurred on or before January 31, 2010, or such later date as the Lenders may approve (the "*Outside Date*").

Permitted Uses of Proceeds: The DIP Credit Facility may only be used for the following purposes, after any cash balances available to the Borrower in excess of \$10,000,000 are fully depleted:

- (a) for working capital, capital expenditures, and other ordinary course expenditures of the DIP Loan Parties in accordance with the Revised Cash Flow Forecast (as defined below);

- (b) to pay the Permitted Fees and Expenses;
- (c) to allow the Borrower's subsidiary, Canwest Publishing Inc. / Publications Canwest Inc. ("CPP") to advance secured intercompany loans to the Borrower's indirect subsidiary, National Post Inc., under the letter loan agreement dated October 30, 2009 (the "*NP Intercompany Loan Agreement*"), between CPI and National Post Inc., provided that the security for such intercompany loans is assigned to the Administrative Agent on behalf of the Lenders to secure the Borrower's obligations under the DIP Credit Facility, and acknowledged by National Post Inc.; and
- (d) to pay interest when due in respect of the Secured Obligations (as defined in the Existing Senior Secured Credit Agreement), including without limitation interest owing in respect of the Swap Unwind Amounts (as defined below) and in respect of interest due but unpaid in respect of the Secured Obligations prior to the commencement of the CCAA Cases.

For greater certainty, without the prior consent of the Administrative Agent, the proceeds of the DIP Credit Facility shall not be used to pay any interest, principal, fees, costs or expenses in respect of any Senior Subordinated Notes (as defined in the Existing Senior Secured Credit Agreement) or to pay for the costs or expenses of any committee formed by any holders of Senior Subordinated Notes.

"*Permitted Fees and Expenses*" means, collectively, (a) the DIP Expenses (as hereinafter defined), (b) all recoverable fees, expenses and costs incurred by the Administrative Agent in connection with the Existing Senior Secured Credit Agreement; (c) the fees owing to the Administrative Agent, the Arranger and the Lenders in connection with the DIP Credit Facility; (d) the fees and expenses of the DIP Loan Parties associated with the DIP Credit Facility; (e) costs and expenses of the CCAA Applicants in connection with the CCAA Cases and (f) the fees, including any executive search firm fees and public relations firm fees, and recoverable costs payable by the CCAA Applicants to the Administrative Agent, and the senior secured lenders (including members of the steering committee of senior secured lenders established by the administrative agent under the Existing Senior Secured Credit Agreement) and the *pari passu* secured swap counterparties participating in the credit bid.

**Swap Unwind
Amounts:**

In respect of the Swap Transactions (as defined in the Existing Senior Secured Credit Agreement) which have been terminated, the amounts owing by the Borrower on account of such terminations are set forth in

Schedule B hereto (or such other amounts to be confirmed to the Administrative Agent by the counterparties referenced therein and the Borrower as an accurate representation of the amounts owing thereunder) (collectively, the “*Swap Unwind Amounts*”). For greater certainty, the Secured Obligations, as defined in the Existing Senior Secured Credit Agreement, includes all obligations of the Obligors owing to lenders or their affiliates under the Existing Senior Secured Credit Agreement in connection with the Swap Transactions.

Interest Rates:

For CDN\$ Drawings on DIP Credit Facility: Scotiabank’s CAD\$ prime rate plus 7.0% per annum (subject to a Scotiabank CDN\$ prime rate floor of 2.25%).

CDN\$ Bankers’ Acceptance stamping fee calculated at 8.0% per annum (subject to a Bankers’ Acceptance rate floor of 1.25%). To the extent available, the Borrower shall be permitted to select either one month or two month interest periods for Bankers’ Acceptances.

For US\$ Drawings on DIP Credit Facility: Scotiabank’s US\$ base rate plus 7.0% per annum (subject to a Scotiabank US\$ base rate floor of 3.75%).

L/C Fee: 8.0% per annum.

Rates upon an Event of Default: Interest rates, BA stamping fees and the L/C Fee shall be automatically increased by 200 basis points upon the occurrence and during the continuance of an Event of Default (as defined below).

Other Fees:

Upfront Fee: The Borrower shall pay an upfront fee of 300 basis points of the Maximum Amount (the “*Upfront Fee*”).

The Borrower shall pay a portion of the Upfront Fee in an amount equal to CDN\$250,000, which amount shall be non-refundable, fully earned and payable no later than 5:00 pm on the business day immediately following the issuance of the Commitment Letter by the Lenders, and the remaining balance of the Upfront Fee shall be due and payable, and fully earned, on the Closing Date.

Break Fee: If the Borrower determines, for any reason, not to proceed with closing of the DIP Credit Facility as contemplated herein and proceeds with an alternate credit facility in lieu thereof, the Borrower shall pay a break fee of CDN\$500,000 on the date that the Borrower enters into or announces its intention to enter into a debtor-in-possession facility other than the

DIP Credit Facility.

Unused Commitment Fee (non-refundable): The Borrower shall pay an unused commitment fee of 150 basis points per annum times the difference between (a) the Maximum Amount and (b) the sum of (i) the aggregate amounts outstanding under the DIP Credit Facility, plus (ii) the aggregate face amount of the Letters of Credit outstanding under the DIP Credit Facility, payable monthly in arrears on the last business day of each month with the first such period commencing on the business day immediately following the date of issuance of the Commitment Letter by the Lenders.

Amendment Fee: With respect to amendments to the DIP Loan Documents, an amendment fee to be agreed by the Administrative Agent in respect of each occurrence, which in any event shall be a maximum of 50 basis points of the Maximum Amount or such lesser amount as agreed by all of the Lenders. For greater certainty, the provision of certain consents authorized by the Administrative Agent shall not be subject to an amendment fee.

Allocation of Fees: Each of the Upfront Fee, any Break Fee, the Unused Commitment Fee and the Amendment Fee shall be paid to the Administrative Agent for allocation amongst the Lenders on a pro rata basis.

DIP Expenses: The Borrower shall pay all of the Arranger's and the Administrative Agent's due diligence, syndication, and other out-of-pocket expenses (including the fees and expenses of their respective counsel and the Arranger's advisors), whether or not any of the transactions contemplated hereby are consummated and whether incurred prior to or after the date of the Initial Order, as well as all expenses of the Administrative Agent and the Lenders in connection with the ongoing monitoring and administration of the DIP Credit Facility and the enforcement of any of the DIP Loan Documents (collectively, the "*DIP Expenses*").

Security and Priority: The obligations of the DIP Loan Parties under the DIP Loan Documents are to be subject to a fully perfected first-ranking (except as otherwise contemplated herein) super-priority hypothec in and first-ranking court-ordered super-priority charge (or applicable equivalents thereto outside of the Province of Quebec, such hypothec and charge, collectively, the "*DIP Charge*") on all of the existing and after acquired real and personal, tangible and intangible, assets of the Borrower and of the Guarantors (the "*Collateral*"), evidenced by applicable PPSA or RPMRR registrations, pursuant to the Initial Order and the definitive DIP Loan Documents.

The obligations of the Obligors to Scotiabank in connection with the cash management services (including permitted hedging services) provided to

such Obligors (the "*Cash Management Obligations*") shall be secured on a *pari passu* basis with the DIP Credit Facility obligations in an amount not to exceed CDN\$7.5 million.

**Permitted
Encumbrances and
Priority:**

All Collateral will be free and clear of other liens, encumbrances and claims, except for the following (collectively, the "*Permitted Encumbrances*"):

- (a) charges created under the Initial Order and to be set forth in the DIP Loan Documents, including, without limitation, the administration charge for the DIP Loan Parties' and the Monitor's customary CCAA professional expenses in an amount not to exceed CDN\$3.0 million or such other amount agreed to by all of the Lenders and the Borrower (the "*Administration Charge*"), the charge for an indemnity of the DIP Loan Parties' directors and officers backstopping their D&O insurance coverage in respect of post-filing obligations as specified in the Commercial List CCAA Model Initial Order dated November 18, 2008 in an amount of CDN\$35 million (the "*D&O Charge*"); each of which shall be acceptable to the Administrative Agent, provided that the D&O Charge shall be subordinate to the Administration Charge and the DIP Charge and senior to all other obligations;
- (b) certain existing validly perfected liens granted by the Borrower and the Guarantors prior to the date of acceptance of the Commitment Letter specifically and only in respect of those purchase-money equipment loans, financing leases and real property mortgages, which are listed in the DIP Loan Documents and which shall collectively, not exceed an amount to be specified in the DIP Loan Documents (which specified amount shall be satisfactory to the Administrative Agent);
- (c) those liens and encumbrances in existence on the date of the Initial Order, the details of which shall be set forth in the DIP Loan Documents, subject to the approval of the Administrative Agent;
- (d) standard encumbrances that do not secure any indebtedness which are acceptable to the Administrative Agent;
- (e) liens securing amounts owing under the existing management incentive plan for the Borrower previously disclosed to the Administrative Agent (the "*MIP*") in an aggregate amount not to exceed CDN\$3,000,000; and

- (f) liens securing the fees and disbursements, including any success fee (if any), payable to RBC Dominion Securities Inc. (the "*Financial Advisor*"), pursuant to the engagement letter dated October 1, 2009 between CPI, the Borrower and the Financial Advisor, in such amount agreed to by the Borrower and the Administrative Agent and the Lenders.

The Permitted Encumbrances (other than the Administration Charge) shall be subordinate to the DIP Charge except for Permitted Encumbrances in clause (b) above and as otherwise agreed to in writing by the Administrative Agent.

Without limiting its right to establish reserves, the Administrative Agent shall have the right to establish reserves against availability under the DIP Credit Facility for all amounts owing by the Borrower to any other party if the Administrative Agent is not satisfied that the DIP Charge has been given effective priority pursuant to the Initial Order over all rights and claims of such party against the Collateral, including, without limitation, as a result of notice of the Initial Order not yet having been served on such other parties.

**Mandatory
Prepayments and
Commitment
Reduction:**

The DIP Credit Facility shall be prepaid with the net cash proceeds of asset sales of the Obligors. There shall be other mandatory prepayment and commitment reduction terms stipulated in the DIP Loan Documents, as are customary for transactions of this type and which are satisfactory to the Administrative Agent.

**Voluntary
Commitment
Reduction:**

There may be voluntary commitment reductions, subject to standard notice periods, breakage costs and other terms and conditions customary for transactions of this type and satisfactory to the Administrative Agent, to be stipulated in the DIP Loan Documents.

**Representations
and Warranties:**

The DIP Loan Documents would contain representations and warranties (applicable to the Borrower, and its subsidiaries), including those customarily found in the Administrative Agent's loan documentation for similar secured debtor-in-possession financings and others appropriate in the judgment of the Administrative Agent.

Covenants:

The DIP Loan Documents would contain affirmative, negative and financial covenants (applicable to the DIP Loan Parties), including those customarily found in the Administrative Agent's loan documentation for similar secured debtor-in-possession financings and others appropriate in the judgment of the Lenders, and would include, without limitation, the following covenants:

- (a) [INTENTIONALLY DELETED]
- (b) [INTENTIONALLY DELETED]
- (c) [INTENTIONALLY DELETED]
- (d) [INTENTIONALLY DELETED]
- (e) the Borrower shall not make or permit to be made any payment on account of pre-filing obligations (including any payments permitted under the Initial Order) without the prior consent of the Monitor; provided that, in no event shall payments on account of pre-filing obligations exceed, in aggregate, CDN\$12 million (or the US Dollar equivalent thereof), exclusive of payments for employee-related items and sales taxes permitted under the Initial Order. The Borrower and the Monitor shall use best efforts to deliver a written report to the Administrative Agent and Lenders not less than 24 hours prior to making any such payment in excess of CDN\$100,000 or the US Dollar equivalent thereof, providing details as to the amount, recipient and nature of any such proposed pre-filing payment together with a statement as to the cumulative balance of all pre-filing payments including such proposed payment and, for greater certainty, including payments which are individually less than CDN\$100,000; provided that if such report is not delivered to the Administrative Agent and Lenders at least 24 hours prior to making any such payment, the Borrower and the Monitor shall deliver such report to the Administrative Agent and Lenders as soon as possible and not later than close of business on the date such payment is made;
- (f) if at any time aggregate borrowings then outstanding under the DIP Credit Facility exceed CDN\$12.5 million, effective at such time and at all times thereafter, the Borrower shall ensure that, as of any date, the aggregate net cash flow (with "net cash flow" to be defined in the definitive DIP Loan Documents) of the Borrower, on a consolidated basis, and calculated on a cumulative basis for the period since the commencement of the Revised Cash Flow Forecast (as defined below), shall not be less than the forecast net cash flow for the Borrower, on a consolidated basis, for such period as set forth in the Revised Cash Flow Forecast by more than CDN\$5 million, tested every Thursday for the previous

week ended Sunday;

- (g) at the time of the first request for advance, and as a condition of the first advance under the DIP Credit Facility, the Borrower shall deliver to the Administrative Agent on behalf of the Lenders the revised cash flow forecast of receipts and disbursements from the date of a proposed initial advance under the DIP Credit Facility to the end of the period contemplated in the Initial Cash Flow Forecast (the "*Revised Cash Flow Forecast*"), including variance reports. As a further condition precedent to any advances at any time when aggregate borrowings outstanding under the DIP Credit Facility (after giving effect to such advances) are to exceed CDN\$12.5 million, effective at such time and at all times thereafter, such Revised Cash Flow Forecast shall be approved by and in form and substance satisfactory to the Administrative Agent. The Revised Cash Flow Forecast shall be provided together with a detailed calculation of working capital balances that exist as at the date of such forecast (to be defined in the definitive DIP Loan Documents) and a compliance certificate signed by an officer of the Borrower stating that (i) such Revised Cash Flow Forecast and variance reports do not disclose any defaults with respect to financial covenants of the Borrower herein (if applicable) during the periods covered thereby, (ii) stating that the Revised Cash Flow Forecast discloses that the Borrower will have sufficient funds to meet its obligations as they become due during such period, and (iii) providing the detailed calculation of working capital and a detailed explanation as to why the Borrower's operating and/or cash flow circumstances have deteriorated from the expectations at the time of the Initial Cash Flow Forecast so as to require the advances requested;
- (h) the Borrower shall not, and shall ensure that its direct and indirect subsidiaries do not, undertake any actions with respect to their business operations and/or capital structure which would, in the determination of the Administrative Agent, have a material adverse effect on the Borrower or such direct or indirect subsidiaries;
- (i) the Borrower shall not, and shall not permit the other DIP Loan Parties to incur any indebtedness, including the giving of any guarantees, other than indebtedness specifically contemplated hereby or permitted by the Administrative Agent;

- (j) the Borrower shall not, and shall not permit the other DIP Loan Parties to incur, create, assume or suffer to exist any lien on any Collateral now owned or hereafter acquired other than:
 - (i) Permitted Encumbrances or (ii) the DIP Charge;
- (k) the Borrower shall not, and shall not permit the other DIP Loan Parties to enter into any merger, amalgamation, consolidation, reorganization or recapitalization, sale or any transaction resulting in the change of ownership or control of the Borrower or any of the other DIP Loan Parties, without the prior written consent of the Administrative Agent;
- (l) without the prior written consent of the Administrative Agent, the Borrower shall not, and shall not permit the other DIP Loan Parties (i) to declare or pay any dividends on, or make any other distributions (whether by reduction of capital or otherwise) with respect to any of their issued and outstanding shares or other equity interest except to other Obligors, (ii) to make any intercompany loans except to other Obligors as contemplated by the Initial Cash Flow Forecast or to National Post Inc. pursuant to the terms and conditions of the NP Intercompany Loan Agreement, or (iii) to make any other payment or other transfer of funds including fees for services to Canwest Media Inc. or affiliates of Canwest Media Inc., except in accordance with the existing arrangements for Shared Services described in clause (s) below;
- (m) during the term of the DIP Credit Facility, the Borrower shall not, and shall not permit the other DIP Loan Parties to sell any of its assets out of the ordinary course of business or which have an aggregate net book value in excess of CDN\$5 million without the prior written consent of the Administrative Agent;
- (n) the Borrower shall ensure that amounts owing on account of shared services under the Agreement on Shared Services and Employees dated October 26, 2009 (as amended, restated or supplemented from time to time) to or from the Borrower or the other DIP Loan Parties are paid when due and shall ensure that all of the terms and conditions of the NP Intercompany Loan Agreement are complied with;
- (o) the Borrower shall ensure that its Chief Restructuring Advisor, the Financial Advisor, its other advisors and its senior management team are available to meet with and respond to enquiries and information requests from the Administrative Agent, the Lenders and their advisors as may

be reasonably required, and in any event no less frequently than once per month, and to provide them with updates as to progress of the Sales and Investor Solicitation Process as set forth in the Initial Order;

- (p) the Borrower shall not make any material change to its existing senior management arrangements (including the MIP) without the prior written consent of the Administrative Agent;
- (q) the Borrower shall promptly pay all DIP Expenses, including all legal and financial advisory fees and expenses, of the Administrative Agent and the Lenders as such DIP Expenses are incurred and invoiced to the Borrower;
- (r) the Borrower shall not enter and shall not permit the other DIP Loan Parties to enter into any other credit facilities (whether before or after the commencement of the CCAA Cases) secured in priority or pari passu to the DIP Credit Facility;
- (s) the Borrower (i) shall not repudiate any of the existing arrangements (as amended by the Transition and Reorganization Agreement) between the DIP Loan Parties and Canwest Media Inc. or affiliates of Canwest Media Inc. (other than the other DIP Loan Parties) in respect of shared services, shared costs and shared professional services (the "*Shared Services*"), (ii) shall ensure that the arrangements in respect of Shared Services are on a cost recovery basis with payment terms acceptable to the Administrative Agent and (iii) shall not agree to any alteration or replacement of the agreements relating to such Shared Services without the prior written consent of the Administrative Agent, which alterations or replacements shall be on terms and conditions acceptable to the Administrative Agent;
- (t) in addition to the Revised Cash Flow Forecast, variance reports and other reports described above, the Borrower shall provide to the Administrative Agent for and on behalf of the Lenders (x) on the Thursday of each week, (i) a rolling 13-week cash flow forecast of receipts and disbursements, and (ii) a comparison of actual to forecast for the prior 4-week period (together with an explanation of any material variances in respect of same), and (y) periodic financial reports, (i) for each month, no later than 20 days after the end of such month, (ii) for each of the first three fiscal quarters, no later than 45 days after the end of such fiscal quarter and (iii) for the fiscal

year ending August 31, 2010, no later than 90 days after the end of such fiscal year;

- (u) the Borrower shall pay all recoverable fees, expenses and costs incurred by the Administrative Agent, both prior to and after the date of the Initial Order, in connection with the Existing Senior Secured Credit Agreement promptly upon demand;
- (v) the Borrower shall pay the fees owing to the Administrative Agent, the Arranger and the Lenders in connection with the DIP Credit Facility promptly when such fees are due;
- (w) the Borrower shall promptly pay interest when due in respect of the Secured Obligations (as defined in the Existing Senior Secured Credit Agreement), including without limitation interest owing in respect of the Swap Unwind Amounts, and for greater certainty, the Borrower shall, on the Closing Date, pay all such interest due in respect of the Secured Obligations but unpaid prior to the commencement of the CCAA Cases;
- (x) the Borrower shall provide copies of all reports and other materials relating to the CCAA Cases to the administrative agent under the Existing Senior Secured Credit Agreement;
- (y) the Borrower shall not, and shall not permit CPI to: (i) amend any provision of or give any waivers or consents under the NP Intercompany Loan Agreement without the prior written consent of the Administrative Agent, (ii) make any advances or payments to National Post Inc. except in accordance with the terms and conditions of the NP Intercompany Loan Agreement, and (iii) consent to the release of the availability block in the amount of CDN\$2.5 million under the NP Intercompany Loan Agreement without the prior written consent of the Administrative Agent;
- (z) the Borrower shall, and shall ensure that the other DIP Loan Parties and National Post Inc. maintain all of their cash management services and bank accounts with Scotiabank; and
- (aa) the Borrower shall, and shall ensure that CPI delivers all notices, reports and updated cash flow forecasts delivered by National Post Inc. to CPI under the NP Intercompany Loan Agreement.

Events of Default

The DIP Loan Documents would contain events of default, including those customarily found in the Administrative Agent's loan

and Remedies: documentation for similar debtor-in-possession secured financings and others (including, without limitation, certain bankruptcy related events of default to be determined) appropriate in the judgment of the Lenders.

Without limiting the generality of the foregoing, “*Event of Default*” under the DIP Credit Agreement would include the following:

- (a) the issuance of an Initial Order (and any other required orders in the CCAA Cases), unless such Initial Order is satisfactory in form and substance to the Administrative Agent, and such Initial Order approves and authorizes the DIP Loan Parties to file for protection under the CCAA, approves the DIP Credit Facility as a debtor-in-possession financing, grants the DIP Charge with the priority contemplated herein, authorizes the payment by the DIP Loan Parties of all principal, interest and fees provided for under the DIP Credit Facility, approves the Sales and Investor Solicitation Process and grants all relief customarily associated with such a filing including the provision of stays against the Borrower’s and the other DIP Loan Parties’ creditors;
- (b) if the Initial Order expires without being extended or if any of the CCAA Cases shall be dismissed or converted to a proceeding under the *Bankruptcy and Insolvency Act* (Canada) or if a receiver or receiver-manager is appointed for any of the DIP Loan Parties;
- (c) the entry of any order staying, amending, reversing, vacating or otherwise modifying, in each case without the prior consent of the Administrative Agent, the DIP Credit Facility, the Initial Order or the Extension Order;
- (d) the Borrower or any of its direct and indirect wholly-owned subsidiaries undertake any actions with respect to their business operations and/or capital structure which would, in the determination of the Administrative Agent, have a material adverse effect on the Borrower or such direct or indirect subsidiaries;
- (e) if there is a termination of, or failure to perform by any party under, any material contract, regardless of whether such failure to perform constitutes a default or event of default under such material contract (except for a failure to perform under Section 5.3(2)(b) or 5.3(2)(c) of the Support Agreement made as of the date hereof between the DIP Loan Parties and the agent on behalf of the lenders under the Existing Senior

Secured Credit Agreement);

- (f) if there is a change to the Borrower's existing senior management arrangements that is not acceptable to the Administrative Agent;
- (g) if there occurs a change of ownership or control of the Borrower or any of the Guarantors;
- (h) if any of the DIP Loan Parties makes any payments of any kind not permitted by the Initial Order (as it may be amended from time to time) or not permitted under the DIP Loan Documents;
- (i) if the initial order and stay under the CCAA proceedings with respect to Canwest Media Inc. ("CMI") expires without being extended or if CMI's CCAA proceeding shall be dismissed or converted to a proceeding under the *Bankruptcy and Insolvency Act* (Canada) or if a receiver or receiver-manager is appointed for CMI;
- (j) if there is any change to the governance of the Borrower that is not acceptable to the Administrative Agent;
- (k) if any of the agreements relating to Shared Services are terminated, altered or replaced (other than the expiry thereof in accordance with their terms) without the prior consent of the Administrative Agent or there occurs a material default by CMI under any of the agreements relating to Shared Services; or
- (l) if any advances or payments are made to National Post Inc. under the NP Intercompany Loan Agreement upon or after an "Event of Default" occurring thereunder, except for advances expressly permitted under Section 22 of the NP Intercompany Loan Agreement.

Upon the occurrence of an Event of Default, whether or not there is availability under the DIP Credit Facility, without any notice or demand:

- (a) the right of the Borrower to receive any advance or other accommodation of credit shall be terminated; any advances made (including letter of credit issuances) thereafter would be in the discretion of the Administrative Agent; and
- (b) all indebtedness of the Borrower to Lenders shall become immediately due and payable.

The Administrative Agent and Lenders shall also have the right to exercise all other customary remedies, including, without limitation, the right to realize on all Collateral, in each case, upon providing two (2) days prior notice to the Borrower and the Monitor, without the necessity of obtaining further relief or order from the CCAA Court.

Conditions to Availability

The conditions for making a portion of the DIP Credit Facility available to the Borrower on the date on which the DIP Loan Parties file for protection under the CCAA (the "*Initial Availability Conditions*") are those customarily found in loan documentation for similar debtor-in-possession secured financings and other conditions appropriate in the judgment of the Administrative Agent, including, without limitation:

- (a) execution of the DIP Loan Documents;
- (b) issuance of the Initial Order (and any other required orders in the CCAA Cases), satisfactory in form and substance to the Administrative Agent, approving and authorizing the DIP Loan Parties to file for protection under the CCAA, approving the DIP Credit Facility, granting of the DIP Charge with the priority contemplated herein, authorizing the payment by the DIP Loan Parties of all of the fees provided for in respect of the DIP Credit Facility, approving the Sales and Investor Solicitation Process and granting all relief customarily associated with such a filing including the provision of stays against the Borrower's creditors, and such orders being in full force and effect, unamended and unstayed;
- (c) perfected security interests in the Collateral with the priorities described above (free and clear of all liens other than those described above, and subject to customary and limited exceptions to be agreed upon) pursuant to the Initial Order, together with the execution and delivery of guarantees and security documentation and perfection filings from the DIP Loan Parties by the Closing Date;
- (d) completion of Collateral review with respect to accounts receivable, including with respect to accuracy of aging, provision for doubtful accounts and collection in accordance with established terms on a sample basis, in scope and terms and with results in form and substance satisfactory to the Administrative Agent;
- (e) receipt by the Administrative Agent, for and on behalf of the Lenders, of an initial weekly cash flow forecast of receipts

and disbursements for the DIP Loan Parties (the “*Initial Cash Flow Forecast*”) for the year ending August 31, 2010, updated to the Closing Date, in form and substance reasonably satisfactory to the Administrative Agent;

- (f) such opinions of counsel to the DIP Loan Parties as the Administrative Agent may require;
- (g) the Borrower shall have continued to maintain the services of a chief restructuring advisor (the “*Chief Restructuring Advisor*”), engaged exclusively in respect of the Borrower, acceptable to the Administrative Agent (provided that maintaining the services of Gary F. Colter as Chief Restructuring Advisor, and the services of CRS INC. in connection therewith, pursuant to the terms of the engagement letter dated November 1, 2009 between, the Borrower and CRS INC., inter alia, shall be acceptable to the Administrative Agent for the purposes of this clause (g));
- (h) the Borrower shall have paid all Permitted Fees and Expenses then owing;
- (i) the Borrower shall have paid all fees then owing to the Arranger, the Administrative Agent and the Lenders as set forth herein and in the Fee Letter;
- (j) absence of Defaults or Events of Default as certified by the Borrower’s chief financial officer; and
- (k) the Borrower shall have implemented governance arrangements acceptable to the Administrative Agent, pursuant to the terms of the Initial Order.

Further availability under the DIP Credit Facility shall be subject to the satisfaction of the following conditions (the “*Further Availability Conditions*”):

- (a) notice of the Initial Order shall have been served on each party that has registered a lien against any of the DIP Loan Parties and 15 days shall have passed since the date on which the latest of such notices was served, all appeal periods with respect to the Initial Order shall have expired with no notice of appeal, or motion to vary, amend, stay, reverse or otherwise affect the Initial Order having been filed or pending;
- (b) issuance of an order by the CCAA Court (the “*Extension Order*”) not later than 30 days after the entry of the Initial

Order, extending the term of the stay of proceedings against the DIP Loan Parties beyond the term initially set out in the Initial Order, which Extension Order shall be in form and substance satisfactory to the Administrative Agent and shall not have been vacated, reversed, modified, amended or stayed; and

- (c) absence of Defaults or Events of Default as certified by the Borrower's chief financial officer.

Governing Law: Province of Ontario, with any security documents relating to Collateral located in Quebec or a foreign jurisdiction being governed by the laws of the Province of Quebec or such foreign jurisdiction.

Miscellaneous: Customary protective provisions for such matters as increased costs, funding losses, capital adequacy, illegality and taxes and customary borrower indemnity, voting, assignment and participation, waiver of jury trial, consent to exclusive jurisdiction, waiver and amendment, and other customary miscellaneous provisions.

Lender Approval: Any reference to the approval, consent, exercise of discretion or the taking of any action of the Administrative Agent herein (except where expressly stated otherwise) is subject to the prior approval of (i) the Lenders whose commitments represent, in the aggregate, at least 66 2/3% of the total commitments under the DIP Credit Facility at such time or, if no commitments are in effect at such time, at least 66 2/3% of the sum of (a) the aggregate principal amount of the advances under the DIP Credit Facility outstanding at such time and (b) the aggregate L/C obligations with respect to all letters of credit outstanding under the DIP Credit Facility at such time and (ii) no fewer than three Lenders; provided that in respect of the Events of Default described in (a), (b) and (c) under such section, the waiver of such Events of Default would require the unanimous consent of the Lenders.

**Counsel to
Administrative
Agent:**

McMillan LLP

Schedule A – Guarantors

Canwest (Canada) Inc.

Canwest Publishing Inc. / Publications Canwest Inc.

Canwest Books Inc.

Schedule B – Swap Transaction Unwind Payments

Counterparty	Swap Unwind Amount
The Bank of Nova Scotia	CDN\$20,855,500.00
The Toronto-Dominion Bank	CDN\$11,287,973.87
Canadian Imperial Bank of Commerce	CDN\$10,430,000.00
Citibank, N.A.	CDN\$16,088,518.00
Goldman Sachs Bank USA	US\$2,695,757.00
Bank of Montreal	CDN\$7,270,829.93

EXHIBIT A

Summary of Indicative Terms and Conditions for the Financing

Attached